Recommendations of the
San Leandro Community Advisory Budget Task Force
Community Engagement Ad Hoc Sub-Committee,
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I.   <u>Goal</u>

To increase dialogue, inclusion, and informed participation by the public in San Leandro's budget decision-making.

I.   <u>Framework</u>

Methods and means to improve overall community participation in the budget process are considered along a continuum or spectrum with increasing degrees of community involvement and empowerment in decisions.
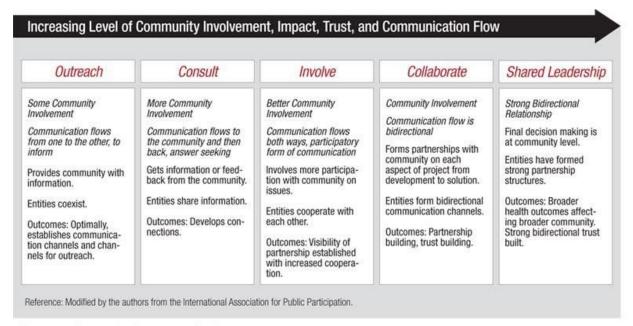

Figure 1.1. Community Engagement Continuum

        A.   <u>Status</u>

The City of San Leandro currently involves the community on the lower-level engagement side of the spectrum, primarily through:
- Outreach - website, standard townhall formats
- Consult - surveys, polls, public comment at City Council/School Board meetings
- Involve - commissions

Community interest in increased community involvement through collaboration and shared leadership was voiced in the San Leandro Community Advisory Budget Task Force's Town Hall community engagement break out session through consistent articulation of the following.

NEGATIVES
● Frustration over "not being heard"
● Community disconnect with the budget - inability to see connection between feedback, budget, and city operations/services
● Frustration with the city conflating community opinion surveys with polls that tightly constrain scope of feedback around a pre-planned policy proposal and provide limited opportunity for community engagement (For example, frustration was voiced with a lack of transparency with the recent City's Measure VV survey. For clarity, the frustration seemed to be with the tool, not the measure itself. Community members were frustrated that while the tool was described as seeking their input on community prioritizations, it instead merely sought to understand which rhetorical strategy would be most convincing in passing a tax the city had already designed; specifically, community members voiced frustration that the tool used unclear definitions of key terms such as "public safety", comparison of unrelated/non-proportionate choices such as improving roads and programs for youth, and limited frames that would not be appropriate if their full feedback on prioritizing community needs was wanted, as opposed to a poll for a proposed measure.)

POSITIVES
● Demand for increased accessibility, transparency, and equity in the budgeting process, and City information generally - a demand to bring information and seek feedback "where people are"
● Excitement over the dialogue format of the Town Hall
● Support for institutionalization of a San Leandro Community Advisory Budget Task Force
● Desire for education on and access to the budget

Overall, residents in the breakout session expressed distrust of the City's commitment to community engagement, and articulated that distrust contributes to low levels of community engagement . There was postulation that more accessible, equitable and meaningful community engagement would reap further engagement.

B.   Ideation

The spectrum provides a useful means for evaluating the Task Force's draft list of possible recommendations in terms of promotion of community engagement. Here are examples of how recommendations fell along this spectrum:

● Outreach – Public Information/Better outreach/Better ways to reach all of the community; City-wide reporting mechanism on accomplishments
● Consult – Surveys about budget priorities; Focus groups with specific objectives; Increase data about residents' customer satisfaction on whether desired impacts are being achieved with City $$
● Involve – Partner with 'civic leaders' in small gatherings so their values are reflected in the budget; Re-imagine how we spend $$ on police/public safety; Set goals and measures to judge/assess success

- Collaborate – Train residents to tackle certain projects/issues
- Shared Leadership/Decision-making – Participatory budgeting

The creation of the Budget Task Force itself might be considered somewhere between Involve and Collaborate, with the Council's mandate to specifically address how to Re-allocate the $1.7M deducted from the Police Department budget perhaps approaching Shared Decision-making (absent the delegation of authority to implement the recommendations).

III.   Approach

Identify strategies and programs to deepen the City's engagement with the community in the budget process across the spectrum, including development of the City's capacity to involve the community in more collaborative and shared decision making.

IV.   Recommendations

1. Launch a Participatory Budgeting Pilot in 2021: The City should immediately adopt a pilot program designed to explore the development of Participatory Budgeting processes for discrete aspects of the budget, where decision-making with the community is truly shared and the community is given the opportunity, tools and authority to share responsibility for budgetary decisions and project design.

Definition: Participatory Budgeting (PB) is a democratic process in which community members directly decide how to spend part of a public budget. The process began in Porto Alegre, Brazil in 1989. Today, there are more than 3,000 participatory budgeting processes around the world, most at the municipal level. Vallejo, California was the first city to adopt PB for its complete city budget.

Research: This recommendation to launch a PB Pilot in San Leandro is proffered after research of PB by the Supervisorial District 7 of San Francisco, the City of Vallejo and City of Richmond, chosen for their geographic proximity and comparable demographics and budget size to San Leandro. Committee members met with Former San Francisco Supervisor Norman Yee who launched the San Francisco model, and California Endowment Senior Program Manager (and San Leandro resident) Diane Aranda who has overseen funding for PB programs in Vallejo and Richmond. Both these experts are able and willing to provide ongoing advice to San Leandro City staff, leadership, and community members on PB.

Pros
- Increased community engagement and understanding of the budgeting process Increased community satisfaction and political good will with city services and city leadership
- Promotion of a culture of community engagement among city leadership/staff
- Increased community influence on policy outside the PB process.
Cons
- Significant city staff time and resources required to support community education on the budget process and an equitable method to solicit public input and determine project priorities. (While experts interviewed noted "significant costs", they were not clearly defined generally or in terms of what could be expected to be incurred in San Leandro).

- Having people engage the PB process where they are motivated by personal interests does not necessarily translate to increased community involvement in the broader City budgeting process. (This concern arose out of the experience of district-specific PB in San Francisco: residents did not necessarily engage more in city-wide budgeting. However, the district we researched is comparable in population to the whole of San Leandro. And as an added benefit, while residents might not have engaged in the broader budget process, their Supervisor reported that he was persuaded through the process to champion at the city level projects arising from the PB that were not able to be funded in his district - thus the process created reach of community engagement beyond the district).

Pilot Design: The proposed pilot is specifically designed to maximize benefits of increased community engagement while maximizing cost efficiency in the process. We are proposing a pilot specifically for the purposes of evaluating costs and benefits specific to San Leandro of a PB process, and to finetune a PB process moving forward. Its components follow.

    a. Appointment of a community participatory budget task force (heretofore "Task Force") tasked with outreach and evaluation, comprised of residents to avoid appearance of conflict of interest, and selected with a goal of equitable, diverse representation

    b. Amount to be allotted for PB:
        i. Year 1, $500K-$1M from FY20 surplus of $1.5M (presumed all went to reserve).
            1. To be spent on projects designed to benefit the broader community, with expenses of between $5k-$250k each.
            2. Project costs shall include related city resources.
            3. Projects must NOT include those already budgeted by departments.
            4. Allocation of project funds will be City-wide.
        ii. Beyond Year 1, City Council to evaluate the allocated budget and increase as deemed appropriate by the Task Force
            1. Amount may be tied to prior year-end surplus (e.g., half, not to exceed $1M) or a predetermined amount set by City Council in consultation with the Task Force.

    c. City-wide RFP for projects
        i. The pilot will launch with the Task Force developing a call for proposals for community-designed projects.
        ii. The Task Force will collaborate with the City Information Officer and community organizations on outreach to and engagement of community teams seeking to design and propose projects.

    d. Design Workshop: City staff from all departments will participate in a city-wide workshopping event aimed at supporting community teams in crafting a realistic implementation plan and budget for their projects. This workshop structure has been chosen to both reduce drain on staff by reducing meeting times, and also to foster an entrepreneurial mindset as community members interact and learn from the innovations of their peers.

    e. Vetting: The Task Force, advised by City staff will vett submitted project proposals for viability / duplication. Successful proposals will progress to an Open House.

f. Open House: This poster session event is designed to inform the community at large of the submitted proposals.
g. Decision making: City-wide electronic and drop-box voting at libraries, schools, and NGO's will select the top projects to be funded by the allocated fund. Voting will be done on an honor system, not a regulated official ballot, to reduce cost. City Council will be encouraged to evaluate the projects not selected for implementation through the non PB process, as some viable and desirable projects may not be selected. This vote is a binding process. Selected projects will be implemented by City Staff.
h. Communications: Project selection and completion will be widely publicized as a means of encouraging future community engagement in the PB process and increasing community understanding of how budgeting ties into actual City services.
i. Evaluation: At the conclusion of each PB pilot program year, the Task Force will be charged with evaluating the full cost and benefits of the pilot to assess whether and how to progress in the following year. Evaluation will include assessment of success in building increasing levels of equitable, diverse community engagement, community satisfaction, and cost viability, as well as how to build better evaluation into the pilot design as it moves forward. Based on the evaluation, the Task Force will recommend continuation, redesign, or termination of the pilot to the City Council, which will in turn consider these recommendations toward further budgeting of the pilot.
j. Timing: The entire process will take place over one year. The initial pilot year can be initiated immediately with adoption of the 2021-22 Budget.

Prerequisites: Success of the PB process requires additional recommendations aimed at increasing accessibility of budgeting data and city-wide communications. These recommendations should accompany the pilot. They also may be considered on their own as independent recommendations in keeping with community feedback.

2. Upgrade of City's information systems and ability to generate data on results-based service goals and outcomes. Systems upgrades are essential to ensuring the community is to become meaningfully informed in budget decision making – especially if the goal is to achieve more shared decision-making that empowers the community in the future.

The following sub-recommendations are designed to increase accessibility of financial data and reports, facilitating the review of budget variances and better capturing and communicating total costs at the program level to the community.

a. **Determine any financial system upgrades and performance data software, and fund as necessary.**
b. **Ensure account codes and names are clear and commonsensical (e.g., all overtime should be clearly identified as overtime in account descriptions), and actual accounts are consistently recorded in the related budget accounts.**
c. **Ensure budget utilization by department is reported during the fiscal year (e.g, quarterly), department reviews are documented, and variances**

(determined by Finance) are addressed timely (e.g., requiring narrative justifications for variances over 10%).
d. **Publicly post budget utilization by department in the Finance page.**
e. **Provide greater transparency about use of City reserves.**

The following sub-recommendations are designed to improve transparency and accessibility of budgeting information with the public, and aid the public in connecting decisions on resource allocation to specific desired outcomes identified to meet community needs.

a. **Use results-based service goals and outcomes inside the budgeting process, tying performance measures to budgeted dollars.** This process should include:
   ■ Combining upgraded systems and resulting improved tracking and reporting ability to measure direct and full costs of specific programs and projects in order to weigh costs versus achievements; and
   ■ Increasing focus on desired outcomes rather than historical costs in planning and budgeting.

   Use of performance measures in the budget process would help the public connect decisions on resource allocation to specific desired outcomes identified to meet community needs. Some examples of results-based performance measures:

   ■ For Public Works – Beyond identifying the number of street miles repaved: What progress have we made on upgrading the rating of the overall condition of our streets (per the State's rating system – and/or by neighborhood).
   ■ For Police – Beyond # of arrests, stops/detentions, community meetings attended, complaints: How do residents of each neighborhood feel about police services (have we made progress on trust, feelings of safety, etc.); % of policy changes approved and implemented with community input.

b. **Invest in building communications capacity with attention to equity and community engagement, beginning with hiring an information officer trained in engaging diverse and vulnerable communities to develop expanded strategies for reaching, engaging, and listening to diverse communities throughout the city.** Suggested strategies include:
   ■ collaboration with and funding for NGOs to provide training on advocacy within the budgeting process;
   ■ design and implementation of small focus groups inclusive of historically disenfranchised communities within the city to identify community priorities and train community members up on the budgeting process;
   ■ development of systems to communicate whether and how feedback informs and/or translates into concrete budget policy;
   ■ setting performance goals for public information staff around increase in quantity and quality of community engagement.