



# PARTICIPATORY BUDGETING PROJECT

## Transforming Our Democracy 2017 Annual Report

ballot

Who will make up our steering committee?  
Students here today? More students? Who?  
Only students who attended the Saturday workshop will be  
eligible to serve on the committee. The exception to this is if all committee  
members are the unanimous that we need the copies of a certain per-  
son or person.

When will the Steering Committee meet?  
Where will they meet? How often?

# A Letter from Our Executive Directors

Now is the time to invest in transforming our democracy.

2017 saw deep fissures crack open in the facade of democratic governance, and an upswell of energy in reclaiming civic power. We spent the year reacting to urgent crises, questioning our assumptions, clarifying our values, and reaffirming the central right of all people to participate in the decisions that affect their lives.

While important elections lay ahead, we know that elections alone will not fix our broken democracy. We know that we are tired of politics as usual. We know that we need better ways of governing together.

In 2017, the Participatory Budgeting Project (PBP) expanded the practice and promise of real community-driven democracy. We grew participatory budgeting (PB) in schools, to enable thousands of students to decide how to spend school funds and become civic leaders. We scaled up PB, helping turn PBNYC into the largest local civic engagement program in the US. And we showed how PB can democratize federal, state, and county funds, at a time when these are too often under threat.

Thanks to this work, visionary elected officials and community leaders are increasingly calling for PB, to build more engaged and equitable communities, and to show people the good that government can do.

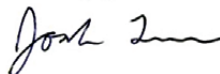
At PBP, we have been laying the foundation for this new model of democracy. Now, we are ready to build higher, with you.

We are thrilled to expand our leadership in 2018, as our Director of Strategic Initiatives Shari Davis joins co-founder Josh Lerner as Co-Executive Directors. This leadership team will make PBP stronger, building the multi-racial, multi-gender, multi-generational leadership that our organization and our democracy needs.

We are also focusing more on scaling up PB and its impacts. We are launching new technology and tools to make PB easier and more effective. We are building new partnerships and resources to better convert the wave of interest in PB into new PB processes. And we are supporting the local processes with the most potential to grow the practice and power of PB, especially programs for larger pots of money and school budgets. Through PB in schools, we are creating new opportunities for civic education and action, making space for the next generation of leaders to heal our broken democracy.

In this Annual Report we share some of our amazing victories from 2017, and the even bigger opportunities ahead. We hope you'll join us and support this work.

Elevate,



Josh Lerner  
Co-Executive Director



Shari Davis  
Co-Executive Director





# About PBP

## Our Mission

The Participatory Budgeting Project (PBP) empowers people to decide together how to spend public money. We create and support participatory budgeting (PB) processes that deepen democracy, build stronger communities, and make public budgets more equitable and effective.

Participatory budgeting (PB) is a community-level democratic approach to public spending that involves people in an annual process of deciding how to spend millions of dollars in public funding. PBP is the lead organization advancing PB across the United States and Canada.

**We have empowered more than 400,000 people to directly decide how to spend \$299 million in public funds in 29 cities.**

## Our Work

PBP's main program areas are:

### 1. Technical Assistance

We provide direct support to strategic PB processes in order to grow and improve the practice of PB. This includes providing trainings, materials, coaching, and other support and expertise to local governments, organizations, and residents, so that they can implement high-impact civic engagement processes that advance equity and democracy.

### 2. Participation Lab

We develop and test innovative strategies and design solutions that make PB easier and more effective, and that deepen, measure, and communicate its impacts. This work includes developing civic engagement tools such as trainings, guides, videos and technology to address key PB process challenges.

### 3. Network Building

We build relationships with PB practitioners, organizers, researchers, and officials to increase demand and support for PB. This work includes managing a PB Network of practitioners, holding international conferences, and introducing PB to new types of budgets.



# How We Built Democracy in 2017

PBP's leadership made 2017 a year of "firsts" for participatory budgeting in the US and Canada: the first PB process for federal funds, the first PB at a school district level, the first PB using county funds; and the first PB vote of over 100,000 participants. We collaborated with incredible, dedicated local residents, community organizations, and elected officials to make these milestones possible.



*[PB is] an opportunity for students to get real life experience, connect it to what they're learning in the classroom, and really see the power of using their voice...we're creating future leaders. -Cyndi*



*I'm more outgoing as a person. [Before PB] I would be the kid sitting in the back, in the corner, head always down, not raising his hand. Now I want to sit in the front right where the teacher's at. -Agustin*



Phoenix, AZ

2 Cycles

10 High Schools

3854 participants (Year 1)

\$55,000

## Developing Young Leaders

Cyndi Tercero-Sandoval has a front-row seat to how participatory budgeting impacts students and schools. Cyndi coordinates the PB process for the Phoenix Unified High School District, the first school district in the US to use PB to allocate district funds. PBP has worked closely with Cyndi to support students in 10 high schools as they collect ideas, create proposals, and vote on improvements for their schools. Together we're working to expand PB to all of the district's schools.

Cyndi and students were excited about a collaboration with the County Recorder's Office to make the PB vote, held in school gyms and cafeterias, feel like an electoral voting experience. This included using official voting booths, ballots, ballot scanners, and of course, "I voted" stickers. She said that it felt like "...the turnout at a real election!"

Cyndi is amazed at how PB has led to more engaged and invested students, as well as school administrations that now involve students in other kinds of decision-making. She's seen students gain new abilities to **collaborate** with each other and school administrations, **communicate** and interact with other students across social groups, and **be empowered** to have a voice. Agustin, a Phoenix Union senior, recounts (at left) how becoming a PB leader changed him.

PBP is working with Cyndi and other dedicated staff, teachers, and students at schools around the country, to show students how democracy can work and why their participation matters, and inspire greater civic engagement in their schools and communities.

## Scaling up Civic Engagement

We supported incredible city and community partners in growing PBNYC into the largest local civic engagement program in the US and Canada. **More than 102,800 New Yorkers voted** in Spring 2017, almost a third using a new online voting system, to allocate \$40 million. 2017 brought elections and significant leadership changes within City Council, which implements the process, but commitment to PB remains strong.

In addition to funding hundreds of community projects, **PB has important ripple effects on policy**. Air conditioning in schools is often proposed as a PBNYC project. In response to this growing demand, the City announced a new \$30 million plan to install AC in all city classrooms. And beyond the city, the Regional Plan Association's Fourth Regional Plan recommended PB as a key strategy to "promote greater participation in local government" and "make the planning and development process more inclusive."



New York City, NY

7 Cycles

31 Council Districts

102,000 participants

\$40 million

# Community Control Over Federal Funds

Community Development Block Grants (CDBG) may be a mouthful to say, but this important federal funding stream supports economic development in low-to-moderate income communities. Public participation in deciding how to spend these funds is mandated, but in practice is often shallow and inaccessible. This leads to inequitable spending decisions and public distrust of the program.

This is why February 2017 was so exciting, as [more than 1,200 residents of two Oakland council districts voted on community-created funding priorities](#) for almost \$800,000 in CDBG funds. These projects included meals, mobile showers, and health services for the homeless, housing counseling and legal advice for tenants at risk of eviction, life-skills classes and other support for immigrants and seniors who speak English as a second language, and internship and apprenticeship placement and career counseling for youth.

We collaborated with grassroots community partners like Asian Pacific Environmental Network (APEN) to engage hundreds of residents living in Oakland's Chinatown. PBP and APEN made sure that there was interpretation and translation every step along the way, in Mandarin, Cantonese, Vietnamese, and Spanish. This enabled leaders like Hui Zhen Li, a 90-year old community activist, to participate in developing project proposals and do outreach to her neighbors to participate in the vote.

As federal funding programs are increasingly at risk of cuts, [we are heartened by the growing crop of cities using PB to engage their residents in determining how to use crucial federal funds](#). This includes Niagara Falls, NY which used PB to decide how to spend \$360,000 in CDBG funds, and St Louis, MO which is using PB for community resiliency ReCAST funds.



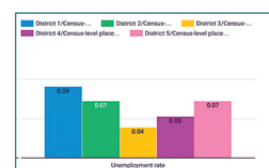
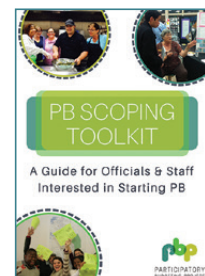
Oakland, CA  
 1 Cycle  
 2 Council Districts  
 1,200 participants  
 \$ 784,678



## New Tools for Participation

PBP's Participation Lab develops new tools and resources for civic engagement that increase PB's impacts by making it more accessible, less costly, and easier to implement successfully. In 2017 we launched several important tools, including:

- Scoping Toolkit:** A guide for governments and institutions that are interested in launching a PB process, to understand what it takes to start.
- PB Manual:** A comprehensive guide to running a successful PB process.
- PB in Schools Video:** A short introduction to complement our popular *Guide to PB in Schools*.
- SMS Outreach Guide:** A guide to using text messaging to reach PB participants, especially youth.
- Data for the People:** A pilot resource platform that provides public data on community needs, to improve decision-making in PB.
- Revised Evaluation Metrics:** A guide to evaluating PB, for researchers.
- Online Maps** of PB's impacts in Chicago and NYC





# Growing Impacts & Participation

PBP is creating visual tools like these dynamic online maps to demonstrate PB's impacts. This map shows how and where PB is growing at a national and global scale. The map below shows the impacts and spread of PB-funded projects at a local scale.

## Case Map for PBP Web...

### PB Around the World

AMOUNT ALLOCATED (US DOLLARS)

\$1,500 \$63 MILLION

#### NUMBER OF PARTICIPANTS

LESS THAN 800

800 TO 2,000

2,000 TO 20,000

20,000 TO 70,000

MORE THAN 70,000

### Greensboro (NC), US

YEARS ACTIVE

2015-present

MOST RECENT AMOUNT

ALLOCATED

\$471,000

MOST RECENT NUMBER OF

PARTICIPANTS

1,123

Click on city for more

information

### Freehold (NJ), US

YEARS ACTIVE

2017-

MOST RECENT AMOUNT

ALLOCATED

\$200,000

MOST RECENT NUMBER OF

PARTICIPANTS

Click on city for more

information

## PBNYC Project Tracking

### PROJECT VOTED IN?

● YES

● NO

### NYC City Council

#### PARTICIPATING IN PB IN VOTE YEAR 2018

● YES

○ NO

#### VOTE YEAR

2017

#### DISTRICT

39

PROJECT TITLE  
CHIPS Mobile Showers  
for Homeless  
Neighbors

#### COST

\$9,560

#### PROJECT DESCRIPTION

The CHIPS soup  
kitchen will purchase  
a two-stall shower  
trailer that provides  
our neediest  
neighbors access to  
hygiene.

#### VOTED IN?

true

## Project Category

ALL SELECTED

EDUCATION

346

PARKS & RECREATION

151

SCHOOLS

108

HOUSING

92

TRANSIT

56

OTHER

345

[SEARCH IN 48 CATEGORIES](#)

## Sort By District

### Cost

ALL SELECTED

500,000

128

300,000

107

200,000

66

This timeline shows the rapid growth of PB participation in the US and Canada since PBP was founded in 2009. Since then, PBP has supported nearly 80% of participatory budgeting processes in these countries.

PB is recommended by the New York State Education Department's plan for the *Every Student Succeeds Act*, the California Department of Transportation (CalTrans), and the Regional Plan Association's Fourth Regional Plan as a key civic engagement and equity strategy.

PB Participants

160,000

140,000

120,000

100,000

80,000

60,000

40,000

20,000

2010

2011

2012

2013

2014

2015

2016

2017

PB begins in one Ward in Chicago. 1652 people vote.

More than 7,000 people participate in the first year of PBNYC.

Boston's "Youth Lead the Change," the first citywide PB in the US just for youth, begins.

Vallejo, CA uses PB for a portion of a new sales tax, passed to help the city get out of bankruptcy.

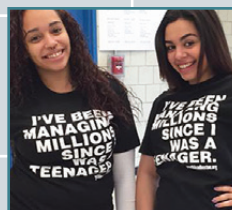
PBP builds support for PB in the South. The City of Greensboro, NC pilots PB for \$500,000.

PBP launches the *Guide to PB in Schools*, our most popular tool.

Phoenix Unified High School District, in Arizona, is the first to pilot PB for a school district.

The first process in the US for Federal funds, begins in Oakland, CA.

A record 102,000+ people vote in PBNYC. 30,000 of those participate via a new online voting platform.





# What's Ahead

We have big plans for 2018 and beyond!  
Here's what we're working on next—will you join us?

## 1 Expanding PB in Schools

We are working with civic education partners to bring PB to scale in school systems, to train a new generation in the power of civic engagement. In New York alone, nearly 600 schools are slated to launch PB thanks to new commitments from the New York State Education Department and New York City Mayor Bill de Blasio.

## 2 Scaling Up Local Democracy

PB has demonstrated strong results and immense promise. To make the most of its potential, we need to stop treating PB as an experiment, and start using it as a core part of government at larger scale. We will focus on partnering with visionary community and government leaders to use PB to democratize bigger budgets.

## 3 Tackling Big Public Problems

We're working on new ways that community leaders can use PB to address broader societal challenges - to give teeth to Community Benefits Agreements, to reinvest criminal justice funds in communities impacted by mass incarceration, and to build healthy communities. And we're bringing together other leaders and practices of participatory democracy, to push for broader democracy reform, beyond elections.

## 4 Redesigning Democracy

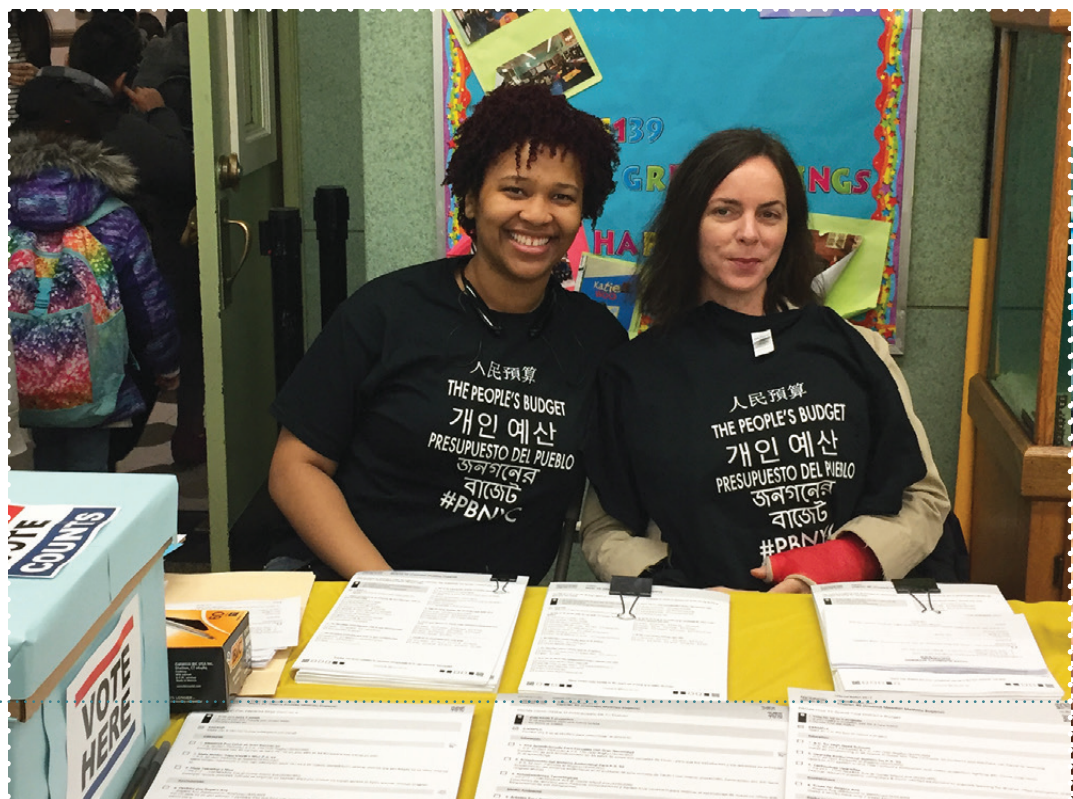
We've been working behind the scenes to upgrade the design and technology of PB, to streamline the process and deepen its impacts. Stay tuned for exciting new technology tools and more user-friendly resources!

*We've got to prove to our young people that they've got the power to change the world around them...we know that when students feel that opportunity to make a difference it will be the beginning of a long lifetime of participation.*

-Mayor de Blasio, announcing that he will launch PB in all of NYC's public high schools as part of his *Civics For All* initiative.

*Taxpayer dollars are being over-invested in the very systems that exploit and discriminate against people on the margins. It's time the people made good on our investment by taking that money back and redirecting it into our own communities.*

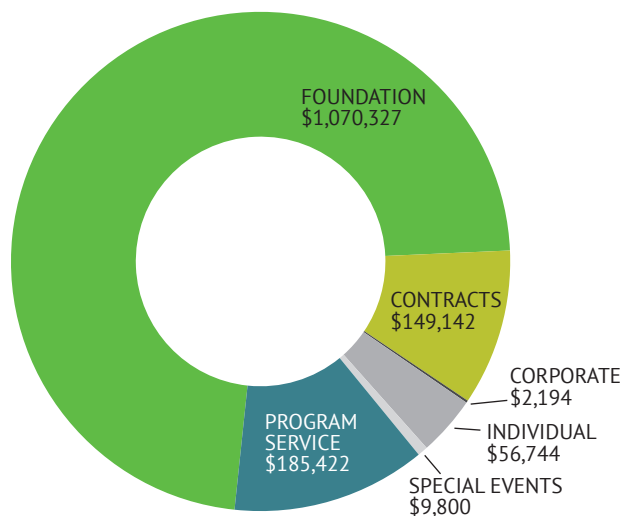
-Freedom to Thrive, report by Center for Popular Democracy, Law for Black Lives, and BYP100 advocating for PB for criminal justice funds.



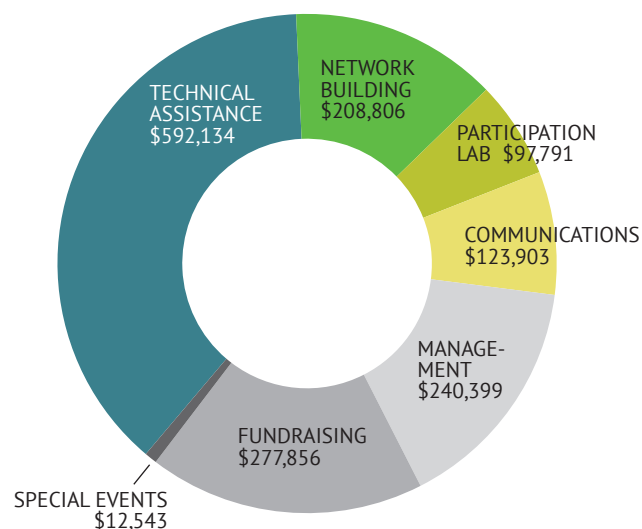


# Finances

REVENUE (UNAUDITED)  
1.1.17-12.31.17  
\$1,473,629



EXPENSES (UNAUDITED)  
1.1.17-12.31.17  
\$1,553,432



Note: Revenue shown here includes multi-year grants awarded in 2016 and paid out in 2017. Because of a mid-year change in accounting practices, these revenues are attributed to 2016 in our audited financial statement.

## Donors Decide: PB<sup>2</sup>

PBP practices what we preach. Each year, we hold our own PB process we call “PB Squared.” We invite all of our individual donors to decide how a portion of their donations is spent. We begin by collecting ideas for how to improve and expand PB. Then, we work with our PBP community to develop these ideas into proposals. Finally, our donors vote for their top projects, and we implement those with the most votes. PB<sup>2</sup> has funded so many important initiatives and tools, including the PB in Schools video and the Data for Delegates online resource that we completed in 2017.



# Staff and Boards

These talented people were part of PBP's team in 2017:



## STAFF

### Management

Josh Lerner, Executive Director  
Jennifer So Godzeno, Deputy Director  
Shari Davis, Director of Strategic Initiatives  
David Beasley, Director of Marketing and Communications  
Hadassah Damien, Director of Data and Technology

### Programs

Maria Hadden, Senior Project Manager  
Ginny Browne, Senior Manager of Network Building  
Melissa Appleton, Project Manager  
Francesco Tena, Project Manager  
Bitsy Bentley, Product Manager  
Valerie Warren, Community Engagement Coordinator  
Olga Bautista, Community Engagement Coordinator  
Roselyn Berry, Community Engagement Coordinator  
Rossanna Mercedes, Communications & Advocacy Strategist  
Ashley Brennan, Program & Communications Coordinator  
Solaire Spellen, Program Associate  
Jake Carlson, Research Fellow

### Development

Elizabeth Crews, Development Manager  
Harvir Kaur, Individual Giving Manager  
Lize Mogel, Development & Design Strategist

### Operations

Naiyma Holmes, Operations Manager  
Giselle Blanco-Santana, Executive Assistant

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**Thank you to all of our generous supporters!**



# PARTICIPATORY BUDGETING PROJECT

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