

Appendix 3 – Resource Considerations for Implementation of PB for 25 wards and 31 Neighbourhood Improvement Areas

The following three financial scenarios for Participatory Budgeting (PB) in 25 wards or 31 Neighbourhood Improvement Areas (NIAs) are outlined below:

- Option 1a - PB in all City wards each year
Option 1b - PB in all NIAs each year
- Option 2a – PB in half of wards each year
Option 2b – PB in half of NIAs each year
- Option 3a – PB in a quarter of wards each year
Option 3b – PB in a quarter of NIAs each year

Capital costs are based on \$250,000 available for each ward or NIA. Operating costs are based on findings of the 2015- 2017 PB Pilot which suggest approximately \$10,000 per area for communications (with a maximum of \$250,000 total) and the following staffing levels:

- Project Manager to coordinate overall process
- Project Coordinator - 0.5FTE to support 3-4 PB processes
- Capital Project Manager to coordinate integration of projects with capital plans
- Constituency Assistant - 0.25FTE for each participating councillor. When estimating costs for NIAs, 15 councillors currently have all or part of an NIA in their ward.

Budget estimates are also provided for a four-year Council term. The City's Use of City Resources During the Election Period Policy may impact the timing on outreach, voting and implementation of PB every four years. Advantages and disadvantages may be experienced for participating areas during election years.

Additional options were considered but not costed due to significant limitations:

- Phasing in PB over a term of Council would add a quarter of wards or NIAs each year until all are running PB on an annual basis. This option would initially reduce costs and allow the process to build experience and capacity, but was considered inequitable, as some wards or NIAs could have several PB cycles within the next term of Council and while others would have fewer or none.
- A theme-based PB processes would focus on certain areas of investment in wards or NIAs, such as youth, environment or safety, as is done in other PB jurisdictions. This option could help projects focus on pressing needs, but has potential to conflict with the funding and implementation of the City's current strategies in these areas, and the benefits of introducing resident voting to set these priorities are unclear.
- Establishing a general PB fund to support up to a quarter of wards of NIAs each year, at the discretion of Council. The annual capital cost for this would be the same as Options 3a and 3b described above. Although this option is more flexible than other options, it would require sustained PB administration process to be in place, even in years with less or more PB activity. In addition, it could increase inequity, as some wards or NIAs may miss opportunities for capital investment if a general fund was in place but the local councillor chooses not to implement PB.

Option 1a – Annual PB in 25 City wards each year:	
<ul style="list-style-type: none"> • Estimated annual cost: \$6.25M capital, \$1.53M operating • Estimated cost per Council term: \$25M capital, \$6.13M operating 	
<p>Capital: \$6.25M (\$250,000 per ward per year) Operating: \$1.53M</p> <ul style="list-style-type: none"> • 1 Project Manager (\$143K) • 3 Project Coordinators (6x0.5 FTEs @ \$119K each) = \$357K • 1 Project Manager in PFR Capital or Public Realm (\$145K) • 0.25 FTE Constituency Assistant (\$25.5K each for 25 Councillors) = \$637.5K • \$250K communications 	
Benefits	Challenges
<ul style="list-style-type: none"> • Every ward participates each year • Annual cycles make it easier to maintain public awareness, attract participation and sustain momentum • Can be integrated into existing capital budget/planning process 	<ul style="list-style-type: none"> • Annual input of high number of new capital projects could limit capacity to meet state-of-good-repair and emergency capital needs • Equal distribution of funds may limit focus on underserved wards • Chance of resident attrition

Option 1b – Annual PB in all NIAs each year:	
<ul style="list-style-type: none"> • Estimated annual cost: \$7.75M capital, \$1.4M operating • Estimated cost per Council term: \$31M capital; \$5.6M operating 	
<p>Capital: \$7.75M per year (\$250K per NIA per year) Operating:\$1.4M per year</p> <ul style="list-style-type: none"> • 1 Project Manager (\$143K) • 4 Project Coordinators (8x0.5FTEs @ \$119K each) = \$476K • 1 Project Manager in PFR Capital or Public Realm (\$145K) • 0.25FTE Constituency Assistant (\$25.5K each for 15 Councillors) = \$382.5K • \$250K communications 	
Benefits	Challenges
<ul style="list-style-type: none"> • Every NIA participates each year • Focusses capital investment in areas of highest need • Builds engagement between local planning tables and vulnerable communities • Annual cycles make it easier to maintain public awareness, attract participation and sustain momentum • NIAs have additional capacity to support process, through local NIA planning tables and dedicated City staff 	<ul style="list-style-type: none"> • Residents living in wards without NIAs would not be involved • Wards with multiple NIAs may receive higher investment than wards with single NIA • Small NIAs with limited public space may run out of options for PB projects after few years • Annual input of high number of new capital projects could limit capacity to meet state-of-good-repair and emergency capital needs

<p>Option 2a – PB in half of City wards each year:</p> <ul style="list-style-type: none"> • Estimated annual cost: \$3M or \$3.25M capital, \$892.5K or \$918K operating • Estimated cost per Council term: \$12M or \$13M capital; \$3.57M or \$3.67M operating 	
<p>Capital: \$3M per year for 12 wards or \$3.25M for 13 wards (\$250K per ward per year) Operating: \$892.5K or \$918K per year</p> <ul style="list-style-type: none"> • 1 Project manager (\$143K) • 1.5 project coordinators (3x0.5FTEs @ \$119K each) = \$178.5K • 1 Project manager in PFR Capital or Public Realm (\$145K) • 0.25 FTE Constituency Assistant (\$25.5K for each participating Councillor) = \$306K for 12, \$331.5K for 13 • \$120K communications 	
<p>Benefits</p> <ul style="list-style-type: none"> • Lower costs per year than Option 1a • Allows state-of-good repair and other capital spending to continue in wards in non-PB years • Can still maintain public awareness • Non-PB years give residents and city opportunities to consider needs and possible projects for upcoming PB cycle • Alternating years reduces chance of resident attrition 	<p>Challenges</p> <ul style="list-style-type: none"> • Residents would not have PB process every year • Public awareness and momentum may drop in non-PB years • Restrictions in election periods may affect PB process

<p>Option 2b – PB in half of NIAs each year:</p> <ul style="list-style-type: none"> • Estimated Annual Cost: \$3.75M or \$4M capital, \$710K or \$735.5K operating • Estimated cost per Council term: \$15M or \$16M capital; \$2.84M or \$2.94M operating 	
<p>Capital: \$3.75M for 15 NIAs or \$4M per year for 16 NIAs (\$250K per NIA per year) Operating: \$710K or \$735.5K per year</p> <ul style="list-style-type: none"> • 1 Project manager (\$143K) • 1 project coordinator (2x0.5FTEs @ \$119K each) = \$119K • 1 Project manager in PFR Capital or Public Realm (\$145K) • 0.25FTE Constituency Assistant (\$25.5K each participating Councillors) = \$153K for 6 or \$178.5K for 7 • \$150K communications 	
<p>Benefits</p> <ul style="list-style-type: none"> • Lower costs per year than NIA-based Option 1b • Same as Option 2a 	<p>Challenges</p> <ul style="list-style-type: none"> • Same as Option 2a

Option 3a - PB in a quarter of wards each year:	
<ul style="list-style-type: none"> • Estimated Annual Cost: \$1.5M or \$1.75M capital, \$630K or \$655.5K operating • Estimated Cost per Council term: \$6M or \$7M capital, \$2.52M or \$2.62M operating 	
<p>Capital: \$1.5 per year for 6 wards or \$1.75M for 7 wards (\$250K per ward per year) Operating: \$630K or \$655.5K per year</p> <ul style="list-style-type: none"> • 1 Project manager (\$143K) • 1 project coordinator (2x0.5FTEs @ \$119K each) = \$119K • 1 Project manager in PFR Capital or Public Realm (\$145K) • 0.25FTE Constituency Assistant (\$25.5K each participating Councillors) = \$153K for 6 or \$178.5K for 7 • \$70K communications 	
Benefits	Challenges
<ul style="list-style-type: none"> • Lower funding required than ward-based Options 1a and 2a • Same as 2a 	<ul style="list-style-type: none"> • Highest chance of drop in public awareness and momentum than other options • Restrictions in election periods may affect PB process

Option 3b - PB in a quarter of NIAs each year:	
<ul style="list-style-type: none"> • Estimated Annual Cost: \$1.75M or \$2M capital, \$504K or \$529.5K operating • Estimated Cost per Council term: \$7M or \$8M capital, \$2.02M or \$2.12M operating 	
<p>Capital: \$1.75M for 7 NIAs or \$2M per year for 8 NIAs (\$250K per NIA per year) Operating: \$504K or \$529.5K per year</p> <ul style="list-style-type: none"> • 1 Project manager (\$143K) • 0.5 project coordinator (1x0.5FTEs @ \$119K each) = \$59.5K • 1 Project manager in PFR Capital or Public Realm (\$145K) • 0.25 FTE Constituency Assistant (25.5K for each participating Councillor) = \$76.5K for 3 or \$102K for 4 • \$80K communications 	
Benefits	Challenges
<ul style="list-style-type: none"> • Lower funding required than NIA-based Options 1b and 2b • Same as 2a 	<ul style="list-style-type: none"> • Same as Option 3a