

Exhibit A
AN ACT

A Measure to renew the Portland Children's Levy by directing a five-year local option ad valorem property tax levy within the City of Portland at a rate of \$0.4026 per thousand dollars of assessed value, outside certain constitutional limitations, commencing in fiscal year 2019-20.

BE IT ENACTED BY THE PEOPLE OF THE
CITY OF PORTLAND, OREGON

Section 1. Local Option Levy

Pursuant to Section 7-112 of the Charter of the City of Portland, the Council shall levy for each of five successive years commencing with the fiscal year 2019-20, at the time taxes are levied for the payment of expenses of the City, a special tax at a rate of \$0.4026 per thousand dollars of assessed value, on all property in the City of Portland not exempt from taxation. The proceeds from such levy shall be placed in a special fund to be designated as the Children's Investment Fund to be administered by the Portland Children's Levy. This local option levy is specifically authorized, and it shall not be counted as within the limitation provided in Sections 11 of Article XI of the Constitution of the State of Oregon. This levy shall, however, be subject to proportional reduction under Section 11(11)(c)(B)(I) of Article XI of the Constitution of the State of Oregon. This special tax hereby authorized shall be in addition to all other taxes that may be levied according to law.

Section 2. Portland Children's Levy Allocation Committee and Staff

A five-member Allocation Committee shall allocate the Children's Investment Fund subject to final approval by the Portland City Council. The Mayor shall appoint the following members to the Allocation Committee: a Portland City Council member, a representative of the business community and a private citizen residing in the City of Portland. The Multnomah County Commission shall appoint to the Allocation Committee a member of the County Commission and a private citizen that resides in both the City of Portland and Multnomah County. Allocation Committee operations shall be governed by this Act and bylaws adopted by its members.

Portland Children's Levy staff shall be employed by the City of Portland and shall report to the Portland City Council member currently serving on the Allocation Committee. Staff shall serve and advise the Allocation Committee, and be responsible for administering the Portland Children's Levy. Staff duties shall include:

- Design and execution of funding process
- Accounts payable and receivable processing
- Data collection and analysis
- Reporting on performance of funded programs to Allocation Committee and the public
- Community outreach and engagement.

Section 3. Goals and Eligible Services

The Portland Children's Levy shall support programming that contributes to achieving the following goals:

- Children are prepared for school.
- Children are supported to succeed inside and outside of school.
- Racial and ethnic disparities in children's well-being and success are reduced.

The Portland Children's Levy shall be used exclusively to support:

- Early childhood programs, childcare affordability and quality
- Child abuse prevention and intervention programs
- Programs serving children in foster care
- After-school, summer and mentoring programs
- Programs focused on addressing child and family hunger

Section 4: Development of Program Area Goals and Strategies

Prior to beginning a competitive funding process, the Portland Children's Levy shall design and approve program area goals and adopt strategies to achieve these goals. Program areas are defined as early childhood, child abuse prevention/intervention, foster care, after-school/summer, mentoring and hunger relief. Program area goals and strategies shall be informed by:

- A public input process that includes a range of engagement strategies such as surveys, focus groups, key stakeholder interviews, and public meetings.
- Local data on the demographics of Portland children (including race/ethnicity, poverty, geography and language) and indicators of child development, safety/well-being and school success.
- Current research and best practices in early childhood, childcare, child abuse prevention/intervention, after-school/summer programming, mentoring and hunger relief.

Section 5. Allocation of Funds Between Program Areas

Prior to beginning a competitive funding process, the Allocation Committee shall allocate funds available between program areas on a percentage basis with no more than 35% of total funds available allocated to any one program area as defined in Section 4 above.

Section 6. Funding Process

At least 90% of available funds shall be allocated through a competitive application process for multi-year grants in which non-profit corporations, local education agencies, community colleges and universities may apply. Applicants for funding shall be required to demonstrate cost effectiveness and proven success in engaging and retaining participants, and achieving positive outcomes.

Applications shall be scored according to published criteria, and application scores shall be reported to the Allocation Committee. The Allocation Committee shall make funding decisions in a public meeting based on application scores and other community

conditions to foster a balanced and integrated citywide system of services. The Allocation Committee investment decisions may not exceed 30% of an organization's revenue. Allocation Committee funding decisions are subject to City Council approval or remand by funding category.

Up to 10% of available funds may, at the Allocation Committee's discretion, be allocated in non-competitive processes for the following purposes:

- Special initiatives that address multiple program areas.
- Quality improvement supports, training, and technical assistance for funded programs.
- Improving the systems that affect children and the organizations that serve them.

Section 7. Accountability

Portland Children's Levy staff shall collect data from all funded programs on the number of participants served, hours of service provided, demographics of participants, participation rates, participant outcomes and program staff turnover. These data shall be compiled annually and reported to the Allocation Committee. The Allocation Committee shall review performance of funded programs annually.

Portland Children's Levy funds are to be used to expand the operational capacity of an organization in order to serve children. Any use of funds for capital must be related to expanding operational capacity.

Section 8. Audit and Administrative Expense Cap

No more than 5% of the Portland Children's Levy may be spent for expenses associated with administering the fund. The fund shall be subject to an annual audit. Results of the annual audit shall be reported to the Allocation Committee.

Exhibit B
BALLOT LANGUAGE FOR THE PORTLAND CHILDREN'S LEVY

CAPTION

Renew Portland Children's Levy for five years.

QUESTION

Shall Portland continue early childhood, child abuse programs; five-year levy \$0.4026 per \$1,000 assessed value beginning 2019?

This measure renews current local option taxes.

SUMMARY

Renews the Portland Children's Levy at current rate; supports proven programs preventing childhood hunger, preventing child abuse and neglect, helping children arrive at school ready to learn, providing safe constructive after-school alternatives for kids, and helping foster children succeed.

Funds can only be used for:

Preventing childhood hunger: giving hungry children healthy, nutritious meals and food.

Child abuse prevention and intervention: addressing juvenile crime, school failure, drug and alcohol abuse, homeless youth.

Early childhood programs: making childcare more affordable and preparing children for success in school.

After school, summer and mentoring programs: promoting academic achievement, reducing the number of juveniles victimized by crime, increasing graduation rates.

Children in foster care programs: helping foster children who have been abused and neglected succeed.

Accountability measures include:

- Investments subject to annual audits.
- Programs funded must be cost effective and have a proven record of success.
- Investments subject to oversight by a citizen committee.
- Administrative costs cannot exceed 5%.

It is estimated the levy will raise an average of \$23.68 million per year for five years.