

Best Practices for Inclusive Participatory Budgeting

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[Participatory Budgeting](#), or PB, is a form of civic engagement wherein municipal governments and other entities allocate public funds to projects proposed and voted on by residents. PB is often implemented as an annual cycle of engagement and typically follows the following steps:

1. A steering committee that represents the community creates the rules and engagement plan.
2. Participants share and discuss ideas for projects through meetings and online tools.
3. Volunteer “budget delegates” develop the ideas into feasible proposals.
4. Participants vote on the proposals that most serve the community’s needs.
5. The government or institution funds and implements the winning ideas.

In 2018, the [Rochester-Monroe Anti-Poverty Initiative](#) dedicated \$200,000 to pilot a PB process in Rochester, New York. After engaging over 2,600 Monroe County residents, [five projects](#) were chosen for capital funding. Now, a coalition of organizations led by the [City Roots Community Land Trust](#) is assisting the City of Rochester as it considers expanding these efforts and codifying PB through municipal legislation.

Localities that implement PB use it as a [method of elevating community voices](#) in decisionmaking and improving public amenities and programs (CitizenLab 2019). But if the residents engaged in PB are those whose voices are already part of decisionmaking or those whom opportunity has disproportionately benefited in the past, PB will only serve to reinforce historic inequities. This fact sheet highlights best practices for increasing inclusion in PB processes in Rochester and in other cities throughout the country to ensure inequities are not reinforced.

BEST PRACTICES FOR INCLUSIVE PARTICIPATORY BUDGETING

Effective community engagement and ample resources are critical to carrying out a meaningful PB process and ensuring that groups who have historically been excluded from opportunity and decisionmaking are heard, such as people with low incomes, people of color, people who are undocumented, young people, and people with disabilities. Communities looking to create an inclusive PB process should do the following:

1. Dedicate adequate funds to PB projects and to planning for PB activities

Most PB processes have allocated between 1 and 15 percent of their local city budget, but the [Participatory Budgeting Project](#) (2017) advises that cities dedicate at least \$1 million per 100,000 residents to ensure that the process is effective and receives adequate buy-in. This equates to about \$2 million dollars in Rochester. On top of allocating sufficient funds for the proposed projects, cities should be sure to dedicate funds for the planning and execution of PB activities, because thoughtful and inclusive execution of such activities requires staff time, marketing and dissemination, materials, and careful planning. [Qualitative research conducted on PB](#) has found that at least one full-time employee is needed to carry out a fully developed PB process because that process should supplement rather than replace other community engagement activities (Participatory Budgeting Project 2016).

2. Use funding sources that can be spent on uses other than capital projects

Often the funding sources allocated to PB only allow for capital projects, but many community needs cannot be solved by such projects alone. (The money for the PB process usually comes from discretionary public funds like those from an elected official's office or a city agency. It can also come from federal block grants or nonprofits.) Therefore, if possible, cities should use funding sources that can fund more diverse uses, such as programming, operational expenses for community-serving organizations, and community-building events and activities that more closely align with the needs of community members.

3. Prioritize engaging people with low incomes, people of color, and other historically excluded people

To increase equity and close gaps in outcomes, PB should prioritize engaging with people with low incomes, people of color, and other historically excluded community members. People with low incomes are less likely to have the time or resources needed for a trip to a meeting, so you can take steps to increase the likelihood they attend and contribute to the PB process. These steps could include hosting events in locations they already regularly visit (such as rec centers, schools, or service locations) or partnering with grassroots or community-based organizations that regularly serve or interact with these populations. Hiring local residents to conduct outreach with communities of color and communities with low incomes is another way to increase diversity at PB activities.

4. Pay people for their time

Participants can play many roles within a PB process: they can propose projects, vote on projects, or serve as steering committee members or budget delegates. Although paying everyone who participates in community meetings and PB sessions is likely prohibitive, compensating participants can help increase attendance at PB events and lets residents know that their expertise and time are valued. In particular, localities should compensate residents in key leadership roles, such as steering committee members and budget delegates, and advertise these roles to people who have not typically been well represented in community engagement. Cities can also help increase regular participation by providing travel vouchers, child care, and food at meetings. All of these expenses should be included during PB planning so that places budget adequately to cover them.

5. Provide many options for discussion and voting

In their pilot work, City Roots found that online voting was skewed toward people with higher incomes and people who are white. Providing both in-person and online voting options can help ensure that participants are representative of the community. Moreover, providing several discussion opportunities, including small sessions for people with similar backgrounds (e.g., people who all speak a language other than English), can help increase the likelihood that participants feel comfortable speaking up.

6. Combine PB with broader education about the city budget and opportunities for prioritizing larger budget issues

One of the key benefits of PB is that it can increase participants' knowledge of the municipal budget and improve transparency in government decisionmaking. With increased knowledge of the city budget and the budget development process, participants will be better equipped to help shape the budget. And with increased engagement around the budget, cities may be able to develop more responsive public services and programming. As part of a PB process, localities should identify opportunities to train participants about a city's budget and how it gets developed. For example, the [City of Lansing, Michigan](#), hosts Participatory Budget Nights, where city officials teach residents about the budget and let residents build their "ideal" budget using Legos. Hosting these activities eventually led the city to switch to program-based budgeting, a form of budgeting where spending is distributed by functional area rather than by department, because it better aligned with how residents talk about their needs (Fedorowicz 2020).

7. After voting is finished, follow up with community members on all decisions, next steps, and their experiences with PB.

Once project ideas are presented, participants have the opportunity to vote on their top choices to receive funding. Unfortunately, not all projects will receive enough votes to get funded, and this may frustrate some participants who put a lot of work into their proposals or whose top projects did not get selected. Even among those who won, a lack of transparency about what happens next can erode the trust that was developed during the pitch and voting. Building long-term trust and increasing transparency with participants requires that they have a clear understanding of next steps, such as whether any additional approvals are required before the project can be implemented (e.g., some projects might require approval from a planning or zoning board) and what the timeline is for the project.

8. Track and monitor your goals around outreach and inclusion

Cities should track and monitor in real time how inclusive the PB process was and who benefited from the funded projects. For example, cities might collect data on the demographics of steering committee members, budget delegates, and general participants, as well as of the individuals who voted for the winning projects. Cities can use this information to see whether each group represents the population as a whole, or even better, overrepresents groups that have been historically marginalized and excluded from decisionmaking. They should also host in-depth discussions and focus groups with community members and PB participants to better understand which parts of the process worked and which could be improved. Lastly, cities should seek to learn from the types of projects being proposed as part of the PB process as a way to identify high-priority needs in their community. For example, if many of the projects being proposed in a PB process were infrastructure repairs (even if they were not eligible for PB funding), the city might note that residents are highly dissatisfied with infrastructure, and it should be prioritized in future budgets rather than left to a PB process.

9. Once you have successfully piloted PB in your city, craft legislation that ensures PB will continue over time

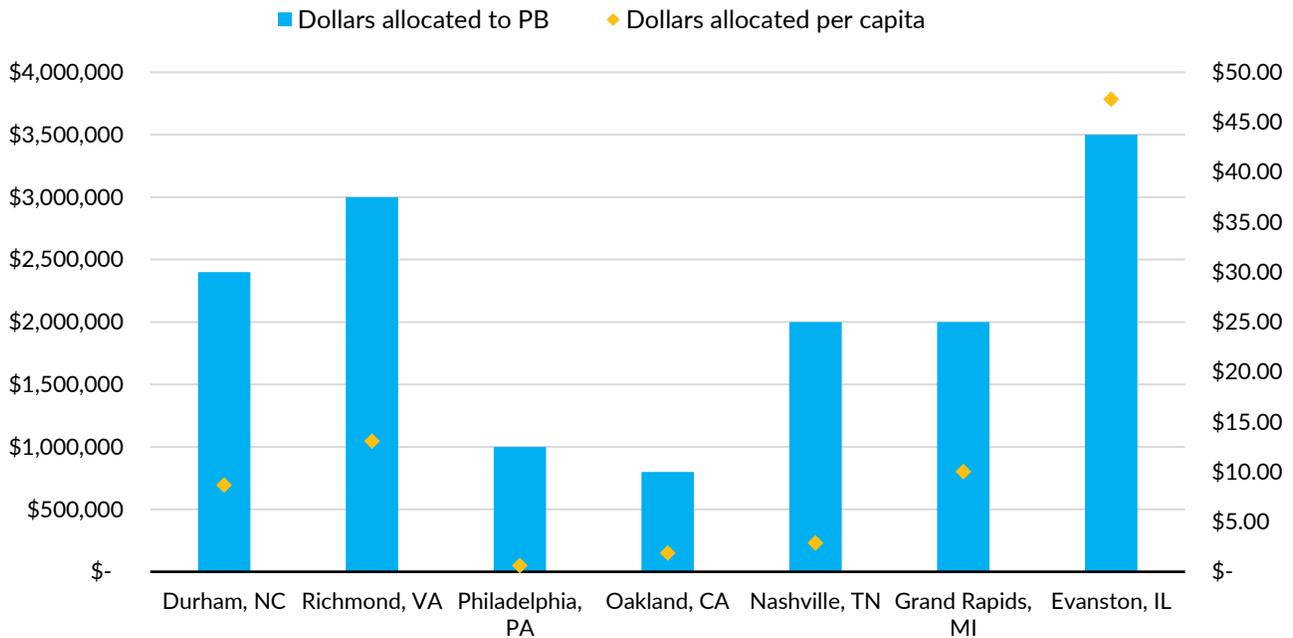
Although PB does not need to be written into law to be executed, doing so can ensure its long-term sustainability and application across various agencies or departments. The legislation can also include goals for outreach (for example, 60 data collection points with engagement representative of the population across race, ethnicity, gender, age, and income) for integration of equity as an explicit goal of the PB process, and for requirements that city leaders commit to adopting the most-voted projects.

PARTICIPATORY BUDGETING EXAMPLES

Cities across the US are implementing PB, such as [Phoenix, AZ](#), where the school district is using PB with students; [Oakland, CA](#), where the city used community development block grant funds to do PB to create inclusive community and economic development programs; [Detroit, MI](#), where the city is using it to support real estate and business projects that struggle to find traditional financing; and [Hartford, CT](#), whose 2022 winning projects included a living food pantry (garden) in a food desert, solar panels to charge digital devices in parks, and tree plantings for schools.

FIGURE 1

Dollars Allocated to Participatory Budgeting



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

Cities have a wide variety of dollar amounts that they have committed to PB:

- The [Durham, NC](#), City Council has committed \$2.4 million, spread across three city wards for PB projects. As a result of the PB process, youth centers, crisis centers, and education centers have been [successfully funded](#) and launched throughout the Durham area.
- [Richmond, VA](#), passed a [resolution](#) in 2019 asking that the mayor propose a capital budget and capital improvement program each year that includes at least \$3 million a year for five years for capital projects identified through a participatory budgeting process.
- PB in [Philadelphia, PA](#), is led by the Budget Office in partnership with the City Planning Commission; PB there provides \$1 million dollars for capital projects.
- In [Oakland, CA](#), PB allows residents of two City Council Districts to set priorities for how federal Community Development Block Grant funds should be spent to improve low- to moderate-income communities in their districts. In its latest PB process, Oakland [approved funding](#) for community gardens, youth apprenticeships, and support programs for immigrants.
- In 2022, the Mayor’s Office in [Nashville, TN](#), allocated \$2 million in funds to be distributed within the Bordeaux and North Nashville region. New park amenities, improved public facilities, and additional bus shelters were among the [winning projects](#) of the 2021 PB cycle.
- The City of [Grand Rapids, MI](#), is using PB to determine how to spend \$2 million of its American Rescue Plan Act funds. [Evanston, IL](#), has also proposed using PB to allocate \$3.5 million in funds from that act.

ONE PART OF A LARGER EQUITY AGENDA

Although PB holds promise for increasing civic engagement, it is not a replacement for broader outreach and equity initiatives. PB alone will not bring about equity in a community, nor is it a panacea for a community’s problems. But, with careful planning and intensive outreach, PB can bring more voices into municipal decisions.

PARTICIPATORY BUDGETING RESOURCES

- CitizenLab
 - » [An Introduction to Participatory Budgeting](#)
 - » [CitizenLab, an online platform for PB voting](#)
- Participatory Budgeting Project
 - » [15 Key Metrics for Evaluating PB](#)
 - » [Data for the People Tool](#)
 - » [Making PB Inclusive and Fair](#)

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