



Public Ethics Commission | CITY OF OAKLAND

## Item 7 - Democracy Dollars Report

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TO: Public Ethics Commission  
FROM: Suzanne Doran, Program Manager  
Nicolas Heidorn, Executive Director  
DATE: March 27, 2024  
RE: Measure W Oakland Fair Elections Act Implementation Update for the April 10, 2024, Regular PEC Meeting

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With the passage of Measure W, the Oakland Fair Elections Act, the Public Ethics Commission (PEC or Commission) is planning for a transition of growth in staffing, structure, and responsibilities as administrator of a completely re-designed public financing program. This memorandum provides an update on implementation activities since the last Commission meeting.

### Staffing

In 2023, the PEC successfully applied for \$210,000 in funding from the Haas Jr. Foundation to develop an inclusive outreach strategy for the Program's roll-out. In early 2024, the PEC finalized the grant-funded hire of UC Berkeley Goldman School student Trishia Lim to conduct research and produce a capstone policy report with recommendations that can be used as a road map for future Democracy Dollars community engagement. In March, Commission staff finalized the job posting for a second grant-funded position, the limited duration Democracy Dollars Community Engagement Specialist. Interested persons may learn more and apply through the City of Oakland's [online job opportunities portal](#) until April 9<sup>th</sup>. Staff anticipates completing recruitment by June and onboarding the new analyst in July.

### Haas Grant Activities/Community Engagement

In February and March, one-on-one interviews were conducted with City staff to identify key City systems and processes to support Democracy Dollars Program outreach and engagement goals. Commission staff is collaborating with staff from the Department of Race and Equity and the City of Oakland Community Engagement Working Group to ensure that implementation strategies that the project is considering center community involvement and empowerment. Interviews were also conducted with representatives of community-based organizations to engage with community leaders to get input on messaging and the best outlets to reach residents, including outreach strategies by audience. Additionally, a standardized questionnaire was developed for use as a tool to capture ongoing community attitudes, preferences, and effective communication methods to help the PEC build its network of essential community leaders and organizations to partner with. The final report with recommendations will be submitted to Commission staff for review in May with a presentation to follow at a future Commission meeting.

### **Voter Guide**

As reported previously, staff have been developing a model voter guide to assist voters in assigning their vouchers, which the PEC hopes to pilot in the 2024 election cycle. After receiving community and Commissioner input on the content and format for a printed guide, staff worked with volunteers from civic technology group Open Oakland to explore potential designs for a mobile device-friendly online version that can be integrated into the Commission's webpages. Commission staff shared draft versions for feedback with the volunteer group. Once design alternatives are finalized, the group is planning to conduct user-testing with community members in the coming months and share the results with the Commission and community partners for input.

Staff has also met with Open Oakland volunteers interested in designing and prototyping online interfaces for residents to interact with the Democracy Dollars program. Similar to the Voter Guide collaboration, the goal of the project is to increase staff capacity to conduct user testing to gain early community input to enhance the design process once a vendor is selected. The group is currently mapping Democracy Dollars "user journeys." User journeys are used in designing websites and software to discover the different ways to support the user, i.e., Oakland resident, to achieve their goal as quickly and easily as possible.

### **Administrative Processes and Technology**

The development of the Democracy Dollars Program requires the design and implementation of a secure software platform with strong accountability controls to administer the program, which involves creating over one million Democracy Dollar records with unique identifiers for every eligible Oakland resident each election cycle and tracking the Democracy Dollars throughout the process from receipt to assignment to validation to creating invoices for fund disbursements to candidates. In addition, the program requires a user-centered software design that makes participation simple for both candidates and residents and provides easy access to program and campaign data in a public transparency portal.

Although the Democracy Dollars Program launch was postponed due to a citywide fiscal crisis, the City Council allocated \$525,000 in the Fiscal Years 2023 – 2025 biennial budget for start-up costs associated with initiating the Democracy Dollars Program in recognition of the importance of the Democracy Dollars technology platform to a successful program launch in 2026.

Immediately after passage of Measure W, Commission staff began research on public finance administration systems in other jurisdictions as well as analysis of the Oakland legislation. Ongoing research has included multiple learning sessions with Seattle Democracy Vouchers program staff, Seattle IT staff, review of available California-approved campaign finance software as well as assessing resident-facing Oakland applications of similar complexity.

Commission staff then submitted a project proposal outlining the major processes needed to administer the program to the IT Department in accordance with the citywide IT Governance Process for Technology Projects, which applies to technology requests for new systems and

infrastructure prior to issuing Requests for Proposals or purchase orders. From January through March, Commission staff collaborated with the IT Director and senior staff to review and evaluate potential solutions. The group evaluated several options including adapting the Seattle Democracy Vouchers technology for Oakland requirements, building a custom system on an existing city platform such as OakApps that City staff would maintain, and selecting a vendor using a software as service (SaaS) model to build and maintain the software platform and data for an ongoing service fee.

Ultimately, staff concluded that the software infrastructure, design, and implementation of the Democracy Dollars technology system is unique to the City of Oakland and must be created and customized for the City and therefore limits the qualified vendors to those with deep experience with campaign finance and public financing programs. Fortunately, after vetting options, Commission and ITD staff reached consensus that one vendor met both PEC and IT criteria, including factors such as upfront development costs, ongoing service costs, ability to integrate with existing PEC and City systems, ease of use and accessibility of public-facing interfaces, Commission and IT staff resources, demonstrated expertise in campaign finance, public financing, and government transparency data, and the ability to implement an online Democracy Dollars voucher assignment system for the first election cycle.

Staff also concluded that due to the time constraints for development to ensure a successful program launch by 2026, the technology system contract needs to be completed by fall of 2024, which is not possible utilizing the standard competitive solicitation process. However, City law authorizes the use of agreements of “...other governmental jurisdictions or public agencies that were awarded pursuant to an appropriate competitive process” as an alternative to a competitive multiple-step solicitation process, and the software vendor identified by staff participates in a cooperative purchase agreement program for California public sector agencies.

Commission and IT staff are preparing a joint recommendation and resolution for adoption by City Council to authorize the City Administrator to enter into a cooperative purchase agreement with the vendor identified by PEC and ITD staff to design, build and implement the Democracy Dollars software platform. By utilizing this path forward, pending Council approval, staff anticipates that a contract can be negotiated by the end of June and make its way through the City contract approval process so that platform development can begin in late-summer or early fall 2024.