

CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov



CITY OF
HAYWARD
HEART OF THE BAY

Agenda

Wednesday, September 16, 2020

5:00 PM

Remote Participation

Council Budget and Finance Committee

This meeting is being conducted utilizing teleconferencing and electronic means consistent with State of California Executive Order No. 29-20 dated March 17, 2020, and Alameda County Health Officer Order No. 20-10 dated April 29, 2020, regarding the COVID-19 pandemic.

How to submit written Public Comment:

Send an email to Crissy.Mello@hayward-ca.gov by 2:00 p.m. the day of the meeting. Please identify the Agenda Item Number in the subject line of your email. Emails will be compiled into one file, distributed to the Council Budget and Finance Committee and City staff, and published on the City's Meeting & Agenda Center under Documents Received After Published Agenda. <https://hayward.legistar.com/Calendar.aspx>

When submitting written comments, indicate in the email if you want your comment read into the record. Requests will be allowed provided the reading will not exceed three (3) minutes consistent with the time limit for speakers at Council Committee meetings. Email comments will become part of the record of Council Committee meetings. The Chair can limit the time for reading written comments.

CALL TO ORDER

ROLL CALL

PUBLIC COMMENTS:

Limited Only to Items on the Agenda and Submitted in Writing Prior to the Meeting.

APPROVAL OF MINUTES

- 1 [MIN 20-093](#) Review and Approve the Council Budget and Finance Committee July 29, 2020 Meeting Minutes

Attachments: [Attachment I Minutes](#)

REPORTS/ACTION ITEMS

2 FY 2020 Annual Audit Process (Oral Presentation by External Auditor)

3 [RPT 20-096](#) Overview of Participatory Budgeting Principles and Examples

Attachments: [Attachment I Staff Report](#)

FUTURE AGENDA ITEMS

4 Review of FY 2021 Agenda Planning Calendar

COMMITTEE MEMBER/STAFF ANNOUNCEMENTS AND REFERRALS

ADJOURNMENT

Next Meeting - 5:00 p.m. Wednesday, October 21, 2020

The City of Hayward's Open Data Portal was designed to allow the public to explore, visualize, and download publicly accessible data. The Open Data Portal allows a clear view of the City's financial performance. Access to the portal may be found at <https://haywardca.opengov.com/>



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File #: MIN 20-093

DATE: September 16, 2020

TO: Council Budget and Finance Committee

FROM: Director of Finance

SUBJECT

Review and Approve the Council Budget and Finance Committee July 29, 2020 Meeting Minutes

RECOMMENDATION

That the Council Budget and Finance Committee reviews and approves the July 29, 2020 Council Budget Committee meeting minutes.

SUMMARY

The Council Budget Committee (CBFC) held a meeting on July 29, 2020, and the draft minutes are attached for the Committee's review and approval.

ATTACHMENTS

Attachment I 7/29/20 CBFC Meeting Minutes



COUNCIL BUDGET & FINANCE COMMITTEE MEETING
Meeting Minutes of July 29, 2020

Call to Order: 5:01 p.m.

Members Present: Mayor Halliday, Councilmember Lamnin and Councilmember Wahab

Members Absent: None

Staff: Kelly McAdoo, Maria Hurtado, Dustin Claussen, Toney Chaplin, Nicole Gonzales, Laurel James, Nicholas Mullins, Rick Rivera

Guests: David Metz – President FM3 Research; Miranda Everitt – Senior Researcher FM3 Research

Public Comments: Letter from Hayward Community Coalition

1. Approval of Meeting Minutes from May 20, 2020

Action: A motion was made by Mayor Halliday to approve the minutes of May 20, 2020. Motion seconded by Councilmember Wahab. Unanimous approval as submitted.

2. Review of Proposed FY 2021 Public Works & Utilities Department Organizational

Changes

- Director Claussen provided clarification regarding 3.5 FTEs excluded from the FY 2021 Adopted Budget approved by Council. The positions are intended to meet Council priorities and are not funded by the General Fund.
- Councilmembers Lamnin and Wahab expressed concern about adding positions considering budget policy direction in response to the COVID-19 Pandemic.
- Mayor Halliday requested further clarification of the need for these positions after the Citywide transition to automated metering.
- Councilmember Lamnin and Councilmember Wahab requested an evaluation of the requested positions and their impacts to Council priorities.

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<http://www.hayward-ca.gov>

Action: A motion was made by Councilmember Lamnin to approve bringing reclassification and replacement of critical positions to Council and amended to include fiscal impact analysis. Unanimous approval as amended.

3. Review and Discuss Public Safety Community Survey Policy Topics

- Reading of Public Comments
- City Manager McAdoo restated the core purposes of the planned community outreach and explained the combination of both statistical and community narrative components.
- David Metz and Miranda Everitt attended on behalf of FM3 to clarify methodology of the survey and focus group components, including subcontracting with firms specializing in racial equity.
- Staff provided information on the Urban Strategies Council as a potential partner for outreach. Councilmember Wahab suggested additional outreach to the Ella Baker Center and Urban Habitat, and Cal State East Bay professors.
- Councilmember Lamnin requested a wider online survey in addition to the random sampling of addresses that will be used by FM3. City Manager McAdoo agreed to a publicly available online survey, as a separate dataset from the representative sample.
- Councilmember Lamnin requested that the survey include specific questions surrounding crisis response, and community perceptions of safety.
- Mayor Halliday requested that the survey include specific questions surrounding community interaction with the Police Department, community opinion on surveillance, and options for participatory budgeting.
- City Manager McAdoo recommended adding participatory budgeting to the September 16, 2020 CBFC meeting agenda.
- Councilmember Wahab suggested conducting outreach sessions without Police Department personnel present, to allow for the community to speak freely.

Action: Staff will integrate Committee feedback into outreach efforts, and Participatory Budgeting will be included on the September 16, 2020 CBFC Agenda.

4. Future Agenda Items:

- Participatory Budgeting presentation.
- Update to City finances and COVID-19 response.

Committee Members/Staff Announcements: None.

Adjournment: The meeting was adjourned at 6:40 p.m.



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File #: RPT 20-096

DATE: September 16, 2020

TO: Council Budget and Finance Committee

FROM: City Manager

SUBJECT

Overview of Participatory Budgeting Principles and Examples

RECOMMENDATION

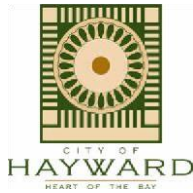
That the Council Budget and Finance Committee reviews and provides feedback on Participatory Budgeting as outlined in this report.

SUMMARY

This is an informational report to provide a general overview of Participatory Budgeting principles and examples, including how the City currently engages in Participatory Budgeting. Participatory Budgeting is a tool that governments and other organizations have used over the past three decades with the goal of engaging constituents, building more responsive budgets, and strengthening civil society.

ATTACHMENTS

Attachment I Staff Report



DATE: September 16, 2020

TO: Council Budget and Finance Committee

FROM: City Manager

SUBJECT: Overview of Participatory Budgeting Principles and Examples

RECOMMENDATION

That the Council Budget and Finance Committee reviews and provides feedback on Participatory Budgeting as outlined in this report.

SUMMARY

This is an informational report to provide a general overview of Participatory Budgeting principles and examples, including how the City currently engages in Participatory Budgeting. Participatory Budgeting is a tool that governments and other organizations have used over the past three decades with the goal of engaging constituents, building more responsive budgets, and strengthening civil society.

BACKGROUND

During the FY 2021 budget process, members of the Hayward community expressed the need for police reform, including the reallocation of funds from the police budget to the community services budget to address ongoing community concerns around policing. During the budget process, Council committed to engaging the community in open dialogue to better understand the community's desires for change in how law enforcement is administered and how services are provided by the Hayward Police Department within the City.

In keeping with Council's commitment, a work session was held on July 21, 2021¹. Staff presented the Council with a public safety community engagement plan. In addition to community conversations and sharing of information about the Hayward Police Departments budget, services and programs, the plan included a focus group and community survey conducted by a third party consultant intended to gather data on

¹ City Council Meeting on July 21, 2021
<https://hayward.legistar.com/LegislationDetail.aspx?ID=4595758&GUID=1B1F44FA-A2AE-4612-9135-7F0034B2DCCE&Options=&Search=>

community perspectives surrounding issues related to public safety, racial equity, and policing.

On July 29, 2020, staff presented the Committee with information surrounding the third-party survey and requested feedback and direction. In addition to the review of the community survey, the Committee also reviewed and discussed a public letter from the Community Services Commission to the City Council. As part of the discussion, the Committee identified priorities, including the need to understand and educate the public on Participatory Budgeting, and how the City currently incorporates Participatory Budgeting in its budget process. In response, staff committed to presenting the Committee with an overview of Participating Budgeting principles, and how the City currently engages the community during the budget process.

DISCUSSION

Over the past three decades, governments and other organizations have utilized Participatory Budgeting as a tool to engage communities in budget processes, intending to strengthen community response. Participatory Budgeting is typically implemented by calling for community proposals or input for the use of a set amount of discretionary funds. To help guide agencies in defining a Participatory Budget process, there are five steps that agencies should follow. Each step varies depending on the community and scope and source of the budget.

Five Steps in Participatory Budgeting

1. **Design the Process:** Typically, a steering committee that represents the community creates the rules and engagement plan.
2. **Brainstorm ideas:** Once the process and goals for the Participatory Budgeting are set, community members have the opportunity to share and discuss ideas for projects. This can be done at town halls or through online forums.
3. **Develop Proposals:** Delegates then develop the ideas into feasible proposals. The delegates are often volunteer community leaders. Government staff are often engaged at this point to ensure that the proposals are implementable.
4. **Vote:** Community members then vote on the proposals. There is often an online platform that describes each of the proposals. Voting is often done at set locations and online.
5. **Fund Winning Projects:** The government or institution then funds and implements the winning ideas. If there are sufficient resources, implementation staff may submit progress reports and program evaluations that can inform future Participatory Budgeting processes.

Examples of Participatory Budgeting:

While the City currently engages its community through Participatory Budgeting, it is important to review and compare Participatory Budgeting programs of other agencies. The

examples in this report include communities in the Bay Area, and communities that are similar in size or demographics to the City of Hayward.

City of Vallejo, CA

www.pbvallejo.org

The Vallejo Participatory Budgeting process is one of the best known because it was the first city-wide (not district) Participatory Budgeting process in the United States. The process began in 2012 and is funded by money set aside from Measure B, a one-percent sales tax approved by voters in 2011. Over five cycles, the City has allocated over \$8.3 million to fund 47 projects. The process closely follows the five steps above. For each cycle, the City puts out a call for residents to apply to be budget delegates. Voting is done online and in person at set locations.

City of Oakland, CA

www.pboakland.org

In 2016 and 2017, Oakland residents of City Council Districts 1 and 2 set priorities for how to spend the Community Development Block Grant (CDBG) funds that were allocated to these districts. The amount was \$784,678 over two years. The timeline was more compressed than typical to meet CDBG deadlines. In December and January, residents brainstormed ideas in person and online. In early February, volunteer budget delegates evaluated and prioritized the ideas. In late February, approximately 1,200 community members voted. Oakland chose to have no citizenship or age requirements for voting. Following the vote, the City of Oakland released a Request for Proposals for city and non-profit agencies to apply for funds to implement priority projects, which included transportation and lighting upgrades and social services. Community Development District Board Members in Districts 1 and 2 reviewed all RFP proposals and made recommendations to the City Council on which should be funded.

City of San Jose – District Participatory Budgeting

Example: www.d1decides.com

In 2015, Mayor Sam Liccardo called on San Jose councilmembers to create a participatory budgeting process in their districts. District 3 took the lead in 2015 and was later joined by Districts 5 and 2 in 2016 and District 1 in 2018. Projects are funded through the District budgets and range from \$5,000 to \$50,000. Not all the Districts have continued using the process, depending on the Councilmember in office.

Greensboro, NC

www.pbgreensboro.com

Since 2015, Greensboro has run a Participatory Budgeting process for \$500,000 every two years - \$100,000 for each of the five City Council districts. During the process, residents submit ideas, Participatory Budgeting volunteers vet the submissions and turn them in to project proposals, and residents vote on which projects to fund. Participatory Budgeting Greensboro is organized by the City Department of Budget and Evaluation, with various City departments working to implement voter-approved projects.

Hartford, CT

www.hartforddecides.org/

Five founding partners, including government and nonprofit organizations, brought the Participatory Budgeting concept to the Hartford City Council in 2016. In FY17, the City of Hartford set aside \$1,250,000 in Capital Improvement Project Funds to implement projects.

The founding partners received grant funding to run the process. In the first round, approximately 1,275 Hartford residents cast their votes for 22 project proposals.

The only requirement for voting was to be a resident of Hartford aged 13 years or older. Four projects were selected: Paint the City, Community Gardens, Senior Center Security Improvements, and Park Lighting. For the implementation phase, each project has a community team coordinator who works alongside city officials to carry the proposal through completion. The ongoing steering committee is comprised of the five original partners, 14 Neighborhood Revitalization Zone representatives, and 10 at-large Hartford community members.

Tacoma, AZ

www.engagetacoma.com

Starting this year, the City of Tacoma is piloting a Participatory Budgeting process in an East Tacoma neighborhood, with a one-time \$100,000 budget. Each resident was able to post up to five ideas using an online platform for physical improvement projects. The process was timed to run from February through May for the June budget adoption, though it is not clear from the website if this timeline held during the COVID-19 pandemic.

Hayward, CA

<https://haywardca.opengov.com/transparency#/>

The City has long strived to make the budget process and recommendation of discretionary funding an inclusive process that reflects the needs and desires of its community. In response to this approach, the City has actively engaged its community through Participatory Budgeting during the annual budget process. Specifically, the Community Services Commission, which is comprised of members of the Hayward community, are responsible for the review and recommendation of budget allocations for Community Services and Community Development Block Grant programmatic funding. During each fiscal year, members of the Commission review community applications for funding, and make recommendations to the City Council for consideration. In addition to the Community Services Commission, there are City task forces that provide feedback and recommendation on programmatic funding needs. These task forces are often comprised of members of the Hayward community.

Furthermore, the City provides the community with several opportunities to engage in the annual budget process. Current community engagement opportunities exist during budget work sessions that occur throughout the budget process. During these times, the community can engage in the budget process by presenting concerns or recommendation to Council for consideration.

STRATEGIC ROADMAP

This agenda item supports the Strategic Priority of Support Quality of Life. This item is not specifically related to a project currently identified in the Strategic Roadmap.

FISCAL IMPACT

This is an informational item with no immediate fiscal impacts.

Prepared by: Mary Thomas, Management Analyst
Rick Rivera, Management Analyst
Nicole Gonzales, Deputy Director of Finance

Recommended by: Dustin Claussen, Director of Finance

Approved by:

A handwritten signature in black ink, appearing to read 'K. McAdoo', written over a horizontal line.

Kelly McAdoo, City Manager