

# **Petition for Submission of Proposed Amendment to Charter**

**NOTICE – Whoever knowingly signs this petition more than once, signs a name other than his own, or signs when not a legal voter is liable to prosecution.**

**To the Council, the legislative authority of the City of Cleveland, Ohio.**

We, the undersigned, qualified electors of the City of Cleveland, Ohio respectfully petition the legislative authority to forthwith provide by Ordinance, for the submission to the electors of said the city, the following proposed amendment to the Charter of said city to-wit:

The following is a full and correct copy of the title and text of the proposed Amendment:

**TITLE:**

**AMENDMENT TO CHARTER TO ENABLE PEOPLE’S BUDGET PROCESS, ALLOCATE FUNDS ON AN ANNUAL BASIS TO THE PEOPLE’S BUDGET FUND, AND PERMANENTLY ESTABLISH THE PEOPLE’S BUDGET STEERING COMMITTEE**

The people of the City of Cleveland, having determined the need to enable the People’s Budget process, allocate funds on an annual basis to the People’s Budget Fund, and permanently establish the People’s Budget Steering Committee, amend the Charter of the City of Cleveland, Ohio to add Section 204-1 through 204-8, which will read as follows, and will become effective upon adoption by the voters:

**CHAPTER 41: PEOPLE’S BUDGET**

**§ 204-1: People’s Budget Implemented.**

The City will implement a People’s Budget (or “PB”) process, also known as participatory budgeting. In this process, residents make binding decisions on how to spend a portion of public money.

**§ 204-2: Allocation of Funds for Purposes of People’s Budget and the creation of the People’s Budget Fund.**

The People’s Budget Fund (or “PB Fund”) is hereby created. The funds allocated by the City to the People’s Budget will be available in the People’s Budget Fund. The expenditures made in accordance with this Chapter will be made from the People’s Budget Fund.

Each year after the adoption of this Amendment, the City will allocate funds to the People’s Budget Fund for the funding of a combination of capital and programmatic expenses selected by City residents, as well as to fund the administrative costs for the implementation of the People’s Budget.

In the first year after adoption of this Amendment, the City will allocate \$350,000 to the PB

Fund for the initial administrative costs to begin to implement the People's Budget process.

In the second year after adoption of this Amendment, the City will allocate an amount equal to one percent (1%) of the City's General Fund from the previous year's adopted budget to the PB Fund.

In the third year after adoption of this Amendment, the City will allocate an amount equal to one and a half percent (1.5%) of the City's General Fund from the previous year's adopted budget to the PB Fund.

In the fourth year after adoption of this Amendment, and thereafter, the City will allocate an amount equal to two percent (2.0%) of the City's General Fund from the previous year's adopted budget to the PB Fund.

**§ 204-3: People's Budget Steering Committee.**

- A. The People's Budget Steering Committee ("Committee") is created to implement and administer the People's Budget process in ways that promote equitable civic engagement, resident leadership development, and robust resident decision-making and deliberation.
- B. The administrative costs of the Committee will be taken from the People's Budget Fund.
- C. The Committee will adopt rules to administer and implement the PB process. On an annual basis, by January 1, the Committee will publish these rules in a guidebook that will provide information and parameters for the upcoming PB process. It will include background information about the Committee, how the PB process will work, including the plan to hold equitable, accessible project selection processes, and how City residents can get involved. The Committee will provide ample opportunity for residents to provide feedback to the guidebook before it is published.
- D. For each PB cycle and additionally as needed, the Committee will review and amend the guidebook based on resident engagement and experience from previous implementation cycles of the process to incorporate changes in the process to maximize equitable engagement and impact. The Committee will utilize information gathered from previous years in an effort to improve the PB process.
- E. The Committee shall hire formal evaluators to monitor, record, and evaluate the PB process.
- F. The Committee will oversee the PB Fund.
- G. The Committee will develop a system for City residents to vote on proposals and for the Committee to oversee the tabulation of the votes and certify the results.

- H. The Committee shall contract with one or more community engagement partners with experience facilitating community-based group meetings, engaging grassroots groups and promoting equitable civic engagement to co-lead on education, outreach, and engagement during the PB process.
- I. The Committee shall comply with Ohio Open Meetings Act and Public Records laws. The Committee must hold open meetings and publish minutes from their meetings in a timely manner. The Committee must hold a public forum at least once a year for residents to give input to the decisions made by the Committee in developing the PB process. The Committee must establish a process by which residents can lodge formal grievances.
- J. The Cleveland Director of Law will be the legal advisor to and provide representation of the Committee, and special counsel will be appointed by the City at the City's expense in cases of conflict of interest.

**§ 204-4: Process to Select Members to the People's Budget Steering Committee and Meeting Requirements.**

- A. The Committee will be composed of and led by Cleveland residents. The Committee will consist of eleven (11) Members. Ten (10) Members shall be residents of Cleveland aged 16 and older appointed by the Mayor and Council. One (1) Member shall be the City staff person hired to support the PB process or, prior to that staff person's hiring, a City staff person designated by the Mayor.
- B. Within three months of the adoption of this Amendment, the Mayor shall create and advertise a public application process through which all Cleveland ages 16 and up are eligible to apply. Within six months of the adoption of this Amendment, from the applicant pool, the Mayor shall appoint five (5) Committee Members, and City Council shall appoint five (5) Committee Members. The Mayor and Council shall both strive to appoint residents who represent the diversity of Cleveland regarding age, gender, race, geography, LGBTQ+ status, and socioeconomic status. The Mayor and Council shall prioritize the participation of residents under the age of thirty (30), and members of historically marginalized communities. The Committee shall publish information about the composition of its membership regarding each category listed herein.
- C. The initial Committee Members' terms will start once they have accepted their appointment to the Committee and will end on December 31st of the second year following passage of this Amendment. The second term will begin January 1st of the third year following passage of this Amendment, and will end December 31 of the fourth year following passage of this Amendment, and the Members' terms will continue for two year periods thereafter. No resident may serve more than two terms in their lifetime. Members who fill the remainder of a previous Committee Member's unexpired term will not have their service of an unexpired term considered as a term.
- D. The Committee will create a Code of Regulations to govern itself that must be ratified

by two-thirds of its Members and that are not in conflict with the Charter. The Code may be amended as needed with the approval of two-thirds of its Members. The Code must include regulations such as whether the Committee will have officers and how they will be selected, and a process for decision making. The Committee has the sole authority to remove a Member upon a vote of the Committee based upon a process that will be set forth in the Code.

- E. The Mayor shall appoint the first chairperson. Once the Committee has adopted a Code of Regulations, it may appoint a different chairperson and other officers, as permitted in the Code of Regulations.
- F. The Committee shall meet at least once a month at such time and place as it shall decide. Special meetings may be called by the chairperson at the chairperson's discretion. A simple majority of the Members shall constitute a quorum for the transaction of business.
- G. The Committee shall keep minutes of its meetings, a copy of which shall be kept on file in the Mayor's Office. All findings, reports and recommendations of the Committee shall be in writing and shall designate thereon the names of the Members concurring therein. A Member who does not concur in any such plan, finding, report or recommendation may note thereof the reasons for said Member's failure to concur.
- H. By January of the second year following passage of this Amendment, the Committee shall publish and maintain a website that includes information about the Committee, including past meeting minutes, upcoming times and locations of meetings, current and past guidebooks, information about the composition of the Committee, and other information relevant to Cleveland residents.

**§ 204-5: People's Budget Use of Public Funds.**

- A. Charter Section 108 will not be applicable to contracts and expenditures made pursuant to Charter Section 204.
- B. Spending through the People's Budget Fund must comply with all applicable state and federal laws.
- C. In the second year following the passage of this Amendment, the funds in the People's Budget Fund allocated to administrative costs shall be \$500,000. Thereafter the amount allocated to administrative costs shall increase two percent (2%) each year. The budget for administrative costs will be decided on by the Committee.
- D. Administrative costs may include, but are not limited to, the following cost categories (in certain amounts where designated):

(1) Staffing:

- (a) Fund a minimum of one (1) full-time position in the Mayor's office dedicated entirely to supporting the Committee and PB implementation (not to exceed thirty percent (30%) of the amount allocated to administrative costs);
  - (b) Either hire or contract with one (1) full-time worker employed by a third-party nonprofit implementing partner who will act as the lead coordinator for the Steering Committee and will lead implementation of the PB process; and
  - (c) Compensate Committee Members in the amount of \$5,000 per year, which will be adjusted annually by the Consumer Price Index after adoption of the Amendment (not to exceed twenty percent (20%) of the amount allocated to administrative costs). Committee Members will not receive any additional benefits such as health insurance or PERS. The initial Committee Members will only serve a partial first year and will be paid a pro-rata amount of the \$5,000 annual amount based on the number of months that the Member serves.
- (2) Community engagement, elections operations, and related: administrative costs determined by the Committee, including those related to community education and engagement, get-out-the-vote, process evaluation, and elections operations such as printing ballots, renting space, maintaining a website, and using digital platforms for voting.

**§ 204-6: People's Budget Process.**

- A. Over a twelve (12) month period starting in January of each year, all City residents who are ages 13 and over will have an opportunity to offer ideas, turn ideas into proposals, and vote on proposals they want to see implemented through the People's Budget. Voting will occur through a system developed by the Committee. Implementation starts after residents vote.
- B. People's Budget funds will be used for both capital expenses and time-bound programmatic expenses. The City shall determine what percentage of funding is available for capital expenses and time-bound programmatic expenses, provided that funding to neither category shall consist of more than sixty (60%) of the total funding the City allocates to PB.
- C. The Committee will designate funds for PB projects into one of two categories: funds used to implement city-wide projects, and funds used to implement neighborhood-specific projects.
- D. The Committee will allocate PB funding by neighborhoods (Statistical Planning Areas), or clusters of neighborhoods, in an equitable way using poverty data and information about historical and present-day social inequities, while ensuring residents

of every neighborhood have an opportunity to vote for projects specific to their neighborhood or neighborhood cluster.

Residents of the same neighborhood shall vote for the same ballot developed during the PB process. Residents in a given neighborhood shall not be split between multiple ballots.

Since residents themselves approve this spending, contracts for winning projects are exempt from approval by the City Council and the Mayor. Eligible projects voted on by residents must comply with all legal requirements of the funding source, which may include capital expenses and/or time-bound, programmatic expenses.

- E. Consistent with PB's mission to promote equity, where possible, the Committee will strive to prioritize project partners that are accountable to local, Black, AAPI, Latinx, Indigenous, immigrant, LGBTQ+, disabled, and working class communities.
- F. On projects selected through the PB process, the City shall publicly report implementation progress back to the Committee every six months, until the project is complete, and shall endeavor to fully implement each project within 18 months. The City shall also provide timely, thorough, transparent status updates on projects in response to formal requests from the Committee.
- G. People's Budget funds not utilized in a calendar year will remain in the People's Budget Fund for use of the People's Budget process in subsequent years, or that same amount will be reallocated to the People's Budget Fund for the following year, which would be in addition to the amount allocated for a given year as specified in Section 204-2.

**§ 204-7: Amendment Supersedes Inconsistent Charter and Code Sections.**

The City must make all efforts to interpret the Amendment in a manner that will fully implement all sections of this Amendment. This Amendment supersedes any other Cleveland Charter and Cleveland Codified Ordinance sections that are inconsistent or conflict with this Amendment.

**§ 204-8: Severability Clause.**

If any section or part of a section of this Amendment proves to be invalid or unconstitutional by a court of competent jurisdiction, the same shall not be held to invalidate or impair the validity, force or effect of any other section or part of a section of this Amendment, unless it clearly appears that such other section or part of a section is wholly or necessarily dependent for its operation upon the section or part of a section so held unconstitutional or invalid.