



MEMORANDUM

LEGISLATIVE REFERENCE BUREAU

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To: MKE Community Impact Committee Members
From: Beka Bein, Legislative & Fiscal Services Specialist
Date: April 7, 2026
Subject: Participatory Budgeting Process

This memo is in response to your inquiry into participatory budgets. Specifically, how they work, best practices, and examples of other cities/municipalities engaging in the process.

What is Participatory Budgeting and How Does It Work?

The Brazilian city of Porto Alegre started the first full participatory budgeting process in 1989 as a key strategy for rooting out corruption and addressing economic inequality. Participatory budgeting (PB) is a democratic process in which community members decide how to spend part of a public budget.¹ 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.

Best Practices

The general approach detailed below is reflected in the best practice guidance published by both the Urban Institute² and the Participatory Budgeting Project (an advocacy organization that has assisted at least 14 U.S. cities in the development of PB initiatives).³

¹ Participatory Budgeting Project, What is PB?, <https://www.participatorybudgeting.org/about-pb/#what-is-pb>

² Urban Institute, Best Practices for Participatory Budget, August, 2022
<https://www.urban.org/sites/default/files/2022-09/Best%20Practices%20for%20Inclusive%20Participatory%20Budgeting.pdf>

³ Participatory Budgeting Project, Resource Library <https://www.participatorybudgeting.org/resource-library/>

1. After elected officials decide to pursue a PB initiative and determine how much funding to allocate, the elected officials appoint a steering committee or similar body to create and oversee the program. The steering committee determines what types of projects will be eligible, how projects will be scored or ranked, the process timeline, how community engagement will occur, etc.
 - This committee is typically comprised of motivated community members, selected to represent the economic, geographic, and demographic diversity of the city, but sometimes includes elected officials or municipal staff.
 - The scope of eligible projects is generally limited to one-time rather than recurring costs. Some cities specify that the projects must be capital/infrastructure projects. Some cities allow for the process to fund one-time grants to community organizations for specific initiatives. Some cities allow funding for projects that will need additional city resources in the future (maintenance costs, for example), provided they will not result in the need for additional staff.
2. Ideas are solicited from the public during a defined time period. Events and workshops are held to promote participation and educate the public.
3. A workgroup is convened to review all submitted project ideas to determine eligibility, rank the ideas, develop formal proposals, and create a final ballot of project ideas.
 - The workgroup is typically a group of motivated community members, selected to represent the economic, geographic, and demographic diversity of the city, with support provided by city staff, but is sometimes comprised of only city staff.
 - The workgroup must have an understanding of the program parameters and enough support to allow it to draft formal proposals, including cost estimates.
 - The workgroup does not select the funded proposals, it ranks proposals in order to narrow down the final ballot to a manageable number.
4. The top-ranked project proposals are introduced to the public, and community members vote on the proposals that they believe best serve the community's needs.
 - Typically, events are held to introduce the proposals to the public, answer questions about them, and solicit participation.
 - Voter eligibility is ascertained using less-formal proof than for regular elections, but some cities simply ask voters to attest that they are eligible. Generally, people may vote even if they don't live in the target area, provided that they go to school or are employed in the area. Eligible ages often include children, sometimes as young as 11.
 - A voting period typically lasts two to four weeks, with locations distributed across the community. Sometimes online platforms are used for voting.
5. The proposals that receive the most votes are funded.

Steering Committee

The Steering Committee guides and supports the PB process. The committee may:

- Design and oversee the PB process
- Make decisions about the PB Process
- Help raise support funding
- Distribute promotional materials
- Conduct outreach to mobilize community members to participate
- Support neighborhood assemblies and community representative meetings
- Facilitate community representative orientations
- Approve and help evaluate the PB process
- Review and revise rules to the PB process
- Encourage PB for other budgets
- Help create a shared catalog of project costs
- Help provide interpretation and translation of materials

Examples of PB in Other Cities

Chicago, IL

Each of Chicago's aldermanic wards currently receives an annual allotment of \$1.5 million in capital bond funds to use for infrastructure projects. This is referred to as the "Menu Program," because there is a "menu" of defined, standard neighborhood infrastructure projects that these funds can be spent on.⁴ Of the 50 total wards, 13 have recently used a PB process to allocate a portion of these menu funds.⁵

Funds Subject to Participatory Budgeting

Of the \$1.5 million in annual menu funds available in each ward, alderpersons who use PB have recently dedicated between \$200,000 and \$1 million of the total allotment to the PB process.

Scope of Allowable Proposals

Projects must be infrastructure projects allowable under the city's Aldermanic Menu Program. Operating costs are not allowed.

Selection Process

While there is some flexibility allowed in how each alderperson administers their program, a citywide steering committee published a participatory budgeting rulebook in 2021.⁶

⁴ Ward Wise Chicago, Neighborhood Infrastructure Menu, <https://www.wardwisechicago.org/infrastructure-menu>

⁵ Block Club Chicago, January 13, 2025 "Vote On How To Spend \$500K In Humboldt Park, Logan Square" <https://blockclubchicago.org/2025/01/13/vote-on-how-to-spend-500k-in-humboldt-park-logan-square/>

⁶ PB Chicago & the Great Cities Institute, Participatory Budgeting Rulebook, 2021 <https://guitar-purple-yjxh.squarespace.com/s/PB-Chicago-Rulebook-2021.pdf>

Ward staff typically convene and train a committee/workgroup of volunteer community representatives, selected by the alderperson, to review submitted ideas and assess them for viability and compatibility with program guidelines. This group of volunteers, with the assistance of ward and/or city staff, then formulates the viable ideas into formal project proposals, including estimated costs.

Final proposals are then presented to the community at project expos and put on the ballot for a vote. Voting typically happens over a period of weeks at ward offices, various community locations, and sometimes online. Projects with the most votes are funded.

Seattle, WA

The City of Seattle's 2025-2026 budget authorized \$27.25 million to implement the winning proposals from Seattle's recently completed PB initiative.⁷ This funding was initially allocated in June of 2020 and a PB process to allocate the funds was planned to occur in mid-2021, but disputes with community groups regarding how to implement the process sidelined the effort.⁸ In August of 2022, the City entered into a \$2.7 million contract with the Participatory Budgeting Project to administer the program, culminating in a voting period in October and November of 2023.

Funds Subject to Participatory Budgeting

\$27.25 million

Scope of Allowable Proposals

Project ideas were to take place within the boundaries of the City of Seattle, could not require a law or policy change, and could not specify a vendor. Ideas must have had an end date (they could not incur repeated costs). Budgets for proposed capital project ideas could be between \$2 million and \$7.2 million. For ideas about programs and services, the budget could be between \$500,000 and \$2 million.

Selection Process

A third-party vendor (The Participatory Budgeting Project) managed the process. Community members were solicited through an open application process to act as steering committee and workgroup members, and were offered \$25 per hour for an estimated workload of 25 - 30 hours per month.

⁷ City of Seattle, Office of Civil Rights, Press Release, December 10, 2024, "Seattle's 2025-2026 Budget Authorizes \$27.25 Million to Implement Participatory Budgeting Projects" <https://ocr.seattle.gov/seattles-2025-2026-budget-authorizes-27-25-million-to-implement-participatory-budgeting-projects/>

⁸ Real Change News, December 6, 2023, "Seattle participatory budgeting process concludes after delays, sidelining by mayoral administrations" <https://www.realchangenews.org/news/2023/12/06/seattle-participatory-budgeting-process-concludes-after-delays-sidelining-mayoral>

The steering committee defined how the process would work, and after the idea collection stage, the workgroup members screened ideas for eligibility, ranked the ideas, and created the 18 proposals to be placed on the ballot for a two-week voting period. Voters could be anyone at least 15 years of age who lived, worked, or played in Seattle. Voting occurred online and at various in-person sites throughout the city.⁹ The proposals with the most votes were funded.

Eau Claire, WI

The first PB initiative in Wisconsin was undertaken by the City of Eau Claire in 2021 and 2022. The City Council first voted to fund a PB program in 2018, and contracted with the Participatory Budgeting Project to advise council members and staff on what is involved in creating a successful program and how to tailor it to local circumstances. COVID-19 forced the city to delay the program until 2021.

Funds Subject to Participatory Budgeting

\$300,000

Scope of Allowable Proposals

Funding is part of Eau Claire's Capital Improvement Plan. Proposals must fund infrastructure, roads, buildings, land, parks, equipment, or vehicles, with a useful life of one year or more.¹⁰

Selection Process

City staff recruited eight community volunteers to serve on the steering committee, which was responsible for the overall design and implementation of the program. Steering committee members were not necessarily affiliated with any local organizations or institutions.

After the idea-collection phase, a group of budget delegates, composed of volunteer community members, worked with city staff to evaluate, refine, and rank the 95 submitted ideas. This resulted in a set of 14 projects, which were placed on a ballot for public voting.

A three-week voting period was held, where residents of ages 11 and up were allowed to vote for their favorite projects. Voter outreach was conducted at 18 community events, and in-person voting was available every day at the library and city hall. Five projects that received the most votes were ultimately funded.

If you need any additional information, please do not hesitate to contact me.

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⁹ Participatory Budgeting Project, September 22, 2023 "Seattle People's Budget Vote Phase Launches Oct 1st!" <https://www.participatorybudgeting.org/seattle-peoples-budget-vote-phase-launches-oct-1st/>

¹⁰ City of Eau Claire, Participatory Budgeting Rulebook, amended April 6, 2022 <https://www.eauclairewi.gov/home/showpublisheddocument/38860/637854364165530000>

Appendix A: Timeline

Outlined below is an example of a timeline with common time frames.¹¹

Phase	Goal/Benchmarks	Time Frame
<i>Planning</i>	<ul style="list-style-type: none"> • Educate decision makers • Engage community partners • Identify pot of money to allocate • Secure funding and staffing for implementation • Announce approval of PB process 	Variable
<i>Design</i>	<ul style="list-style-type: none"> • Form Steering Committee • Develop PB Rulebook • Schedule idea collection events • Recruit and train facilitators and outreach workers 	3-6 months
<i>Idea Collection</i>	<ul style="list-style-type: none"> • At public meetings, residents and other community stakeholders learn about PB, discuss community needs, and brainstorm project ideas • Residents also submit ideas online or via other digital tools • Residents volunteer to serve as budget delegates to turn the ideas into full project proposals for the PB ballot 	1-2 months
<i>Proposal Development</i>	<ul style="list-style-type: none"> • Budget delegates go through an orientation, then meet in committees to transform the community's initial project ideas into full proposals, with support from agency staff and technical experts 	3-5 months
<i>Vote</i>	<ul style="list-style-type: none"> • Delegates present final projects at science-fair style expos • Residents vote on which projects to fund, at sites throughout the community over a week or two. 	1 month

¹¹ Participatory Budgeting Project, Scoping Toolkit, 2017 https://www.participatorybudgeting.org/wp-content/uploads/2023/05/ScopingToolkit2017_v1.1-1-1.pdf

Phase	Goal/Benchmarks	Time Frame
<i>Evaluation</i>	<ul style="list-style-type: none"> Participants and researchers evaluate the process and identify improvements to make the following year 	1-2 months
<i>Implementation and Monitoring</i>	<ul style="list-style-type: none"> Government implements winning projects and participants help monitor and troubleshoot problems as they arise 	ongoing