## STAFF REPORT

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| **Agenda Item:** | 11 | **Name:** | Jenny Ngo |
| **Proposed No.:** | 2021-0320 | **Date:** | October 19, 2021 |

**SUBJECT**

Proposed Motion 2021-0320 would accept a proviso response report related to the County's participatory budgeting process.

**SUMMARY**

As part of the 2021-2022 biennial budget, the Council designated $11.35 million for capital investment in unincorporated King County through a community-driven process known as participatory budgeting. This funding included a one-time investment of $10 million to five areas[[1]](#footnote-1) of urban unincorporated King County and $1.3 million to the communities of Skyway-West Hill and North Highline.

Associated with this appropriation was a budget proviso[[2]](#footnote-2) that directed the Executive to transmit a plan to establish a framework for participatory budgeting in the County that includes recommendations for the process and timeline, community engagement, advisory board composition, use of equity tools, equitable distribution of funding, and coordination with affected Council offices.

As transmitted, the plan complies with the requirements of the proviso.

**BACKGROUND**

Participatory budgeting is a process in which communities determine how a portion of their government's budget is spent or allocated through a collaborative decision-making process. This approach allows communities to set funding priorities that match the goals and needs of their individual communities. Participatory budgeting has been implemented internationally and typically includes a five-phase approach: process development, community idea generation, project scoping, voting, and implementation. Local governments typically provide staff and monetary support; however, this process places decision-making in the hands of community members.[[3]](#footnote-3)

In the 2021-2022 biennial budget,[[4]](#footnote-4) the Executive proposed and the Council adopted $11.35 million in capital funds for investment into the County's five urban unincorporated areas: East Federal Way, East Renton, North Highline, Skyway-West Hill and Fairwood. These funds were intended to be spent in these communities and allocated through a participatory budgeting process. Of the $11.35 million appropriated, $10 million are identified as one-time investments for capital projects[[5]](#footnote-5) in these five unincorporated areas. The remaining $1.35 million is for services and programs[[6]](#footnote-6) in Skyway-West Hill and North Highline, generated from marijuana revenues.

The Council also included Proviso P1 of Section 129 in the 2021-2022 budget, requiring the Executive to transmit a plan for implementation of this participatory budgeting process. The proviso states:

*P1 PROVIDED THAT:*

*Of this appropriation, for capital project 1139844, DLS URBAN UKC INVEST, $5,000,000 shall not be expended or encumbered until the executive transmits a plan for a community-driven decision-making process to allow for an equitable allocation of resources for urban unincorporated area investments ("the participatory budget process") and a motion that should acknowledge receipt of the plan and a motion acknowledging receipt of the plan is passed by the council.  The motion should reference the subject matter, the proviso's ordinance number, ordinance section and proviso number in both the title and body of the motion.*

*The plan will implement the participatory budget process to be used by the county for investments in urban unincorporated area.  The plan shall include, but not be limited to, the following:*

*A.  A detailed description of the participatory budget process;*

*B.  Identification of how the revenue sources, including, but not limited to, the proceeds from marijuana excise tax revenue and bond proceeds in the unincorporated King County capital fund, will be expended using the participatory budget process;*

*C.  A description of how the department of local services will coordinate with and utilize the expertise of the office of equity and social justice to undertake a robust community engagement process that uses either the "county and community work together" or "community directs action" levels of engagement as outlined in the office of equity and social justice's community engagement guide for the participatory budget process;*

*D.  Details of the community advisory board including, but not limited to, recruitment of board members, membership makeup of the board, level of authority for the board, how the board's decisions will interface with or be coordinated with the community needs list as referenced in K.C.C. 2.16.055, how the board's decisions will be implemented and compensation for the board members to ensure optimal participation;*

*E.  A description of how the department of local services will conduct community engagement with the residents and businesses of the urban unincorporated area that are not represented on the community advisory board, including targeted community engagement with communities that have been historically underserved and disproportionally impacted and those communities that are expected to be positively or negatively impacted by the decisions made in the participatory budgeting process;*

*F.  A description of how the department of local services will use the tools and resources developed by the office of equity and social justice, including the equity impact review tool and language access capabilities, for all components of the participatory budgeting process described in subsections A. through E. of this proviso;*

*G.  A description of how the processes and tools used and described in subsections A. through F. of this proviso will result in an equitable distribution of investments in unincorporated King County; and*

*H.  A description of how the department of local services and the office of equity and social justice will coordinate and collaborate with the council district offices that represent urban unincorporated areas that may receive investments through the participatory budget process.*

*The executive should electronically file the plan and motion required by this proviso no later than August 16, 2021, with the clerk of the council, who shall retain an electronic copy and provide an electronic copy to all councilmembers, the council chief of staff and the lead staff for the budget and fiscal management committee, or its successor.*

**ANALYSIS**

The Department of Local Services (DLS), in coordination with the Office of Equity and Social Justice (OESJ), began the County's planning for the participatory budgeting process in January 2021 by convening a planning workgroup[[7]](#footnote-7) that met from January to March 2021. This workgroup began the initial stages of planning to develop the process, engagement, and committee framework. A steering committee, known as the Community Investment Committee (CIC) is currently developing the participatory budget process. The participatory budgeting plan, Attachment A to Motion 2021-0320, represents the planning and preparation work completed through July 2021.

Proposed Motion 2021-0320 would acknowledge receipt of the plan contained in Attachment A. As part of proviso P1, the plan is required to respond to 8 points:

1. **A detailed description of the participatory budget process.**

The plan describes participatory budgeting as a community-led process that typically takes over the course of the year and is integrated with a public budget cycle. According to the plan, standard participatory budgeting is broken into five phases:

* 1. Design. Designing the participatory budget process including rules and engagement through a steering committee that represents the community.
	2. Brainstorm. Residents share and brainstorming project ideas through meetings and online tools.
	3. Develop. Volunteers develop project ideas into feasible proposals.
	4. Vote. Residents vote on proposals that most serve community needs.
	5. Implement. King County funds and implements winning proposals.

The plan identifies a schedule of the participatory budgeting process, as shown in Figure 1 below. The timeline identifies Phases 1 through 5 occurring through July 2022.

**Figure 1 – Proposed Participatory Budgeting Timeline**



The plan details steps and actions under each phase through a proposed work program as described in Table 1 below:[[8]](#footnote-8)

**Table 1. Participatory Budgeting (PB) Phases and Proposed Work Plan**

| **Phase** | **Proposed Work Plan** |
| --- | --- |
| Design (June - August 2021) | * Teambuilding, developing committee norms
* Decide committee structure
* Select co-chairs
* Building trust
* Develop an understanding of PB, Community Needs List, and the King
* County biennial budget development process
* Develop a common understanding of equity in King County and OESJ tools
* Develop an understanding of best practices learned from PB efforts around the world
* Finalize program name
* Develop program goals
* Allocate funds to each area
* Develop guidebook, including participant eligibility and project size criteria
* Incorporate the catalog of community requests into process
* Develop PB process evaluation plan
* Develop idea collection plan with timeline
* Develop idea communications and engagement plan
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| Brainstorm(September -October 2021) | * Facilitation training
* Facilitate/host idea collection events
* Develop volunteer recruitment plan
* Recruit budget delegates
* Develop project development template
* Develop project selection plan for proposal development
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| Develop(November 2021-February 2022) | * Hold budget delegate information sessions
* Assess projects based on program goals and project size
* Host delegate assemblies
* Select ideas for project development
* Match delegates with county project development staff
* Develop project plans and implementation metrics
* Pare down project list for vote if needed
* Develop project evaluation plan
* Develop voting plan with timeline
* Develop voting communications and engagement plan
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| Vote(March - April 2022) | * Hold voting events
* Determine winning projects
* Announce winning projects
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| Implement(May 2022 – ongoing) | * If not King County work
	+ Develop RFP from the project plans
	+ Evaluate bids
	+ Select winning bids
* If King County work, departments/agencies prioritize and implement
* Develop project evaluation/monitoring plan
 |

1. **Identification of how the revenue sources, including, but not limited to, the proceeds from marijuana excise tax revenue and bond proceeds in the unincorporated King County capital fund, will be expended using the participatory budget process.**

The plan indicates that the revenue sources being expended at the direction of the CIC will be consistent with allocation methods and rules developed by the committee. The committee will determine how much of the available funding will be distributed to each of the five urban unincorporated areas, the project eligibility criteria and size, existing community needs, and the process for selecting ideas and proposals. According to the plan, at the time of the proviso response transmittal, the CIC was in the process of developing goals, policies, evaluation criteria, and fund allocation.

1. **A description of how the department of local services will coordinate with and utilize the expertise of the Office of Equity and Social Justice to undertake a robust community engagement process that uses either the "county and community work together" or "community directs action" levels of engagement as outlined in the Office of Equity and Social Justice's community engagement guide for the participatory budget process.**

According to the plan, DLS in collaboration with OESJ are aiming to use the "community directs action" level of engagement, which is the highest level of engagement in the continuum in the OESJ community engagement guide and is consistent with the participatory budgeting framework. The CIC is comprised of 21 community members that are charged with directing the development and action of the participatory budgeting process. The committee meets several times a month to develop and direct the process. The plan states that the engagement process will utilize community-hosted forums, collaborative partnership with Councilmember offices and community organizations. Consistent with both the participatory budgeting framework and with the "community directs action" level of engagement, leadership is provided through the participation and direction from the communities of each urban area rather than through County agencies.

1. **Details of the community advisory board including, but not limited to, recruitment of board members, membership makeup of the board, level of authority for the board, how the board's decisions will interface with or be coordinated with the community needs list as referenced in K.C.C. 2.16.055, how the board's decisions will be implemented and compensation for the board members to ensure optimal participation.**

At the recommendation of the planning workgroup, applicants for the CIC were recruited to reflect the diversity of the five urban unincorporated areas. Membership was open to all members of the public who live, work, volunteer, attend school, play, and/or worship in the communities they seek to represent. Applications and information sheets were translated into ten languages. The plan states that Executive staff directly contacted various community organizations and distributed information through existing county communication channels, Councilmember offices, libraries, coffee shops and social media. A total of 78 applications were received.

The CIC is comprised of 21 members serving a two-year position: five members for each area with the lowest median income (East Federal Way, Skyway-West Hill, and North Highline) and three members for each two areas with the higher median incomes (Fairwood and East Renton). The CIC membership identifies as 24% male and 76% female and ages range from 22 to 76 years old. The membership is 48% Black, 14% Latinx, 14% White, 10% Eritrean, 5% Cambodian, 5% Egyptian and 5% multiracial. The CIC also includes one member with disabilities and one member with lived experience of incarceration.

The compensation for CIC members was proposed by the planning workgroup at the beginning of 2021 at $50 per hour for meetings. Proposed Ordinance 2021-0372, which pertains to the County's mid-biennial budget (2021 2nd Omnibus) and is currently under review by this committee, proposes compensation at $75 per hour consistent with other county committees.

According to the plan, the CIC has full authority to make decisions regarding the participatory budgeting process and the County provides an advisory role. The plan states that DLS will support the CIC in implementing decisions made and will work with County agencies, or if outside the scope of County services, will help the CIC with requests for proposals and to evaluate bids. Table 2 further outlines the roles of the CIC and County with regard to specific decision points in the participatory budgeting process.

**Table 2. Key Decisions and Roles[[9]](#footnote-9)**

|  |  |  |
| --- | --- | --- |
| **Key Decisions**  | **CIC** | **King County** |
| Process timeline | Propose/**Approve** | Propose/Advise |
| Process goals & measures of success | Propose/**Approve** | Propose/Advise |
| Operating budget  | Propose/**Approve** | Propose/Advise |
| Funding allocation to each urban area | Propose/**Approve** | Propose/Advise |
| Process governance structure | Propose/**Approve** | Propose/Advise |
| Incorporation of the catalog of community requests | Propose/**Approve** | Propose/Advise |
| Participant eligibility criteria (voters, delegates) | Propose/**Approve** |   |
| Participant eligibility authentication process | Propose/**Approve** | Propose/Advise |
| Community engagement plans and technology | Propose/**Approve** | Propose/Advise |
| Communications plans and technology | Propose/**Approve** | Propose/Advise |
| Volunteer recruitment plan | Propose/**Approve** | Propose/Advise |
| Idea submittal plan and technology | Propose/**Approve** | Propose/Advise |
| Voting plan and technology | Propose/**Approve** | Propose/Advise |
| Program goals & measures of success | Propose/**Approve** | Propose/Advise |
| Project bid evaluation | Propose/**Approve** | Propose/Advise |
| Process evaluation plan | Propose/Advise | Propose/**Approve** |
| Project evaluation plan | Propose/Advise | Propose/**Approve** |

At the time of transmittal, the CIC had not discussed how the participatory budgeting process would interface or be integrated with the Community Needs Lists in K.C.C. 2.16.055. The plan states that both efforts will need to be closely linked due to the nature of both processes. The plan further indicates that ideas not implemented in the participatory budgeting process would be included in the catalog of community needs, and the community needs list, once these lists are established for each area, and it would also be incorporated into future participatory budgeting cycles.

1. **A description of how the Department of Local Services will conduct community engagement with the residents and businesses of the urban unincorporated area that are not represented on the community advisory board, including targeted community engagement with communities that have been historically underserved and disproportionally impacted and those communities that are expected to be positively or negatively impacted by the decisions made in the participatory budgeting process.**

The plan states that a subcommittee of the CIC focusing on community engagement and outreach will be formed. Additionally, according to the plan, DLS will work with OESJ to identify best practices in community engagement activities and strategies and propose these to the subcommittee. The engagement focus is planned to be on residents and businesses not represented on the CIC, that consistently experience marginalization and have the greatest needs, or that are impacted by decisions made by the CIC. The CIC subcommittee will ultimately have the authority to propose an engagement plan that would be approved by the CIC and implemented by the CIC, the County, volunteers, and community-based organizations.

1. **A description of how the Department of Local Services will use the tools and resources developed by the Office of Equity and Social Justice, including the equity impact review tool and language access capabilities, for all components of the participatory budgeting process described in subsections A. through E. of this proviso;**

The plan identifies four OESJ tools that will be used by DLS and the CIC:

* 1. The determinants of equity,[[10]](#footnote-10) which are social, economic, geographic, political and physical environment conditions in which people in King County are born, grow, live, work and age that lead to the creation of a fair and just society;
	2. Equity impact review tool, which is comprised of a five-step process and checklist that ensures that equity impacts are considered in planning, decision-making and implementation processes;
	3. Language access to serve linguistically diverse, limited English proficiency members of the public. Language access includes translation of materials, availability of interpretation and reasonable accommodations at meetings; and
	4. Equity index resources, which could be used by the CIC when allocating capital funds to each of the five areas.
1. **A description of how the processes and tools used and described in subsections A. through F. of this proviso will result in an equitable distribution of investments in unincorporated King County.**

The plan states that DLS and OESJ will support the CIC in developing equity criteria to evaluate projects and encourage the CIC to follow best practices. The plan further indicates that according to research, the use of equity criteria in project voting and fund allocation in participatory budgeting processes redirects spending to low-income communities.

1. **A description of how the Department of Local Services and the Office of Equity and Social Justice will coordinate and collaborate with the Council district offices that represent urban unincorporated areas that may receive investments through the participatory budget process.**

The plan states that DLS and OESJ have coordinated with Council staff at each step of the process and will continue to do so through the participatory budgeting process. Council staff were participants in the planning workgroup and CIC membership review panels. The plan states that the Council will be updated as key decisions are made and Council district offices may be asked to participate and promote the participatory budgeting process.

As transmitted, the plan complies with the requirements of the proviso.

**INVITED**

* John Taylor, Director, Department of Local Services
* Danielle De Clercq, Deputy Director, Department of Local Services
* Jillian Scheibeck, Analyst, Office of Performance, Strategy and Budget

**ATTACHMENTS**

1. Proposed Motion 2021-0320 (and its attachment)
2. Transmittal Letter
1. East Federal Way, East Renton, North Highline, Skyway-West Hill and Fairwood [↑](#footnote-ref-1)
2. Ordinance 18835, Section 76, Proviso P1 [↑](#footnote-ref-2)
3. Attachment A of Attachment 1, page 19 [↑](#footnote-ref-3)
4. Ordinance 19210 [↑](#footnote-ref-4)
5. Capital projects include improvements that are constructed or replaced, such as sidewalks, buildings, infrastructure, landscaping, school computers, signage or play structures [↑](#footnote-ref-5)
6. Services and programs include capital projects listed above as well as programs such as early childhood development, after-school programs, job training, building maintenance and art supplies. [↑](#footnote-ref-6)
7. The workgroup was comprised of Executive Branch staff, Council staff and community members from Skyway-West Hill, North Highline and East Federal Way. [↑](#footnote-ref-7)
8. Attachment A of Attachment 1, page 15-16 [↑](#footnote-ref-8)
9. The plan identifies three roles:

	* Propose: Develops and presents plan or recommendation for consideration
	* Advise: Offers counsel or recommends particular course of action; does not include final decision-making power
	* Approve: Consents to or disapproves proposed course of action [↑](#footnote-ref-9)
10. The determinants of equity are: access to affordable, healthy local food; access to health and human services; access to parks and natural resources; access to safe and efficient transportation; affordable, safe, quality housing; community and public safety; early childhood development; an equitable law and justice system; equity in County practices; family wage jobs and job training; health built and natural environments; quality education; and strong, vibrant neighborhoods. The Determinants of Equity report establishes baseline equity indicators for each of the determinants. [↑](#footnote-ref-10)