

The City Of
Portland



FISCAL YEAR 1998-1999

ADOPTED

BUDGET

VOLUME TWO

CAPITAL IMPROVEMENT PLAN • PORTLAND DEVELOPMENT COMMISSION

“A PORTLAND STORY”
JACK McLARTY, 1997, WOODCUT PANELS

Jack McLarty, a lifelong Portlander, grew up within three blocks of Portland's City Hall and attended the Museum Art School (now the Pacific Northwest College of Art), where he later taught. Since early in his career, when he decided to do what he knew best, his paintings have included Portland imagery.

A large mural of colored woodcut panels entitled *A Portland Story* was recently installed on the third floor of City Hall as part of the City's Percent for Art program. McLarty sees the Willamette River as the heart of the City and made it the central focus of the piece. The side panels (from which the cover detail is taken) represent incidents, people, and buildings important throughout Portland's history.

McLarty's work is in numerous public collections including Buckman School, the Civic Auditorium, Laurelhurst School, Lewis and Clark College, Mt. Hood Community College, the Portland Art Museum, the Seattle Art Museum, the State of Oregon Capitol Collection, the Visual Chronicle of Portland and the newly renovated City Hall.

Adopted Budget
City of Portland, Oregon
Fiscal Year 1998-99
VolumeTwo

Capital Budgets
Portland Development Commission
Appendices

Mayor Vera Katz
Commissioner Jim Francesconi
Commissioner Charlie Hales
Commissioner Gretchen Miller Kafoury
Commissioner Erik Sten
Auditor Barbara Clark



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INTRODUCTION

The City of Portland's FY 1998-2003 five year capital improvement plan (CIP) implements the City's policy to preserve its current physical assets and to plan for future capital investments. The CIP provides details on projects which the City undertakes to support and enhance the delivery of basic services and infrastructure improvements. Projects that are included in the plan reflect bureaus' prioritization of capital replacement and additions, estimates of projects costs, and identification of funding sources. The five-year capital planning and budgeting process has been in effect since FY 1974-75. The Council's commitment to maintaining the City's capital infrastructure is one of the reasons that the City has maintained a Aaa bond rating for the last 20 years, the highest level attainable by a municipality.

Projects which must be submitted within the CIP are those fitting the following definitions:

- Projects that address or enhance the City's assets
- Facility projects with a total expenditure equal to or exceeding \$10,000
- Equipment with a cost of \$50,000 or more with a useful life of ten or more years
- Maintenance and renovation projects totaling \$10,000 or more and having a life expectancy of ten or more years.

This section of the narrative is reserved for discussions on overviews. These include overviews of the planning process, process objectives, process revisions, public input, impacts of legislative changes, summary of the FY 1998-99 CIP, and highlights of General Fund supported FY 1998-99 CIP (including those project recommended by the Capital Review Committee). The section is followed with tables that provide summary information on costs and funding.

The next section is dedicated to a more detailed overview of each service area, and tables that provide information, on a project by project basis, which includes costs, funding sources and operating and maintenance costs. This second section will also have tables appended which provide detailed information on a project level basis.

PLANNING PROCESSES:

The City of Portland is guided by several sets of planning and policy guidelines that have been adopted by City Council. For capital improvement projects, the most important of these are the City's Comprehensive Plan and the City Council's Priorities that are updated each year.

Bureaus are asked to submit lists based on their capital needs that are linked to Public Facilities Plans, Master Plans, or other types of planning documents that resulted in the development of capital needs based on identified service level standards and objectives.

The *Comprehensive Plan Goals and Policies*, adopted and updated annually by City Council since 1981, include the following goals which have particular relevance to capital planning:

Neighborhoods (Goal 3): Preserve and reinforce the stability and diversity of the city's neighborhoods while allowing for increased density in order to attract and retain long term residents and businesses and ensure the city's residential quality and economic vitality.

Housing (Goal 4): Provide for a diversity in the type, density and location of housing within the city consistent with the adopted City Housing Policy in order to provide an adequate supply of safe, sanitary housing at price and rent levels appropriate to the varied financial capacities of city residents.

Economic Development (Goal 5): Foster a strong and diverse economy which provides a full range of employment and economic choices for individuals and families in all parts of the city.

Transportation (Goal 6): Provide for and protect the public's interest in and investment in the public right-of-way and transportation system by encouraging the development of a balanced, affordable, and efficient transportation system. Provide for the safe and efficient movement of people and goods while preserving, enhancing or reclaiming neighborhood livability. Reduce reliance on automobile and per capita miles traveled. Maintain infrastructure.

Environment (Goal 8): Maintain and improve the quality of Portland's air, water and land resources and protect neighborhoods and business centers from detrimental noise pollution.

Public Facilities (Goal 11): Provide a timely, orderly, and efficient arrangement of public facilities and services that support existing and planned land use patterns and densities.

In accordance with the State of Oregon's administrative rules, public facilities plans have been completed for each major capital bureau. These include the Bureaus of Environmental Services, Water, Transportation, Parks, Fire, Police and General Services. Although revised and updated annually, the Planning Bureau is recommending that the City consider developing new public facilities plans in the near future given that some of these plans were developed almost ten years ago.

PROCESS OBJECTIVES:

The City's annual Capital Improvement Plan is intended to provide guidance in constructing budgets and subsequently implementing projects in a coordinated manner by the City's capital bureaus. Specifically, the capital planning process is intended to accomplish the following objectives:

- Ensure coordination among City bureaus in planning and implementing capital projects

- Ensure that available capital resources, especially for General Fund bureaus, are allocated to the City's highest priority projects
- Identify for the City Council both short and long-term problems, opportunities, and policy issues resulting from bureau capital expenditure plans
- Assess the short and long-term financial impact of capital projects both upon individual bureaus and the City as a whole, including an assessment of the impact on rates, debt, and revenue, as well as operation and maintenance costs
- Ensure that annual capital improvement submissions are consistent with legally required capital public facility plans

CAPITAL PROCESS REVISIONS

As part of the budget discussions in prior years, the City Council requested that the Office of Finance and Administration (OF&A) begin working with City bureaus to develop a more comprehensive assessment of the City's immediate and long-term capital needs, along with a plan for funding these needs. Specific areas for development that have been identified by the City Council include the following:

Capital Financing Plan. Development of a comprehensive plan for financing future capital projects in conformance with the City's Comprehensive Financial Policy. Part of this analysis will be the use of general obligation bonds and other debt obligations to meet these needs.

Capital Budgeting Process. Review and modify the existing capital budgeting process to accommodate the following changes:

- Converting to a true five year plan in which Council authorizes multi-year projects and annual adjustments to the plan. This conversion will improve bureau planning and result in a more efficient process.
- Uniform direction to bureaus on the level and depth of cost-benefit analyses that must be performed in developing five year capital plans. This direction should be provided within the Capital Budget Manual.
- The establishment of criteria for defining "legal mandates," which are often cited in justifying capital projects.
- Reinforcement of the policy that major capital projects should not be approved outside of the normal budget process. Such action makes it impossible to weigh priorities across programmatic lines for the allocation of limited resources.
- Changes in process based upon the needs of enterprise operations.

Impact on Maintenance. The Capital Review Committee should identify the expected increases and decreases in maintenance as a result of the capital improvement and use the information as a consideration in selecting projects. Also, OF&A should adjust the base budgets accordingly following completion of the project.

In response to these budget notes, much work has been undertaken to revise the capital process to meet the goals set forth by the Council, including the following:

1. The role of the Capital Review Committee has been revised to focus specifically on the allocation of General Fund capital dollars.
2. Review of capital budgets and financing plans for the City's water and sewer utilities is now undertaken by the City's Utility Review Team and the Portland Utilities Review Board, a 15 member citizens advisory board.
3. All non-enterprise fund projects have been assigned to one of the following objectives in an effort to begin gathering data needed to assess the nature and magnitude of funding capital requirements. The categories are as follows:

- Category 1: Maintain Capital Stock
- Category 2: Upgrade Existing System
- Category 3: Expansion or New Construction

Enterprise funds assign their projects to five objectives:

- Category 1: Maintenance and Repair
- Category 2: Replacement
- Category 3: Mandated
- Category 4: Expansion
- Category 5: Efficiency

4. The city's ongoing outreach efforts, referred to as "Your City, Your Choice," includes a scientific telephone survey which addresses capital issues. In an effort to enhance capital finance planning, the results of the survey help prioritize and identify areas for which there is public willingness to support funding unmet capital needs. Two G.O. Bond issues will be put before the voters in November, 1998 for the Parks and Fire Bureaus' capital funding requirements
5. The FY 1999-2003 CIP process continued to make significant strides in improving the capital budgeting process. A centralized Citywide CIP data base has been established which will greatly enhance the City's ability to plan, coordinate, and identify parameters such as objectives, geographical areas, and schedules. Furthermore, the Five Year Capital Budget manual now includes directions on how to conduct cost-benefit analyses, and establishes criteria for defining "legal mandates."

The City's Capital Improvement Budget is divided into the following six service areas:

- Public Safety
- Parks, Recreation & Culture
- Public Utilities
- Transportation and Parking
- Community Development & Services
- Legislative/Administrative & Support Services

PUBLIC INPUT:

The City's Capital Improvement Plan's projects are contained within the responsible bureau's total budget. The City's annual budgeting process involves opportunities for public input. Prior to the development of the Mayor's Proposed Budget, a community outreach effort takes place known as "Your City - Your Choice." The program has two major components: a scientific telephone survey and a series of community forums. The community forums are held in several different locations and typically take place in January and February. A separate survey effort is undertaken annually as a part of the Service Efforts and Accomplishments Report which is another form of public input used by the Council, but which tends to focus more on workload and performance trends rather than expenditures such as the CIP.

Budget Advisory Committees (BACs) for all of the major City bureaus are another avenue for citizen input. These committees are made up of citizens appointed by the Commissioner-in-Charge. BACs are the primary vehicle for active citizen participation.

The Portland Utilities Review Board (PURB) consists of citizens who provide independent and representative customer review of water, sewer and solid waste financial plans, rates, and operations, including the capital improvement programs of those utilities.

In addition to the above access for public involvement, citizens have several opportunities to testify on bureau budget requests including: Annual Budget Hearings, Tax Supervising and Conservation Commission Hearings, and Adopted Budget Hearings.

For further information relating to citizen participation, please call the Office of Finance and Administration at (503) 823-5288.

SIGNIFICANT CHANGES FROM PRIOR YEARS:

In November 1996, voters approved the property tax limitation Measure 47, followed by Measure 50 in May 1997. These measures had major impacts on the City's financial resources and resulted in an immediate mid-year review followed by budget reduction of over \$100 million of capital improvement projects which were delayed, reduced, or in some cases eliminated. The majority of these projects were still needed in order for the City to protect its physical assets from deteriorating, but it was determined that they could be deferred or reduced in scope without incurring excessive risk to the City's assets.

As the effect of Measure 50 became more clear, it became evident that certain projects that would have previously been funded directly out of the General Fund could now be funded through Tax Increment Financing (TIF) as long as these projects were within the Urban Renewal areas. Measure 50 actually increased urban renewal tax collections. The Portland Development Commission, which is responsible for the development of these areas, has included \$37.7 million worth of projects within these areas in FY 1998-99.

In FY 1998-99, activities relating to economic development (provided mostly by the Portland Development Commission) would make up the second largest portion of the CIP. These figures are not yet included in the Adopted Budget but will be added mid-year and, as a result are not reflected in Volume One of the FY 1998-99 Adopted Budget.

PDC's budgetary changes in FY 1998-99 are mostly due to new urban renewal laws relating to Measure 50 that have increased the amount of tax increment funding that PDC will receive to complete existing urban renewal plans.

Although tax increment financing provides a special opportunity for Urban Development Areas, projects that are not in urban renewal districts have, as yet, not been able to find alternative funding. The current funding deficit for FY 1998-99 is over \$100 million. In recognition of the pressing need that the City faces, the City will be seeking voter approval for two G.O. Bond issues in November 1998 to maintain and enhance the City's Parks assets and for seismic improvements and enhancements to Fire Bureau stations. If approved, multi-year projects will be funded.

SUMMARY OF THE FY 1998-99 CAPITAL IMPROVEMENT PROGRAM

The FY 1998-99 Adopted CIP budget totals \$215 million (excluding PDC City owned assets); the budget including PDC City owned assets is \$241.5 million. In FY 1998-99, the largest portion of the CIP is dedicated to public utilities which account for \$118 million, or 49% of the total. The Bureau of Environmental Services accounts for approximately \$93 million of this amount, \$59 million of which consists of the Combined Sewer Outflow project.

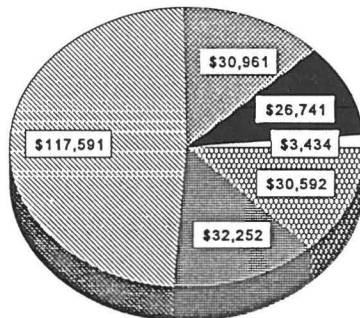
Transportation and Parking is the next largest service area of the FY 1998-99 CIP, accounting for \$32 million or 13% of the budget.

Community Development and Services accounts for the third largest service area, \$31 million or 13%. This figure represents City owned assets; it does not include the funding provided for the City to support housing programs of which almost \$15 million are not a part of the City's assets but are a critical component of the City Council's goals.

Legislative, Administrative and Support Services total \$30 million of the total CIP or 13%. The largest project in this service area totals approximately \$26 million for a new Development

Services Building thereby allowing City bureaus currently leasing space to move into City owned facilities and achieve efficiencies.

FY 1998-99 CIP by Service Area
(thousands of \$)



Parks and Recreation follows with \$27 million or 11% of the total, approximately \$15 million of which represents dedicated projects funded by the G.O. Bond. FY 1998-99 marks the last year of projects funded by G.O. Bond financing which will be depleted by the end of the fiscal year.

Finally, Public Safety accounts for \$3.5 million, or 1% of the total, \$1.3 million of which pays for the relocation of the Police Mounted Patrol Unit.

Funding for CIP projects is provided through a variety of sources -- rates, gas tax revenues, bond proceeds, General Fund and other funding. Almost half of the funding for the CIP comes from rates and fees, revenues required to pay for the public utilities projects. Occasionally, large construction projects are proposed for City purposes which are financed through a bond issuance. These activities have, in the past, included such projects as the City Hall renovation and new police stations. One such project scheduled during the FY 1998- 2003 time frame will construct a new Development Services Building to centrally house bureaus that are involved in the permitting process. This building will house City personnel who will move out of costly downtown lease space into City owned property.

Other CIP resources include funding that is dedicated for specific uses. Gas tax revenues are targeted to support transportation projects, and voter approved General Obligation Bond Improvement (GOBI) measure which passed in November 1994 is dedicated to Parks Bureau projects. GOBI funding will be fully expended by the end of FY 1998-99. Tax increment financing funds most of the projects that PDC undertakes.

The process for General Fund allocation for the City's Capital Improvement Projects is coordinated through the efforts of the Capital Review Committee (CRC), an inter-bureau group that was established in FY 1989-90.

The demand for General Fund resources for capital projects far exceeds the available resources, a problem that has persisted for many years. The reason for this is that General Fund is often the only available resource for projects that are proposed by or for General Fund bureaus (public safety, administration, and some parts of transportation and parks).

HIGHLIGHTS OF GENERAL FUND SUPPORTED FY 1998-99 CAPITAL BUDGET

General Fund capital projects may be funded from the General Fund set-aside, from ordinary General Fund appropriation within the bureau budgets (this is the case with prior year master lease payments), or from additional General Fund allocations made by Council. In the past additional funding, averaging \$2 million annually, was available through Short Term Capital Financing Program. This program was discontinued in FY 1998-99 due to the short term debt capacity concerns. If the source of funding is from any of the above categories, the project is considered a General Fund project. As a result, the total cost of General Fund capital projects is greater than the General Fund set-aside. The table below reconciles the General Fund capital expenditures to the various funding sources.

Summary of FY 1998-99 General Fund Capital Support	
TYPE OF FUNDING	AMOUNT
General Fund Set-Aside Projects:	
Bureau of General Services	\$ 837,000
Bureau of Fire, Rescue & Emerg. Svc.	477,766
Bureau of Parks and Recreation	943,000
Office of Transportation	582,000
Bureau of Housing and Community Services	<u>20,000</u>
Subtotal -- General Fund Set-Aside	\$ 2,859,766
Carryover from Prior Years	
Bureau of Parks and Recreation	\$ 652,564
Police Bureau	<u>107,760</u>
Subtotal -- Carryovers	\$ 760,324
Council Directed Allocations	
Transportation Projects	<u>\$ 968,000</u>
Subtotal -- Council Directed Allocations	\$ 968,000
General Fund Special Appropriations	
School Surplus Property	\$7,050,000
Portland Development Commission	<u>242,352</u>
Subtotal -- Special Appropriations	\$7,292,352
General Fund Support for Non City Assets	
Multifamily Housing	<u>\$6,000,000</u>
Subtotal -- Non-City Assets	\$6,000,000

As is the case every year, submitted requests far exceeded General Fund allocation for capital. General Fund set-aside requests for FY 1998-99 totaled in excess of \$6.5 million, compared to available funds totaling \$3 million. Several bureaus did not submit requests given the scarcity of resources. A list of projects which requested but did not receive General Fund support is provided at the end of this section.

CAPITAL IMPROVEMENT PROGRAMS RECOMMENDED BY THE CAPITAL REVIEW COMMITTEE

Bureau of General Services:

The Capital Review Committee (CRC) recommended three projects to be undertaken by the Bureau of General Services:

- | | |
|---|-----------|
| 1. Fire protection sprinkler system for City archives | \$200,000 |
| 2. Remodeling and moving the Office of Finance & Administration | 290,000 |
| 3. Traffic Signals (reimbursement to Transportation) | 347,000 |

Bureau of Fire, Rescue and Emergency Services

Four projects proposed by the Bureau of Fire, Rescue and Emergency Services were recommended by the CRC:

- | | |
|---|-----------|
| 1. Emergency generators | \$134,766 |
| 2. Remove underground tanks | 45,000 |
| 3. Apparatus Bay Ventilation | 98,000 |
| 4. Ground remediation at Logistics Center | 200,000 |

Bureau of Parks and Recreation:

The Capital Review Committee recommended that nine projects be funded through the General Fund set-aside, summarized as follows:

- | | |
|---------------------------------------|------------|
| 1. OMSI Annex | \$ 200,000 |
| 2. ADA Improvements | 259,000 |
| 3. Horticultural Services Greenhouses | 81,000 |
| 4. Matt Dishman Acoustic Pool Tile | 21,000 |
| 5. Urban Forestry Fuel Tank Removal | 20,000 |
| 6. Forest Park Landslide Repair | 114,000 |
| 7. Grant Park Track Replacement | 20,000 |
| 8. King School Play Equipment | 66,000 |
| 9. Overlook House Life Safety | 162,000 |

Office of Transportation:

The CRC recommended funding for three projects:

- | | |
|--------------------------------------|-----------|
| 1. 3rd Av. Twins, Burns. -- Wash, SW | \$372,000 |
| 2. 9th & Park: Burnside - Morr., SW | 145,000 |
| 3. Conversion to H.P. Sodium | 65,000 |

The Bureau of Housing and Community Development (BHCD)

One project was recommended by the CRC to be undertaken by BHCD, in conjunction with the Parks Bureau and the Portland Development Commission.

- | | |
|-------------------------------------|----------|
| 1. Kennedy School Community Gardens | \$20,000 |
|-------------------------------------|----------|

FY 1998-99 PROJECT DETAILS AND TABLES

As mentioned previously, the City's Capital Improvement Budget is broken out into six service areas:

- Public Safety
- Parks, Recreation & Culture
- Public Utilities
- Transportation and Parking
- Community Development & Services
- Legislative/Administrative & Support Services

The tables that follow present city wide information relating to total costs, funding detail, and operation and maintenance costs by program (where applicable), bureau, and service area:

Capital Budget Table 1 (CB-1): Total five year costs by year

Capital Budget Table 2 (CB-2): Total annual funding sources

Capital Budget Table 3 (CB-3): Total annual operations and maintenance costs

These tables are followed by the same information but on a project by project basis:

Capital Budget Table 1 (CB-1): Individual project five year costs by year

Capital Budget Table 2 (CB-2): Individual project annual funding sources

Capital Budget Table 3 (CB-3): Individual project annual operation and maintenance costs

For further project details, including project narratives, please refer to Volume Three of the FY 1998-99 Adopted Budget.

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Service Area / Bureau / Program	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	Project Total
CITY ASSET							
<u>Public Safety</u>							
<i>Bureau of Fire, Rescue & Emergency Svcs.</i>							
<i>Support for Emergency Response</i>	1,589,698	477,766	207,505	0	0	0	685,271
<i>Subtotal Bureau of Fire, Rescue & Emergency Svcs.</i>	1,589,698	477,766	207,505	0	0	0	685,271
<i>Bureau of General Services</i>							
<i>General Services/Police</i>	242,000	1,376,000	314,000	203,000	203,000	203,000	2,299,000
<i>Police</i>	54,000	37,000	37,000	37,000	37,000	37,000	185,000
<i>Subtotal Bureau of General Services</i>	296,000	1,413,000	351,000	240,000	240,000	240,000	2,484,000
<i>Bureau of Police</i>							
<i>Public Safety</i>	945,000	107,760	454,000	454,000	0	0	1,015,760
<i>Subtotal Bureau of Police</i>	945,000	107,760	454,000	454,000	0	0	1,015,760
<i>Public Safety Capital Fund</i>							
<i>Public Safety</i>	1,155,547	1,435,461	0	0	0	0	1,435,461
<i>Subtotal Public Safety Capital Fund</i>	1,155,547	1,435,461	0	0	0	0	1,435,461
<u>Total Public Safety</u>	3,986,245	3,433,987	1,012,505	694,000	240,000	240,000	5,620,492
<u>Parks, Recreation and Culture</u>							
<i>Arena Construction</i>							
<i>Memorial Coliseum</i>	0	100,000	100,000	100,000	100,000	100,000	500,000
<i>Rose Quarter</i>	0	450,000	0	0	0	0	450,000
<i>Subtotal Arena Construction</i>	0	550,000	100,000	100,000	100,000	100,000	950,000
<i>Bureau of General Services</i>							
<i>General Services/Parks</i>	0	88,000	88,000	0	0	0	176,000
<i>Portland Building</i>	0	0	0	28,000	0	0	28,000
<i>Subtotal Bureau of General Services</i>	0	88,000	88,000	28,000	0	0	204,000
<i>Bureau of Parks and Recreation</i>							
<i>Acquisitions</i>	5,650,000	850,000	200,000	200,000	0	0	1,250,000
<i>ADA</i>	3,000,000	259,000	0	0	0	0	259,000
<i>Carryover</i>	0	652,564	0	0	0	0	652,564
<i>Facilities</i>	40,000	135,000	0	0	0	0	135,000
<i>G.O.Bond</i>	48,080,809	15,274,286	4,707,591	0	0	0	19,981,877
<i>Golf</i>	368,687	1,185,000	1,060,000	1,060,000	60,000	60,000	3,425,000
<i>Natural Areas</i>	0	114,000	0	0	0	0	114,000
<i>Parks</i>	20,000	331,000	0	0	0	0	331,000
<i>Portland International Raceway</i>	180,000	90,000	1,550,000	1,500,000	0	0	3,140,000
<i>Seismic Safety/Life Safety</i>	0	162,000	0	0	0	0	162,000
<i>Subtotal Bureau of Parks and Recreation</i>	57,339,496	19,052,850	7,517,591	2,760,000	60,000	60,000	29,450,441
<i>Special Appropriations, Parks</i>							
<i>Special Appropriation - Parks</i>	0	7,050,000	0	0	0	0	7,050,000
<i>Subtotal Special Appropriations, Parks</i>	0	7,050,000	0	0	0	0	7,050,000
<u>Total Parks, Recreation and Culture</u>	57,339,496	26,740,850	7,705,591	2,888,000	160,000	160,000	37,654,441

City of Portland, Oregon - FY 1998-99 Adopted Budget

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Service Area / Bureau / Program	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	Project Total
<u>Public Utilities</u>							
<i>Bureau of Environmental Services</i>							
Combined Sewer Overflow	90,395,544	58,861,351	68,502,769	36,115,324	37,567,363	41,563,150	242,609,957
Maintenance & Reliability	53,617,069	16,955,836	11,460,141	9,315,384	14,696,877	17,152,283	69,580,521
Sewage Treatment Systems	35,196,747	9,555,278	4,873,024	8,884,820	7,979,308	13,268,908	44,561,338
Surface Water Management	6,691,131	4,463,999	3,548,741	3,536,051	4,866,888	1,320,288	17,735,967
Systems Development	7,979,628	3,081,378	2,802,700	4,822,823	2,349,823	2,449,823	15,506,547
Subtotal Bureau of Environmental Services	193,880,119	92,917,842	91,187,375	62,674,402	67,460,259	75,754,452	389,994,330
<i>Bureau of Water Works</i>							
Customer Service	297,808	1,365,000	100,000	100,000	100,000		
Distribution	9,150,313	11,510,000	10,258,000	10,981,000	10,431,000	7,456,000	50,636,000
Quality	5,557,591	1,315,000	475,000	300,000	250,000	125,000	2,465,000
Supply	9,376,832	10,483,000	12,376,000	11,786,000	10,467,000	16,136,000	61,248,000
Subtotal Bureau of Water Works	24,382,544	24,673,000	23,209,000	23,167,000	21,248,000	23,717,000	116,014,000
<u>Total Public Utilities</u>	218,262,663	117,590,842	114,396,375	85,841,402	88,708,259	99,471,452	506,008,330
<u>Community Development & Services</u>							
<i>Bureau of Housing & Community Development</i>							
Economic Development	0	20,000	0	0	0	0	20,000
Subtotal Bureau of Housing & Community Development	0	20,000	0	0	0	0	20,000
<i>Local Improvement Districts</i>							
Local Improvement Districts		5,150,000	5,000,000	5,000,000	5,000,000	5,000,000	25,150,000
Subtotal Local Improvement Districts		5,150,000	5,000,000	5,000,000	5,000,000	5,000,000	25,150,000
<i>Portland Development Commission</i>							
Commercial/Industrial	0	248,472	0	0	0	0	248,472
Neighborhood Commercial	0	6,426	0	0	0	0	6,426
Parks And Open Space	0	11,594,040	0	0	0	0	11,594,040
Public Facilities	0	8,179,745	0	0	0	0	8,179,745
Redevelopment Project Mgmt	0	149,700	0	0	0	0	149,700
Transportation/Transit	0	5,612,629	0	0	0	0	5,612,629
Subtotal Portland Development Commission	0	25,791,012	0	0	0	0	25,791,012
<u>Total Community Development & Services</u>	0	30,961,012	5,000,000	5,000,000	5,000,000	5,000,000	50,961,012

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Service Area / Bureau / Program	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	Project Total
<u>Transportation and Parking</u>							
<i>Bureau of General Services</i>							
General Services/Parking	977,000	467,000	427,000	530,000	78,000	782,000	2,284,000
General Services/Transportation		347,000					
<i>Subtotal Bureau of General Services</i>	977,000	814,000	427,000	530,000	78,000	782,000	2,631,000
<i>Office of Transportation</i>							
Bicycle Program	434,023	600,000	395,000	1,205,000	2,630,000	3,355,000	8,185,000
Facilities Program				1,024,000	786,000	902,000	
Pedestrian Program	855,713	3,038,705	1,128,677	1,659,982	1,465,000	2,416,779	9,709,143
Preservation & Rehab Program	0	600,205	3,533,385	4,019,600	6,176,000	6,393,750	20,722,940
Street Improvement Program	15,380,097	16,990,745	11,809,357	57,137,815	43,230,400	14,497,382	143,665,699
Traffic Management Program		1,866,576	2,080,500	8,765,400	11,866,500	9,404,200	33,983,176
Transit Program	13,251,161	8,341,953	25,279,200	12,200,000	2,030,369	2,135,369	49,986,891
<i>Subtotal Office of Transportation</i>	29,920,994	31,438,184	44,226,119	86,011,797	68,184,269	39,104,480	268,964,849
<u>Total Transportation and Parking</u>	30,897,994	32,252,184	44,653,119	86,541,797	68,262,269	39,886,480	271,595,849
<u>Legislative, Administrative & Support Svcs</u>							
<i>Bureau of General Services</i>							
Communications	0	1,502,000	750,000	500,000	0	0	2,752,000
Debt	433,000	284,000	260,000	91,000	41,000	41,000	717,000
Downtown Space	2,861,000	26,495,000	257,000	0	0	0	26,752,000
Fleet Services	0	445,000	0	0	0	42,000	487,000
General Services/Auditor's Office		200,000					
Maintenance	0	40,000	40,000	40,000	40,000	40,000	200,000
Portland Building	2,751,000	1,478,000	841,000	850,000	692,000	221,000	4,082,000
<i>Subtotal Bureau of General Services</i>	6,045,000	30,444,000	2,148,000	1,481,000	773,000	344,000	35,190,000
<i>Office of Finance & Administration</i>							
Computer Services		148,000					
<i>Subtotal Office of Finance & Administration</i>		148,000					
<u>Total Legislative, Administrative & Support Svcs</u>	6,045,000	30,592,000	2,148,000	1,481,000	773,000	344,000	35,338,000
TOTAL CITY ASSET	316,531,398	241,570,875	174,915,590	182,446,199	163,143,528	145,101,932	907,178,124

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Service Area / Bureau / Program	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	Project Total
NON-CITY ASSET							
<u>Community Development & Services</u>							
<i>Portland Development Commission</i>							
<i>Business Development</i>	0	7,258,319	0	0	0	0	7,258,319
<i>Commercial/Industrial</i>	0	3,323,319	0	0	0	0	3,323,319
<i>Finance and Information</i>	0	160,588	0	0	0	0	160,588
<i>General Administration</i>	0	1,802,750	0	0	0	0	1,802,750
<i>Multi Family Housing</i>	0	32,083,037	0	0	0	0	32,083,037
<i>Neighborhood Commercial</i>	0	5,577,031	0	0	0	0	5,577,031
<i>Neighborhood Hsg Preservation</i>	0	161,849	0	0	0	0	161,849
<i>Parks And Open Space</i>	0	982,762	0	0	0	0	982,762
<i>Public Facilities</i>	0	0	0	0	0	0	0
<i>Redevelopment Project Mgmt</i>	0	308,438	0	0	0	0	308,438
<i>Targeted Industries Dev</i>	0	381,888	0	0	0	0	381,888
<i>Transportation/Transit</i>	0	8,644,653	0	0	0	0	8,644,653
<i>Subtotal Portland Development Commission</i>	0	60,684,634	0	0	0	0	60,684,634
<u>Total Community Development & Services</u>	0	60,684,634	0	0	0	0	60,684,634
TOTAL NON-CITY ASSET	0	60,684,634	0	0	0	0	60,684,634
<u>TOTAL ALL PROJECTS</u>	316,531,398	302,255,509	174,915,590	182,446,199	163,143,528	145,101,932	967,862,758

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Service Area / Bureau / Program	General Fund	Bureau Specific	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
CITY ASSET							
<u>Public Safety</u>							
<i>Bureau of Fire, Rescue & Emergency Svcs.</i>							
Emergency Response	0	0	0	0	0	0	0
Support for Emergency Response	477,766	0	0	0	0	477,766	0
Subtotal Bureau of Fire, Rescue & Emergency Sv	477,766	0	0	0	0	477,766	0
<i>Bureau of General Services</i>							
General Services/Police	0	1,134,000	242,000	0	0	1,376,000	0
Police	0	0	37,000	0	0	37,000	0
Subtotal Bureau of General Services	0	1,134,000	279,000	0	0	1,413,000	0
<i>Bureau of Police</i>							
Public Safety	107,760	0	0	0	0	107,760	0
Subtotal Bureau of Police	107,760	0	0	0	0	107,760	0
<i>Public Safety Capital Fund</i>							
Public Safety	0	0	0	1,435,461	0	1,435,461	0
Subtotal Public Safety Capital Fund	0	0	0	1,435,461	0	1,435,461	0
<u>Total Public Safety</u>	585,526	1,134,000	279,000	1,435,461	0	3,433,987	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Service Area / Bureau / Program	General Fund	Bureau Specific	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
<u>Parks, Recreation and Culture</u>							
<i>Arena Construction</i>							
<i>Memorial Coliseum</i>	0	0	0	0	100,000	100,000	0
<i>Rose Quarter</i>	0	0	0	0	450,000	450,000	0
<i>Subtotal Arena Construction</i>	0	0	0	0	550,000	550,000	0
<i>Bureau of General Services</i>							
<i>General Services/Parks</i>	0	0	0	0	88,000	88,000	0
<i>Portland Building</i>	0	0	0	0	0	0	0
<i>Subtotal Bureau of General Services</i>	0	0	0	0	88,000	88,000	0
<i>Bureau of Parks and Recreation</i>							
<i>Acquisitions</i>	200,000	0	0	650,000	0	850,000	271,000
<i>ADA</i>	259,000	0	0	0	0	259,000	0
<i>Aquatics</i>	0	0	0	0	0	0	1,951,000
<i>Carryover</i>	652,564	0	0	0	0	652,564	0
<i>Facilities</i>	122,000	0	0	0	13,000	135,000	1,031,000
<i>G.O.Bond</i>	0	0	0	15,274,286	0	15,274,286	0
<i>Golf</i>	0	0	1,185,000	0	0	1,185,000	0
<i>Information Technology</i>	0	0	0	0	0	0	106,000
<i>Natural Areas</i>	114,000	0	0	0	0	114,000	300,000
<i>Parks</i>	86,000	0	0	245,000	0	331,000	1,673,000
<i>Portland International Raceway</i>	0	0	0	90,000	0	90,000	2,150,000
<i>Seismic Safety/Life Safety</i>	162,000	0	0	0	0	162,000	0
<i>Subtotal Bureau of Parks and Recreation</i>	1,595,564	0	1,185,000	16,259,286	13,000	19,052,850	7,482,000
<i>Special Appropriations, Parks</i>							
<i>Special Appropriation - Parks</i>	7,050,000	0	0	0	0	7,050,000	0
<i>Subtotal Special Appropriations, Parks</i>	7,050,000	0	0	0	0	7,050,000	0
<u>Total Parks, Recreation and Culture</u>	8,645,564	0	1,185,000	16,259,286	651,000	26,740,850	7,482,000

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Service Area / Bureau / Program	General Fund	Bureau Specific	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
<u>Transportation and Parking</u>							
<i>Bureau of General Services</i>							
General Services/Parking	0	467,000	0	0	0	467,000	0
General Services/Transportation	347,000	0	0	0	0	347,000	0
Subtotal Bureau of General Services	347,000	467,000	0	0	0	814,000	0
<i>Office of Transportation</i>							
Bicycle Program	0	500,000	0	100,000	0	600,000	0
Facilities Program	0	0	0	0	0	0	0
Pedestrian Program	400,000	728,520	123,943	1,786,242	0	3,038,705	0
Preservation & Rehab Program	558,000	15,000	0	27,205	0	600,205	0
Street Improvement Program	517,000	6,152,627	1,953,590	5,277,024	3,090,504	16,990,745	30,834,887
Traffic Management Program	274,276	1,592,300	0	0	0	1,866,576	100,000
Transit Program	0	7,032,982	0	1,308,971	0	8,341,953	1,870,000
Subtotal Office of Transportation	1,749,276	16,021,429	2,077,533	8,499,442	3,090,504	31,438,184	32,804,887
<u>Total Transportation and Parking</u>	2,096,276	16,488,429	2,077,533	8,499,442	3,090,504	32,252,184	32,804,887
<u>Legislative, Administrative & Support Svcs</u>							
<i>Bureau of General Services</i>							
Communications	0	0	740,000	762,000	0	1,502,000	0
Debt	0	0	284,000	0	0	284,000	0
Downtown Space	290,000	0	323,000	25,882,000	0	26,495,000	0
Fleet Services	0	0	445,000	0	0	445,000	0
General Services/Auditor's Office	200,000	0	0	0	0	200,000	0
Maintenance	0	0	40,000	0	0	40,000	0
Portland Building	0	0	806,000	672,000	0	1,478,000	0
Subtotal Bureau of General Services	490,000	0	2,638,000	27,316,000	0	30,444,000	0
<i>Office of Finance & Administration</i>							
Computer Services	148,000	0	0	0	0	148,000	0
Subtotal Office of Finance & Administration	148,000	0	0	0	0	148,000	0
<u>Total Legislative, Administrative & Support</u>	638,000	0	2,638,000	27,316,000	0	30,592,000	0
TOTAL CITY ASSET	12,227,718	25,980,495	124,990,305	57,740,315	20,632,042	241,570,875	53,786,887

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Service Area / Bureau / Program	General Fund	Bureau Specific	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
<u>Public Utilities</u>							
<i>Bureau of Environmental Services</i>							
Combined Sewer Overflow	0	0	57,533,333	1,328,018	0	58,861,351	0
Maintenance & Reliability	0	0	16,955,836	0	0	16,955,836	0
Sewage Treatment Systems	0	0	9,555,278	0	0	9,555,278	0
Surface Water Management	0	0	3,631,891	832,108	0	4,463,999	0
Systems Development	0	99,944	2,981,434	0	0	3,081,378	0
<i>Subtotal Bureau of Environmental Services</i>	0	99,944	90,657,772	2,160,126	0	92,917,842	0
<i>Bureau of Water Works</i>							
Customer Service	0	0	732,500	632,500	0	1,365,000	0
Distribution	0	0	10,472,500	1,037,500	0	11,510,000	0
Non-Budgeted	0	0	0	0	0	0	13,500,000
Quality	0	0	1,315,000	0	0	1,315,000	0
Supply	0	0	10,483,000	0	0	10,483,000	0
<i>Subtotal Bureau of Water Works</i>	0	0	23,003,000	1,670,000	0	24,673,000	13,500,000
<u>Total Public Utilities</u>	0	99,944	113,660,772	3,830,126	0	117,590,842	13,500,000
<u>Community Development & Services</u>							
<i>Bureau of Housing & Community Development</i>							
Economic Development	20,000	0	0	0	0	20,000	0
<i>Subtotal Bureau of Housing & Community Develo</i>	20,000	0	0	0	0	20,000	0
<i>Local Improvement Districts</i>							
Local Improvement Districts	0	0	5,150,000	0	0	5,150,000	0
<i>Subtotal Local Improvement Districts</i>	0	0	5,150,000	0	0	5,150,000	0
<i>Portland Development Commission</i>							
Commercial/Industrial	0	0	0	0	248,472	248,472	0
Neighborhood Commercial	0	6,426	0	0	0	6,426	0
Parks And Open Space	0	1,174,468	0	400,000	10,019,572	11,594,040	0
Public Facilities	167,652	5,649,132	0	0	2,362,961	8,179,745	0
Redevelopment Project Mgmt	74,700	75,000	0	0	0	149,700	0
Transportation/Transit	0	1,353,096	0	0	4,259,533	5,612,629	0
<i>Subtotal Portland Development Commission</i>	242,352	8,258,122	0	400,000	16,890,538	25,791,012	0
<u>Total Community Development & Services</u>	262,352	8,258,122	5,150,000	400,000	16,890,538	30,961,012	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Service Area / Bureau / Program	General Fund	Bureau Specific	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
NON-CITY ASSET							
<u>Community Development & Services</u>							
<i>Portland Development Commission</i>							
<i>Business Development</i>	0	480,000	0	0	6,778,319	7,258,319	0
<i>Commercial/Industrial</i>	0	1,667,753	0	0	1,655,566	3,323,319	0
<i>Finance and Information</i>	0	160,588	0	0	0	160,588	0
<i>General Administration</i>	0	1,802,750	0	0	0	1,802,750	0
<i>Multi Family Housing</i>	15,201,283	11,078,084	0	4,035,275	1,768,395	32,083,037	0
<i>Neighborhood Commercial</i>	467,566	1,187,015	0	0	3,922,450	5,577,031	0
<i>Neighborhood Hsg Preservation</i>	0	161,849	0	0	0	161,849	0
<i>Parks And Open Space</i>	810,173	172,589	0	0	0	982,762	0
<i>Public Facilities</i>	0	0	0	0	0	0	0
<i>Redevelopment Project Mgmt</i>	0	76,450	0	60,000	171,988	308,438	0
<i>Targeted Industries Dev</i>	0	0	0	0	381,888	381,888	0
<i>Transportation/Transit</i>	0	2,496,090	0	0	6,148,563	8,644,653	0
<i>Subtotal Portland Development Commission</i>	16,479,022	19,283,168	0	4,095,275	20,827,169	60,684,634	0
<u>Total Community Development & Services</u>	16,479,022	19,283,168	0	4,095,275	20,827,169	60,684,634	0
TOTAL NON-CITY ASSET	16,479,022	19,283,168	0	4,095,275	20,827,169	60,684,634	0
<u>TOTAL ALL PROJECTS</u>	28,706,740	45,263,663	124,990,305	61,835,590	41,459,211	302,255,509	53,786,887

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Operating and Maintenance (CB Table 3)**

Service Area / Bureau / Program	Five-Year Costs	Fiscal Year FY98-99	A N N U A L			
			Revenue Generated (-)	Oper / Maint Costs (+)	Oper / Maint Savings (-)	Net Finan. Impact
CITY ASSET						
<u>Public Safety</u>						
<i>Bureau of Fire, Rescue & Emergency Svcs.</i>						
<i>Support for Emergency Response</i>	685,271	477,766	0	0	0	0
<i>Subtotal Bureau of Fire, Rescue & Emergency Svcs.</i>	685,271	477,766	0	0	0	0
<i>Bureau of General Services</i>						
<i>General Services/Police</i>	2,299,000	1,376,000	0	16,000	0	16,000
<i>Police</i>	185,000	37,000	0	0	0	0
<i>Subtotal Bureau of General Services</i>	2,484,000	1,413,000	0	16,000	0	16,000
<i>Bureau of Police</i>						
<i>Public Safety</i>	1,015,760	107,760	0	183,406	0	183,406
<i>Subtotal Bureau of Police</i>	1,015,760	107,760	0	183,406	0	183,406
<i>Public Safety Capital Fund</i>						
<i>Public Safety</i>	1,435,461	1,435,461	0	0	0	0
<i>Subtotal Public Safety Capital Fund</i>	1,435,461	1,435,461	0	0	0	0
<u>Total Public Safety</u>	5,620,492	3,433,987	0	199,406	0	199,406

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Operating and Maintenance (CB Table 3)**

Service Area / Bureau / Program	Five-Year Costs	Fiscal Year FY98-99	A	N	N	U	A	L
			Revenue Generated (-)	Oper / Maint Costs (+)	Oper / Maint Savings (-)	Net Finan. Impact		
<u>Parks, Recreation and Culture</u>								
Arena Construction								
Memorial Coliseum	500,000	100,000	0	0		0		0
Rose Quarter	450,000	450,000	0	0		0		0
Subtotal Arena Construction	950,000	550,000	0	0		0		
Bureau of General Services								
General Services/Parks	176,000	88,000	0	0		0		0
Portland Building	28,000	0	0	0		0		0
Subtotal Bureau of General Services	204,000	88,000	0	0		0		0
Bureau of Parks and Recreation								
Acquisitions	1,250,000	850,000	0	167,600		0		167,600
ADA	259,000	259,000	0	0		0		0
Carryover	652,564	652,564	0	0		0		0
Facilities	135,000	135,000	0	0		-4,000		-4,000
G.O.Bond	19,981,877	15,274,286	0	267,278		0		267,278
Golf	3,425,000	1,185,000	0	0		-110,000		-110,000
Natural Areas	114,000	114,000	0	0		0		0
Parks	331,000	331,000	0	2,500		-300		2,200
Portland International Raceway	3,140,000	90,000	0	0		0		0
Seismic Safety/Life Safety	162,000	162,000	0	0		-15,000		-15,000
Subtotal Bureau of Parks and Recreation	29,450,441	19,052,850	0	437,378		-129,300		308,078
Special Appropriations, Parks								
Special Appropriation - Parks	7,050,000	7,050,000	0	0		0		0
Subtotal Special Appropriations, Parks	7,050,000	7,050,000	0	0		0		0
<u>Total Parks, Recreation and Culture</u>	37,654,441	26,740,850	0	437,378		-129,300		308,078
<u>Public Utilities</u>								
Bureau of Environmental Services								
Combined Sewer Overflow	242,609,957	58,861,351	0	625,000		0		625,000
Maintenance & Reliability	69,580,521	16,955,836	0	96,000		0		96,000
Sewage Treatment Systems	44,561,338	9,555,278	0	164,792		-842,000		-677,208
Surface Water Management	17,735,967	4,463,999	0	167,000		0		167,000
Systems Development	15,506,547	3,081,378	0	450,000		0		450,000
Subtotal Bureau of Environmental Services	389,994,330	92,917,842	0	1,502,792		-842,000		660,792
Bureau of Water Works								
Customer Service	1,665,000	1,365,000	0	0		0		0
Distribution	50,636,000	11,510,000	0	30,000		0		30,000
Quality	2,465,000	1,315,000	0	30,000		0		30,000
Supply	61,248,000	10,483,000	0	0		0		0
Subtotal Bureau of Water Works	116,014,000	24,673,000	0	60,000		0		60,000
<u>Total Public Utilities</u>	506,008,330	117,590,842	0	1,562,792		-842,000		720,792

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Operating and Maintenance (CB Table 3)**

Service Area / Bureau / Program	Five-Year Costs	Fiscal Year FY98-99	A	N	N	U	A	L
			Revenue Generated (-)	Oper / Maint Costs (+)	Oper / Maint Savings (-)	Net Finan. Impact		
<u>Community Development & Services</u>								
<i>Bureau of Housing & Community Development</i>								
<i>Economic Development</i>	20,000	20,000	0	4,000	0	4,000		
<i>Subtotal Bureau of Housing & Community Developme</i>	20,000	20,000	0	4,000	0	4,000		
<u>Local Improvement Districts</u>								
<i>Local Improvement Districts</i>	25,150,000	5,150,000	0	0	0	0		
<i>Subtotal Local Improvement Districts</i>	25,150,000	5,150,000	0	0	0	0		
<u>Portland Development Commission</u>								
<i>Commercial/Industrial</i>	248,472	248,472	0	0	0	0		
<i>Neighborhood Commercial</i>	6,426	6,426	0	0	0	0		
<i>Parks And Open Space</i>	11,594,040	11,594,040	0	0	0	0		
<i>Public Facilities</i>	8,179,745	8,179,745	0	0	0	0		
<i>Redevelopment Project Mgmt</i>	149,700	149,700	0	0	0	0		
<i>Transportation/Transit</i>	5,612,629	5,612,629	0	0	0	0		
<i>Subtotal Portland Development Commission</i>	25,791,012	25,791,012	0	0	0	0		
<u>Total Community Development & Services</u>	50,961,012	30,961,012	0	4,000	0	4,000		
<u>Transportation and Parking</u>								
<i>Bureau of General Services</i>								
<i>General Services/Parking</i>	2,284,000	467,000	0	0	0	0		
<i>General Services/Transportation</i>	347,000	347,000	0	0	0	0		
<i>Subtotal Bureau of General Services</i>	2,631,000	814,000	0	0	0	0		
<i>Office of Transportation</i>								
<i>Bicycle Program</i>	8,185,000	600,000	0	0	0	0		
<i>Facilities Program</i>	2,712,000	0	0	0	0	0		
<i>Pedestrian Program</i>	9,709,143	3,038,705	0	24,838	0	24,838		
<i>Preservation & Rehab Program</i>	20,722,940	600,205	0	1,035	-10,971	-9,936		
<i>Street Improvement Program</i>	143,665,699	16,990,745	0	126,460	0	126,460		
<i>Traffic Management Program</i>	33,983,176	1,866,576	0	25,000	0	25,000		
<i>Transit Program</i>	49,986,891	8,341,953	0	12,300	0	12,300		
<i>Subtotal Office of Transportation</i>	268,964,849	31,438,184	0	189,633	-10,971	178,662		
<u>Total Transportation and Parking</u>	271,595,849	32,252,184	0	189,633	-10,971	178,662		

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Operating and Maintenance (CB Table 3)**

Service Area / Bureau / Program	Five-Year Costs	Fiscal Year FY98-99	A N N U A L			
			Revenue Generated (-)	Oper / Maint Costs (+)	Oper / Maint Savings (-)	Net Finan. Impact
<u>Legislative, Administrative & Support Svcs</u>						
<i>Bureau of General Services</i>						
Communications	2,752,000	1,502,000	0	0	0	0
Debt	717,000	284,000	0	0	0	0
Downtown Space	26,752,000	26,495,000	0	1,150,000	0	1,150,000
Fleet Services	487,000	445,000	0	0	0	0
General Services/Auditor's Office	200,000	200,000	0	0	0	0
Maintenance	200,000	40,000	0	0	0	0
Portland Building	4,082,000	1,478,000	0	15,000	0	15,000
Subtotal Bureau of General Services	35,190,000	30,444,000	0	1,165,000	0	1,165,000
<i>Office of Finance & Administration</i>						
Computer Services	148,000	148,000	0	0	0	0
Subtotal Office of Finance & Administration	148,000	148,000	0	0	0	0
<u>Total Legislative, Administrative & Support</u>	35,338,000	30,592,000	0	1,165,000	0	1,165,000
TOTAL CITY ASSET	907,178,124	241,570,875	0	3,558,209	-982,271	2,575,938

CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-99 PROJECTS
Unfunded Requests

	Project Categories	Fiscal Year 1998-99	Five Year Project Costs
Fire, Rescue, and Emergency Services			
Fire Sprinkler Systems	2	99,000	338,000
Fire Apparatus	1	948,000	7,197,451
Firefighter Privacy Accommodations	2	115,000	354,000
Fire Station Roofs	2	86,000	420,000
Paving at Fire Station	2	60,000	345,000
Upgrade Wiring on Electrical Systems	2	45,000	253,700
Plumbing Sewer Upgrades	2	33,500	251,500
Energy Upgrades to Lighting	2	9,000	47,000
Police			
Fleets	3	454,000	904,000
TOTAL PUBLIC SAFETY		1,395,500	9,206,651
Parks and Recreation			
Montavilla Pool Bldg	2	150,000	150,000
Willamette Cove Master Plan	3	80,000	80,000
Community Gardens	3	227,000	473,000
CC Equipment Replacement	2	65,000	130,000
Surface Whirllys	2	58,000	58,000
Multnomah Art Center Acquisition	3	171,000	392,000
Acquisition Fund	3	100,000	500,000
Forest Heights Park Development	3	45,000	275,123
Univ Center Painting	2	102,000	102,000
SE Music Center HVAC	2	35,000	35,000
Turf Sweeper	1	20,000	20,000
Multno Window Repl #2	2	102,000	306,000
Wading Pool Renovation	1	95,000	503,000
Mult. Roof Replacement	2	282,000	574,000
Emergency Radio System 800MHz	1	35,000	35,000
Westmoreland Channel Restoration	2	15,000	15,000
Fulton Center Roof Replacement	2	115,000	115,000
New Soccer Fields	1	1,178,000	3,698,000
Flood and Landslide Acquisition & Repair	2	300,000	400,000
Pier Pool Bathhouse & Pool	2	1,801,000	1,801,000
Total Parks and Recreation		4,976,000	9,662,123
Transportation			
NE Alberta St. Lighting	1	145,000	145,000
Total Transportation		145,000	145,000
TOTAL UNFUNDED REQUESTS		6,516,500	19,013,774

Note: Project Categories are (1) for Maintain Capital, (2) for Upgrading System, and (3) for New or Expansion.



Capital Improvement Service Area Overview

PUBLIC SAFETY SERVICE AREA

Fiscal year 1998-99 to 2002-03

Capital improvement projects for the Public Safety Service Area are comprised of projects undertaken by the following Bureaus:

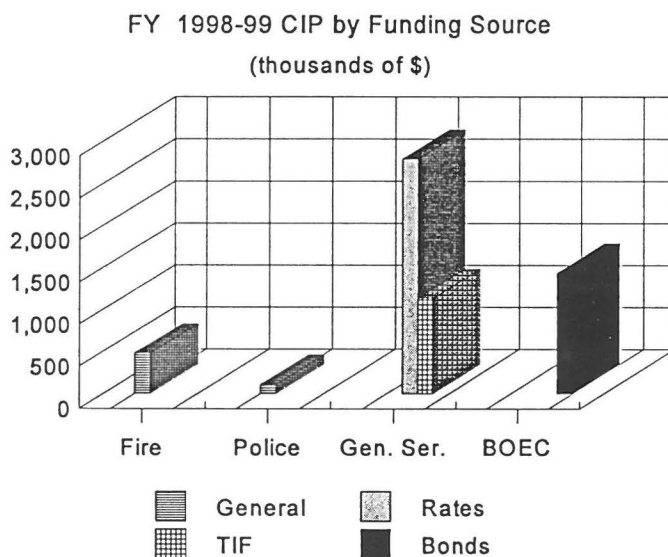
- Bureau of Fire, Rescue and Emergency Services
- Bureau of Police
- Bureau of Emergency Communications
- Bureau of General Services (select projects)

For FY 1998-99, a total of \$3,433,278 has been allocated to Public Safety Capital Improvement projects. Of this amount, two projects account for approximately 73% of the total.

The first of these projects allocates \$1.4 million for replacements and purchases of dispatch and telecommunications equipment for the Bureau of Emergency Communications (BOEC).

Funding for this project comes from the Public Safety Capital Improvement Fund which was established by a voter approved three

year serial levy which will lapse in 2001. The second largest project, \$1.1 million, is a project in conjunction with the Portland Development Commission, that the Bureau of General Services will manage for the Police Bureau. This project will relocate the Police Mounted Patrol and will be paid for primarily by tax increment financing (TIF) given that the proposed location will be in the vicinity of the Portland Convention Center, an urban renewal district.



The Fire Bureau has four capital projects, funded through General Fund, which total \$477,766. These projects

address ground remediation problems and underground storage tanks, repair ventilation systems, and purchase emergency generators at the fire stations.

The Police Bureau is carrying over \$107,760 in budget authority for the 900MHz alarm system.

Finally, the Bureau of General Services' Facilities Services will provide ongoing maintenance and repair for the Justice Center (which houses the Police Bureau) and for the Emergency Communications Center. The total of these major maintenance projects is \$391,000. The costs for the projects are recovered through rental rates.

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Public Safety

Bureau of Police Program / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Public Safety								
Carryover		150,000	107,760	0	0	0	0	107,760
Fleet Package - 2nd Year	N/A	945,000	0	454,000	454,000	0	0	908,000
Total Public Safety		1,095,000	107,760	454,000	454,000	0	0	1,015,760
Grand Total Bureau of Police		1,095,000	107,760	454,000	454,000	0	0	1,015,760

Bureau of General Services Program / Subprogram / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Police								
Police								
Justice Center - Paint Interiors	cc	54,000	37,000	37,000	37,000	37,000	37,000	185,000
Justice Center - Partition Replacement	cc	192,000	103,000	103,000	103,000	103,000	103,000	515,000
Justice Center - Renovate Chiller	cc	0	0	111,000	0	0	0	111,000
Justice Center - Seal Exterior	cc	0	64,000	0	0	0	0	64,000
Police Facilities Major Maintenance	All	0	75,000	100,000	100,000	100,000	100,000	475,000
Relocate Police Mounted Patrol Unit	cc	50,000	1,134,000	0	0	0	0	1,134,000
Subtotal		296,000	1,413,000	351,000	240,000	240,000	240,000	2,484,000
Total Police		296,000	1,413,000	351,000	240,000	240,000	240,000	2,484,000

Bureau of Fire, Rescue & Emergency Svcs. Program / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Public Safety Capital Fund								
Public Safety								
Dispatch and Telecommunications Equip.	N/A	1,155,547	1,435,461	0	0	0	0	1,435,461
Total Public Safety		1,155,547	1,435,461	0	0	0	0	1,435,461
Grand Total Public Safety Capital Fund		1,155,547	1,435,461	0	0	0	0	1,435,461

Bureau of Fire, Rescue & Emergency Svcs. Program / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Support for Emergency Response								
Apparatus Bay Ventilation Systems	N/A	679,019	98,000	101,000	0	0	0	199,000
Emerg. Gen.	N/A	910,679	134,766	106,505	0	0	0	241,271
Ground Remediation at Logistics	SE	0	200,000	0	0	0	0	200,000
Remove Underground Storage Tanks	N/A	0	45,000	0	0	0	0	45,000
Total Support for Emergency Response		1,589,698	477,766	207,505	0	0	0	685,271
Grand Total Bureau of Fire, Rescue & Emergency Svcs.		1,589,698	477,766	207,505	0	0	0	685,271

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Public Safety

Bureau of Police Program / Project	General Fund	POLIC	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Public Safety							
Carryover	107,760	0	0	0	0	107,760	0
Fleet Package - 2nd Year	0	0	0	0	0	0	0
Total Public Safety	107,760	0	0	0	0	107,760	0
Grand Total Bureau of Police	107,760	0	0	0	0	107,760	0
Bureau of General Services Program / Subprogram / Project	General Fund	BGS	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Police							
<u>Police</u>							
Justice Center - Paint Interiors	0	0	37,000	0	0	37,000	0
Justice Center - Partition Replacement	0	0	103,000	0	0	103,000	0
Justice Center - Renovate Chiller	0	0	0	0	0	0	0
Justice Center - Seal Exterior	0	0	64,000	0	0	64,000	0
Police Facilities Major Maintenance	0	0	75,000	0	0	75,000	0
Relocate Police Mounted Patrol Unit	0	1,134,000	0	0	0	1,134,000	0
Subtotal	0	1,134,000	279,000	0	0	1,413,000	0
Total Police	0	1,134,000	279,000	0	0	1,413,000	0
Public Safety Capital Fund Program / Project	General Fund	SAFET	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Public Safety							
Dispatch and Telecommunications Equip.	0	0	0	1,435,461	0	1,435,461	0
Total Public Safety	0	0	0	1,435,461	0	1,435,461	0
Grand Total Public Safety Capital Fund	0	0	0	1,435,461	0	1,435,461	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Public Safety

Bureau of Fire, Rescue & Emergency Svcs. Program / Project	General Fund	FIRE	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Emergency Response							
Apparatus	0	0	0	0	0	0	0
Total Emergency Response	0	0	0	0	0	0	0
Support for Emergency Response							
Apparatus Bay Ventilation Systems	98,000	0	0	0	0	98,000	0
Computer Upgrades at Stations	0	0	0	0	0	0	0
Emerg. Gen.	134,766	0	0	0	0	134,766	0
Energy Upgrades - Lighting	0	0	0	0	0	0	0
Fire Fighter Privacy Accomodations	0	0	0	0	0	0	0
Fire Sprinkler Systems	0	0	0	0	0	0	0
Ground Remediation at Logistics	200,000	0	0	0	0	200,000	0
Paving at Stations	0	0	0	0	0	0	0
Plumbing & Sewer Upgrades	0	0	0	0	0	0	0
Remove Underground Storage Tanks	45,000	0	0	0	0	45,000	0
Roof Replacements	0	0	0	0	0	0	0
Upgrade Wiring on Electrical Sys.	0	0	0	0	0	0	0
Total Support for Emergency Response	477,766	0	0	0	0	477,766	0
Grand Total Bureau of Fire, Rescue & Emergency Svcs	477,766	0	0	0	0	477,766	0





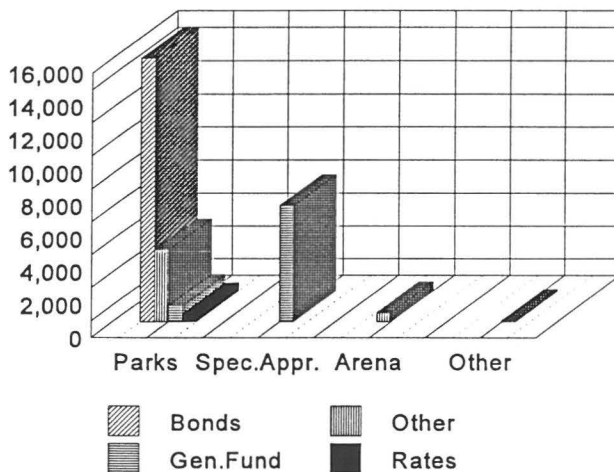
Capital Improvement Program Overview

PARKS, RECREATION AND CULTURE SERVICE AREA

Fiscal Year 1998-99 to 2002-03

The City's Cultural and Recreation System capital improvement programs include projects funded through the Parks Bureau, Special Appropriations, and the Arena Fund. The total FY 1998-99 budget for this service area is \$26,740,850 -- 71% of which are parks projects, 26% relates to costs associated with the purchase of school property funded through Special Appropriations, and the balance, 2%, reflects projects funded through the Arena Construction Fund. The balance of \$88,000 represents a project (represented as 'Other' in the graph) to be undertaken by the Bureau of General Services for the Chinese Classical Gardens.

FY 1998-99 CIP by Funding Source
(thousands of \$)



Portland Parks and Recreation (PP&R)

Portland Parks and Recreation's Capital Improvement Program is directed toward: (1) restoring and maintaining existing parks and buildings, (2) promoting recreational opportunities, (3) adding to the City's beauty and economic well being, and (4) preserving and enhancing natural areas.

Parks manages a large inventory of land and facilities including approximately 9,590 acres of land; 200 parks (developed and undeveloped); 12 community centers; 13 swimming pools (owned or maintained by

Parks); one tennis center; three specialty gardens; the Hoyt Arboretum; seven special art, theater, and museum buildings; four golf courses; and Portland International Raceway.

In preparing its 5-year capital improvement program, Parks starts with four objectives:

- *Make better use of existing resources.*
- *Continue a major park and facilities renovation program.*
- *Replace outdated and inadequate recreational facilities to meet today and tomorrow's needs.*
- *Establish an integrated network of parks, natural areas, trails, and recreation corridors.*

These four objectives provide direction for PP&R's FY 1998-2003 Capital Improvement Plan.

Portland Parks and Recreation's FY 1998-2000 projects were drawn from its annual capital improvement process. This process drew on the plans mentioned above, but also on capital needs identified by the public, by planning, recreation, and operations staff, and by City Council directives.

With this information, an evaluation committee selected projects for evaluation and then ranked them according to the following criteria:

- 1. Safety:* Each project was evaluated to see if it was needed to satisfy code requirements or other regulations and mandates, or if it was needed to correct hazardous conditions within parks and facilities.
- 2. Resource Preservation:* Each project was evaluated against life cycle considerations to determine if an investment in preventive maintenance would avert the need for full replacement.
- 3. Compliance:* Each project was assessed to determine its compliance with Parks' plans, neighborhood plans, and applicable plans of the Bureau of Planning.
- 4. Public Benefit:* Each project was assessed to determine its public benefit. Will it serve current or projected population? Will it serve Parks' high priority users: youth, the elderly, and other special populations? Will it provide year 'round use?
- 5. Financial:* Each project was examined to see if it would generate revenue, increase or decrease maintenance, leverage money outside the general fund, or could rely on a funding source other than the general fund.

The following is Portland Parks and Recreation's FY 1998-99 capital program areas and projects.

Acquisition

The FY 1998-99 budget includes costs totaling \$850,000 for the acquisition of land and facilities. Most of this resource derives from Metro's 26-26 Greenspaces Bond Program. Furthermore, the General Fund supports a joint effort with Oregon Museum of Science and Industry (OMSI) and the Rotary Club to rehabilitate the OMSI annex for future use by the Children's Museum. This project commits the General Fund to \$200,000 a year for three years beginning FY 1998-99 to complete the purchase of OMSI's lease interest in the site and ownership of the building.

Americans with Disabilities Act (ADA)

Significant progress has been made in achieving a balance of ADA improvements at Portland's parks and facilities. Through a general fund allocation and bond resources all unique facilities will be made accessible as will a geographic distribution of parks, pools, and community centers. Funding for FY 1998-99 is \$312,300, which allows five parks and one unique facility to become fully accessible. As future funding and improvements are made to parks and facilities, all sites will become accessible.

Facilities

Portland's community centers average over 60 years in age. These buildings and many of Parks' art centers and special facilities are old and obsolete. Most are converted school or fire stations, and were not built for recreational purposes. The capital program offered in the FY 1998-99 budget is directed toward keeping these buildings operational. There are three projects supported by General Fund for FY 1998-99 which rehabilitate the horticultural services greenhouses, repair the Matt Dishman acoustic tiles, and remove the urban forestry fuel tanks for a total of \$122,000. An additional project, funded by the Bureau of Environmental Services, completes the Fanno Creek Resource Room in the SW Community Center.

General Obligation Bond (GOBI)

The new fiscal year will take Parks into the fourth year of its general obligation bond. During FY 1998-99, Parks will have 32 active projects with a direct capital cost of \$15,274,286. The City's general obligation bond has allowed Parks to make significant progress in correcting maintenance deficiencies and in providing services previously unavailable in some of the City's neighborhoods.

Golf

The City's golf program is self-supporting. It provides City residents with several of the best municipal golf courses in the country. During FY 1998-99, Parks will begin a complete restoration of the Progress Downs course. Other smaller scale upgrades are planned at Eastmoreland, Heron Lakes, and Rose City golf courses. Planned improvements for FY 1998-99 are estimated to cost \$1,185,000.

Natural Areas

A majority of the City's park land is in natural areas. This land is managed for its habitat, educational, and recreational values. One natural area project will be undertaken in FY 1998-99, a \$114,000 project to repair damages resulting from landslides in Forest Park.

Parks

Portland administers more than 200 parks with 140 developed or partially developed. The 1994 general obligation bond issue has had a profound impact in repairing parks, but much remains to be done. Fundamental upgrades, many safety related, will be completed in FY 1998-99. A total of \$481,000 has been allocated for these types of projects. These include Grant Park Track replacement, King School play equipment, and a project in collaboration with the Bureau of Housing and Community Development to construct a community garden at the former Kennedy School site.

Portland International Raceway (PIR)

Portland International Raceway is a Parks' enterprise fund; it is self supporting. Improvements proposed for FY 1998-99 will ensure its use as a site for driver training and recreational activities and also guarantee its continued use as a raceway sponsoring major racing events with an annual attendance of 500,000. Improvements planned include new garages, pit-side suites, and repaving the entire race track. With the exception of \$90,000, all improvements planned for PIR will be funded by the Rose Festival Association and are outside of the CIP budget.

Seismic Safety/Life Safety

Through general fund contributions and GOBI, Parks has made a concerted effort to fund the upgrades of facilities, often combining funding for seismic, life safety, and ADA improvements. In FY 1998-99, the Parks Bureau will undertake improvements to the Overlook House which are required by the Bureau of Buildings. If the improvements are not made, this facility would need to revert to residential use. The cost for this program is \$162,000.

Carryover from FY 1997-98

The Parks Bureau will transfer \$652,564 as carryover into FY 1998-99 budget, the bulk of which is for ADA projects that had been funded for FY 1997-98 but have not been completed.

Special Appropriations

In response to the public schools financial crisis, the City of Portland agreed to help provide financial relief in exchange for school surplus property. The Portland Public Schools availed themselves of this opportunity by offering to sell \$7 million of surplus property. The FY 1998-99 CIP budget reflects this special appropriations transaction. The property will eventually be transferred to the Bureau of Parks and Recreation.

Arena Construction Fund:

The Oregon Arena Project is a multi-million public/private development located on the site of the City's Portland Memorial Coliseum on the east bank of the Willamette River. The City owns all but approximately one acre of the land, but the Oregon Arena Corporation operates and maintains both private and public facilities under agreements and leases with the City. FY 1998-99 projects include funding for traffic signs and electronic parking for the Rose Quarter, and major maintenance for the Coliseum.

Unmet Needs:

In 1994, the citizens voted in a General Obligation Bond measure which supported a significant number of Parks projects over a five year period. FY 1998-99 marks the fourth year of these expenditures which are rapidly diminishing. In order to meet future and unmet needs, the City of Portland will place another G.O.Bond measure on the ballot in November 1998 in order to acquire land, build, or substantially rebuild community centers, and rehabilitate a deteriorating inventory of Parks facilities.

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Parks, Recreation and Culture

Bureau of Parks and Recreation Program / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Acquisitions								
Greenspaces Land Acquisitions	ALL	5,650,000	650,000	0	0	0	0	650,000
OMSI Annex	NW	0	200,000	200,000	200,000	0	0	600,000
Total Acquisitions		5,650,000	850,000	200,000	200,000	0	0	1,250,000
ADA								
ADA Improvements	ALL	3,000,000	259,000	0	0	0	0	259,000
Total ADA		3,000,000	259,000	0	0	0	0	259,000
Facilities								
Fanno Creek Resource Room (SWCC)	SW	40,000	13,000	0	0	0	0	13,000
Hort. Services Greenhouses	SE	0	81,000	0	0	0	0	81,000
Matt Dishman Acoustic Tile	NE	0	21,000	0	0	0	0	21,000
Urban Forestry Fuel Tank Removal	N	0	20,000	0	0	0	0	20,000
Total Facilities		40,000	135,000	0	0	0	0	135,000
G.O.Bond								
General Obligation Bond Projects	ALL	48,080,809	15,274,286	4,707,591	0	0	0	19,981,877
Total G.O.Bond		48,080,809	15,274,286	4,707,591	0	0	0	19,981,877
Golf								
Eastmoreland Cart Storage Building	SE	0	75,000	0	0	0	0	75,000
Fill for 15 & 16 Fairways (Eastmoreland)	SE	50,000	25,000	0	0	0	0	25,000
Heron Lakes Bridge	N	0	25,000	0	0	0	0	25,000
Msc. Permit Fees	ALL	20,000	10,000	10,000	10,000	10,000	10,000	50,000
Progress Down Remodel	SW	298,687	1,000,000	1,000,000	1,000,000	0	0	3,000,000
Topdressing Program at Rose City	NE	0	50,000	50,000	50,000	50,000	50,000	250,000
Total Golf		368,687	1,185,000	1,060,000	1,060,000	60,000	60,000	3,425,000
Natural Areas								
Forest Park Landslide Repair	NW	0	114,000	0	0	0	0	114,000
Total Natural Areas		0	114,000	0	0	0	0	114,000
Parks								
East County Springwater Corridor	SE	20,000	230,000	0	0	0	0	230,000
Grant Park Track Replacement	NE	0	20,000	0	0	0	0	20,000
Kennedy School Community Garden	N	0	15,000	0	0	0	0	15,000
King School Play Equipment	N	0	66,000	0	0	0	0	66,000
Total Parks		20,000	331,000	0	0	0	0	331,000
Portland International Raceway								
Bridges	N	0	0	1,000,000	1,000,000	0	0	2,000,000
Cart Paddock	N	0	0	250,000	0	0	0	250,000
Restrooms	N	0	0	300,000	500,000	0	0	800,000
Sewer Reconstruction Project	N	180,000	90,000	0	0	0	0	90,000
Total Portland International Raceway		180,000	90,000	1,550,000	1,500,000	0	0	3,140,000

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Parks, Recreation and Culture

Bureau of Parks and Recreation Program / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Seismic Safety/Life Safety								
Overlook House Life Safety	N	0	162,000	0	0	0	0	162,000
Total Seismic Safety/Life Safety		0	162,000	0	0	0	0	162,000
Carryover								
Carryovers	N/A	0	652,564	0	0	0	0	652,564
Total Carryover		0	652,564	0	0	0	0	652,564
<u>Grand Total Bureau of Parks and Recreation</u>		57,339,496	19,052,850	7,517,591	2,760,000	60,000	60,000	29,450,441

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Parks, Recreation & Culture

Special Appropriations, Parks Program / Subprogram / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Special Appropriation - Parks								
Surplus School Property Purchase	N/A	0	7,050,000	0	0	0	0	7,050,000
<i>Subtotal</i>		0	7,050,000	0	0	0	0	7,050,000
Total Special Appropriation - Parks		0	7,050,000	0	0	0	0	7,050,000
<u>Grand Total Special Appropriations, Parks</u>		0	7,050,000	0	0	0	0	7,050,000
Arena Construction Program / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Rose Quarter								
Rose Quarter Electronic Parking System	NE	0	50,000	0	0	0	0	50,000
Rose Quarter Traffic Devices	NE	0	400,000	0	0	0	0	400,000
Total Rose Quarter		0	450,000	0	0	0	0	450,000
Memorial Coliseum								
Memorial Coliseum Maintenance/Repair	NE	0	100,000	100,000	100,000	100,000	100,000	500,000
Total Memorial Coliseum		0	100,000	100,000	100,000	100,000	100,000	500,000
<u>Grand Total Arena Construction</u>		0	550,000	100,000	100,000	100,000	100,000	950,000
Bureau of General Services Program / Subprogram / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
General Services/Parks								
Chinese Classical Gardens	CC	0	88,000	88,000	0	0	0	176,000
<i>Subtotal</i>		0	88,000	88,000	0	0	0	176,000
Total General Services/Parks		0	88,000	88,000	0	0	0	176,000

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Parks, Recreation & Culture

Special Appropriations, Parks Program / Subprogram / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Special Appropriation - Parks								
Surplus School Property Purchase	N/A	0	7,050,000	0	0	0	0	7,050,000
<i>Subtotal</i>		0	7,050,000	0	0	0	0	7,050,000
Total Special Appropriation - Parks		0	7,050,000	0	0	0	0	7,050,000
<u>Grand Total Special Appropriations, Parks</u>		0	7,050,000	0	0	0	0	7,050,000
Arena Construction Program / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Rose Quarter								
Rose Quarter Electronic Parking System	NE	0	50,000	0	0	0	0	50,000
Rose Quarter Traffic Devices	NE	0	400,000	0	0	0	0	400,000
Total Rose Quarter		0	450,000	0	0	0	0	450,000
Memorial Coliseum								
Memorial Coliseum Maintenance/Repair	NE	0	100,000	100,000	100,000	100,000	100,000	500,000
Total Memorial Coliseum		0	100,000	100,000	100,000	100,000	100,000	500,000
<u>Grand Total Arena Construction</u>		0	550,000	100,000	100,000	100,000	100,000	950,000
Bureau of General Services Program / Subprogram / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
General Services/Parks								
Chinese Classical Gardens	CC	0	88,000	88,000	0	0	0	176,000
<i>Subtotal</i>		0	88,000	88,000	0	0	0	176,000
Total General Services/Parks		0	88,000	88,000	0	0	0	176,000

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Parks, Recreation and Culture

Bureau of Parks and Recreation Program / Project	General Fund	PARKS	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Acquisitions							
Greenspaces Land Acquisitions	0	0	0	650,000	0	650,000	0
Multnomah Art Center	0	0	0	0	0	0	171,000
OMSI Annex	200,000	0	0	0	0	200,000	0
Parks Acquisitions Fund	0	0	0	0	0	0	100,000
Total Acquisitions	200,000	0	0	650,000	0	850,000	271,000
ADA							
ADA Improvements	259,000	0	0	0	0	259,000	0
Total ADA	259,000	0	0	0	0	259,000	0
Aquatics							
Montavilla Pool Facilities Building	0	0	0	0	0	0	150,000
Pier Pool Bathhouse	0	0	0	0	0	0	1,801,000
Total Aquatics	0	0	0	0	0	0	1,951,000
Facilities							
Community Center Recreation Equipment	0	0	0	0	0	0	65,000
Community Music Center HVAC	0	0	0	0	0	0	35,000
Fanno Creek Resource Room (SWCC)	0	0	0	0	13,000	13,000	0
Fulton Community Center Roof	0	0	0	0	0	0	115,000
Hort Services Production Equipment	0	0	0	0	0	0	0
Hort. Services Greenhouses	81,000	0	0	0	0	81,000	0
Hort. Services Production Facility	0	0	0	0	0	0	0
Matt Dishman Acoustic Tile	21,000	0	0	0	0	21,000	0
Multnomah Art Center Annexes	0	0	0	0	0	0	330,000
Multnomah Art Center Roof	0	0	0	0	0	0	282,000
Multnomah Art Center Windows	0	0	0	0	0	0	102,000
Pave Urban Forestry Parking	0	0	0	0	0	0	0
Renovate Urban Forestry Barn	0	0	0	0	0	0	0
St. Johns Racquet Center	0	0	0	0	0	0	0
University Community Center Painting	0	0	0	0	0	0	102,000
Urban Forestry Fuel Tank Removal	20,000	0	0	0	0	20,000	0
Total Facilities	122,000	0	0	0	13,000	135,000	1,031,000
G.O.Bond							
General Obligation Bond Projects	0	0	0	15,274,286	0	15,274,286	0
Total G.O.Bond	0	0	0	15,274,286	0	15,274,286	0
Golf							
Eastmoreland Cart Storage Building	0	0	75,000	0	0	75,000	0
Fill for 15 & 16 Fairways (Eastmoreland)	0	0	25,000	0	0	25,000	0
Heron Lakes Bridge	0	0	25,000	0	0	25,000	0
Msc. Permit Fees	0	0	10,000	0	0	10,000	0
Progress Down Remodel	0	0	1,000,000	0	0	1,000,000	0
Topdressing Program at Rose City	0	0	50,000	0	0	50,000	0
Total Golf	0	0	1,185,000	0	0	1,185,000	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Parks, Recreation and Culture

Bureau of Parks and Recreation Program / Project	General Fund	PARKS	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Information Technology							
Office Automation	0	0	0	0	0	0	106,000
Upgrade/Replace MMS System	0	0	0	0	0	0	0
Urban Forestry Automated Records	0	0	0	0	0	0	0
Total Information Technology	0	0	0	0	0	0	106,000
Natural Areas							
Flood and Landslide Acquisition	0	0	0	0	0	0	300,000
Forest Park Landslide Repair	114,000	0	0	0	0	114,000	0
Total Natural Areas	114,000	0	0	0	0	114,000	300,000
Parks							
Community Gardens	0	0	0	0	0	0	227,000
Diesel Directional Turf Sweeper	0	0	0	0	0	0	20,000
East County Springwater Corridor	0	0	0	230,000	0	230,000	0
Emergency Radio System	0	0	0	0	0	0	35,000
Forest Heights Park Development	0	0	0	0	0	0	45,000
Grant Park Track Replacement	20,000	0	0	0	0	20,000	0
Kennedy School Community Garden	0	0	0	15,000	0	15,000	0
King School Play Equipment	66,000	0	0	0	0	66,000	0
New Soccer Fields	0	0	0	0	0	0	1,178,000
Surface Under Whirllys	0	0	0	0	0	0	58,000
Wading Pool Renovation	0	0	0	0	0	0	95,000
Westmoreland Park Channel	0	0	0	0	0	0	15,000
Total Parks	86,000	0	0	245,000	0	331,000	1,673,000
Portland International Raceway							
Bridges	0	0	0	0	0	0	0
Cart Paddock	0	0	0	0	0	0	0
Garages and pits side suites	0	0	0	0	0	0	1,000,000
Hot pits	0	0	0	0	0	0	250,000
Media Center	0	0	0	0	0	0	150,000
Repaving	0	0	0	0	0	0	750,000
Restrooms	0	0	0	0	0	0	0
Sewer Reconstruction Project	0	0	0	90,000	0	90,000	0
Total Portland International Raceway	0	0	0	90,000	0	90,000	2,150,000
Seismic Safety/Life Safety							
Overlook House Life Safety	162,000	0	0	0	0	162,000	0
Total Seismic Safety/Life Safety	162,000	0	0	0	0	162,000	0
Carryover							
Carryovers	652,564	0	0	0	0	652,564	0
Total Carryover	652,564	0	0	0	0	652,564	0
Grand Total Bureau of Parks and Recreation	1,595,564	0	1,185,000	16,259,286	13,000	19,052,850	7,482,000

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Parks, Recreation & Culture

Special Appropriations, Parks Program / Subprogram / Project	General Fund	SA	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Special Appropriation - Parks							
Surplus School Property Purchase	7,050,000	0	0	0	0	7,050,000	0
<i>Subtotal</i>	7,050,000	0	0	0	0	7,050,000	0
Total Special Appropriation - Parks	7,050,000	0	0	0	0	7,050,000	0
<u>Grand Total Special Appropriations, Parks</u>	7,050,000	0	0	0	0	7,050,000	0

Arena Construction Program / Project	General Fund	ARENA	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Rose Quarter							
Rose Quarter Electronic Parking System	0	0	0	0	50,000	50,000	0
Rose Quarter Traffic Devices	0	0	0	0	400,000	400,000	0
Total Rose Quarter	0	0	0	0	450,000	450,000	0
Memorial Coliseum							
Memorial Coliseum Maintenance/Repair	0	0	0	0	100,000	100,000	0
Total Memorial Coliseum	0	0	0	0	100,000	100,000	0
<u>Grand Total Arena Construction</u>	0	0	0	0	550,000	550,000	0

Bureau of General Services Program / Subprogram / Project	General Fund	BGS	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
General Services/Parks							
Chinese Classical Gardens	0	0	0	0	88,000	88,000	0
<i>Subtotal</i>	0	0	0	0	88,000	88,000	0
Total General Services/Parks	0	0	0	0	88,000	88,000	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Operating and Maintenance (CB Table 3)**

Capital System - Parks, Recreation and Culture

Bureau of Parks and Recreation Program / Project	Five-Year Costs	Fiscal Year FY98-99	Five Year Costs/Savings			Net Finan. Impact
			Revenue Generated (-)	Oper / Maint Costs (+)	Oper / Maint Savings (-)	
Acquisitions						
Greenspaces Land Acquisitions	650,000	650,000	0	167,600	0	167,600
OMSI Annex	600,000	200,000	0	3,000	0	3,000
Total Acquisitions	1,250,000	850,000	0	170,600	0	170,600
Facilities						
Hort. Services Greenhouses	81,000	81,000	0	0	-500	-500
Matt Dishman Acoustic Tile	21,000	21,000	0	0	-1,000	-1,000
Urban Forestry Fuel Tank Removal	20,000	20,000	0	0	-4,000	-4,000
Total Facilities	122,000	122,000	0	0	-5,500	-5,500
G.O.Bond						
General Obligation Bond Projects	19,981,877	15,274,286	0	267,278	0	267,278
Total G.O.Bond	19,981,877	15,274,286	0	267,278	0	267,278
Golf						
Fill for 15 & 16 Fairways (Eastmoreland)	25,000	25,000	0	0	-30,000	-30,000
Progress Down Remodel	3,000,000	1,000,000	0	0	-110,000	-110,000
Topdressing Program at Rose City	250,000	50,000	0	0	-60,000	-60,000
Total Golf	3,275,000	1,075,000	0	0	-200,000	-200,000
Parks						
Grant Park Track Replacement	20,000	20,000	0	0	-300	-300
Kennedy School Community Garden	15,000	15,000	0	2,500	0	2,500
King School Play Equipment	66,000	66,000	0	0	-250	-250
Total Parks	101,000	101,000	0	2,500	-550	1,950
Seismic Safety/Life Safety						
Overlook House Life Safety	162,000	162,000	0	0	-15,000	-15,000
Total Seismic Safety/Life Safety	162,000	162,000	0	0	-15,000	-15,000
Grand Total Bureau of Parks and Recr	24,891,877	17,584,286	0	440,378	-221,050	219,328





Capital Improvement Service Area Overview

PUBLIC UTILITIES SERVICE AREA

Fiscal Year 1998-99 to 2002-03

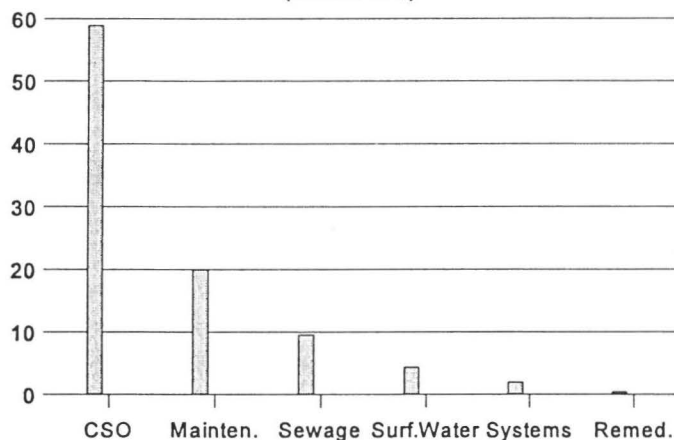
The Public Utilities Service Area accounts for \$118 million in FY 1998-99, or 55% of the total City CIP. The Bureau of Environmental Services accounts for \$92.9 million of this total; the Water Bureau's projects comprise approximately \$24.6 million. The balance, \$400,000, represents a project undertaken by Environmental Remediation. These projects are almost entirely debt financed and paid for through rates.

The Bureau of Environmental Services:

The bureau's 1999-2003 capital improvement program (CIP) continues the reduced funding level the bureau proposed last year. Sixty-two percent (62%) of the total 5-year CIP budget is allocated to meet the Combined Sewer Outflow (CSO) regulatory requirements, while twenty-nine percent (29%) is provided to maintain and improve the existing sewerage system.

FY 1998-99 BES CIP

(millions of \$)



In FY 1997-98, the entire mid-Multnomah County (Mid County) Sewer Project was completed several years ahead of schedule. Approximately 400 miles of mainline sanitary sewer pipes were installed to serve the area.

All 53,400 originally affected properties are expected to be connected to the system by year 2000. Numerous other businesses and residents are also connecting to the system as the Mid-County area has become a magnet for in-fill development as the sewer

system has been completed.

The 5-year CIP has a funding allocation of \$388,747,677 spread over five major program areas as follows:

Sewage Treatment Systems - \$44,561,338 (Five year costs FY 98-2003)

This program maintains and improves two sewage treatment plants and 100 pump stations that serve over 128,000 residential accounts and 12,000 commercial accounts in Portland. One major recent accomplishment in this program has been the completion of the Columbia Boulevard Wastewater Treatment Plant (CBWTP) headworks project which allows the City to handle a greater amount of sewage more effectively, while eliminating a major odor source and an

antiquated screen house from the plant. The program has also provided for the removal of almost 63,000 dry tons of solids from the sewage lagoon which will allow for better plant operations. This program was needed prior to reconstruction of the lagoon. Major emphasis in this CIP is the continued replacement of major treatment plant and pump station components, completion of the Inverness force main (in lieu of construction of a new treatment plant), reconstruction of the sewage lagoon, repair of the existing sewage treatment plant's outfall line, and continuation of odor-control projects at CBWTP.

Major work in the next several years at the CBWTP will be in the CSO program.

Maintenance and Reliability Program - \$69,580,521 (Five year costs FY 98-2003)

This program addresses major maintenance and improvements projects to the existing 2,010 mile sewage collection system. Major recent accomplishments have been in reconstruction of east Willamette sewer systems to eliminate basement flooding and reduce structural pipe failures.

Major emphasis in this CIP is the continued reconstruction of the Alder Basin sewerage system, reconstruction of deteriorating pipelines in northwest and east Portland, and continued reconstruction of the Fanno Creek sewerage system to replace several aging pump stations.

Surface Water Management - \$17,625,967 (Five year costs FY 98-2003)

This program exclusively funds projects to correct water quality and stream hydrology problems. Other programs also fund these projects. Major recent accomplishments in this program include the Brookside Wetland and Stream Enhancement project on Johnson Creek and the completion of 12 miles of stream bank enhancement and six acres of rehabilitated wetlands along the Columbia Slough. Major projects in this CIP are the Johnson Creek Projects which help control property flooding and improve water quality and the several pollution reduction facilities (PRF) along the Columbia Slough to reduce pollutants from entering the Columbia Slough through existing storm drainage systems.

Combined Sewer Overflow (CSO) Program - \$242,609,957 (Five year costs FY 98-2003)

This is the largest program, with over 62% of the bureau's budget over the next 5-years. The major accomplishment in this program over this past year has been the completion of the design of more than \$120 million of Columbia Slough CSO projects in accordance with the Amended and Stipulated Final Order (ASFO) schedule of December 1997. Several large sewage basin separation projects, the Ramsey Lake wetland project, and thousands of downspout disconnections have also been completed under this major program throughout the City.

Major emphasis in this CIP is controlling CSO discharges to the Columbia Slough to meet regulatory requirements by December 2000. Major CSO projects include construction of a wet-weather treatment plant, a 12-foot diameter consolidation pipeline, pump stations, a new outfall, and additional neighborhood separation projects. Construction is underway on several of these projects.

System Development Program - \$14,369,894 (Five year costs FY 98-2003)

This program provides for expansion of the sewerage system collection system. Recent accomplishments in this program have been the completion of the Water Pollution Control Lab and the construction of several miles of sewers to serve neighborhoods which had been on septic systems throughout the City. Major projects in this CIP include the residential sewer extension program and South Airport Sanitary Sewer Project that will provide sanitary sewer service to existing developed and underdeveloped areas of the service area.

The proposed CIP has been incorporated into the bureau's financial planning model to determine resource requirements over the 5-year forecast interval. The forecast of inflation, investment earning rates, and debt issuance costs are consistent with financial planning guidelines developed by the City's Office of Finance and Administration. The current FY 1999-03 five year CIP of \$389 million compares to the FY 1998-02 CIP of \$392 million and a FY 1997-01 CIP projection of \$505 million. The bureau expects this expenditure level to continue (with fluctuating annual expenditures) over the next several annual CIP budget cycles unless additional major needs develop during this time.

CIP DEVELOPMENT REVIEW PROCESS

Last year, the bureau made significant changes to its CIP development review process. This process continued again this year.

The CIP was developed utilizing a multi-step process to identify, develop, review, score, and rank projects for funding and scheduling priority. This process was implemented to ensure that the core identified needs of the sewerage, drainage, and surface water system, and the community it serves, would be effectively funded and scheduled.

A bureau-wide stakeholder review team was formed to investigate, score and rank all CIP projects in accordance with identified CIP criteria. An independent CIP development review team was created to review lower-ranked and controversial projects and provide additional perspective to each projects' benefits. CIP weighted criteria, scoring instructions, scheduling guidelines, estimating procedures and project request forms were created to insure each project was developed, reviewed and scored based on detailed and consistent information throughout the bureau. A CIP program strategy was developed based on previously identified needs while taking into account future uncertainties to guide project selection and scheduling. Each of the projects were reviewed by the bureau's financial managers, program managers, operations managers and engineering managers to ensure the bureau was expending financial resources as effectively and appropriately as possible. The CIP management team evaluated all of the information from the process, met with selected bureau project and program managers to further reduce costs where appropriate and submitted their final recommendation to the bureau Leadership Team. The bureau Leadership Team reviewed the findings and adopted this CIP plan.

The CIP Development Review Process along with the capital program strategy, weighted CIP criteria, and scoring considerations by which each project was reviewed are delineated in Section II: Project Selection and Ranking System of this report.

PROJECT SCHEDULING AND REPORTING

The Bureau of Environmental Services has developed a bureau-wide project reporting, cost forecasting, and scheduling system. Each project manager has access to this networked system and reports monthly on each active project. Concise narratives of project status as well as project life and fiscal year cost estimates and scheduling information are maintained in this system by the project managers. Current project budgets and expenditures are automatically revised weekly through the bureau's networked project accounting system. The scheduling portion is linked to the CIP master schedule which inter-relates each CIP project phase to itself and phases of other CIP projects. The updated schedule information is compared to previously approved schedules by project phase. CIP budget information is also compiled on a program basis by phase and compared to previously approved phase budgets. Monthly CIP program reports are then prepared along with exception reports by the CIP Project Support Division. In this way, the bureau is able to address any CIP issues quickly and better maintain schedule and budget control of the CIP.

SOURCES AND USES OF CONSTRUCTION FUNDING

Planned CIP outlays total \$389 million (FY 1999 constant dollars) over the five-year forecast interval. Table 1 summarizes projected resources and requirements for the Sewer System Construction Fund for the current and five-year forecast interval. Based on current planning assumptions, the bureau's five-year CIP request will require \$304.4 million (nominal dollars) in additional borrowings over the five-year forecast interval. A brief description of the resources required to finance these requirements follows:

Fees, Charges, and Permits - This source of funding includes an estimate of reimbursements for engineering, administration, and construction management services charged for permit sewer construction.

Line and Branch Charges - Charges in lieu of assessment will be used to fund CIP outlays. Line and branch charge revenues which are projected to total \$4.9 million over the current and five-year forecast interval, are an offset to future borrowing requirements. These come from Mid-County properties and represent cost recovery for collection system sewers, including the portion of the collector sewer that extends to the property line (house branch). Line and branch charges are received in the form of cash and in the form of special assessment bond proceeds for property owners who elect to finance their line and branch charges.

Cash Transfers from the Sewer System Operating Fund - Current sewer system net income from service fees and charges will also be used to fund CIP outlays. The

availability of current income to fund CIP expenditures is the result of meeting debt service coverage requirements on outstanding bonds. For planning purposes, the bureau maintains a 1.50 coverage ratio and an ongoing reserve of ten percent of operating expenses for unforeseen financial needs. After making debt service payments, funds in excess of those required for the 10 percent operating reserve are available to fund capital improvements. Cash transfers from the Operating Fund to the Construction Fund are projected to total \$114.3 million over the current and five-year forecast interval.

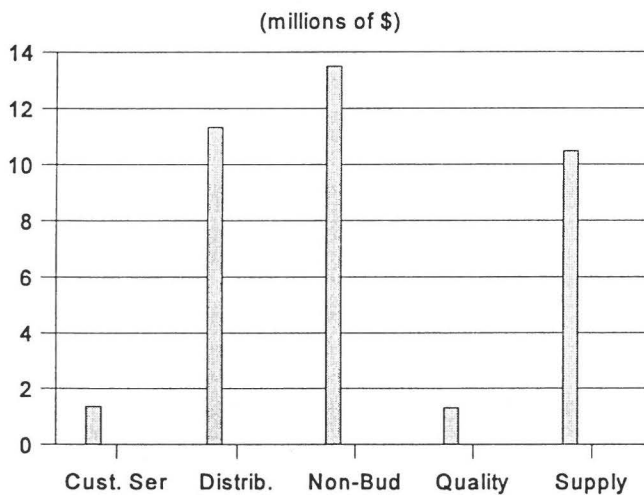
Bond Proceeds - Proceeds from the sale of Sewer System Revenue Bonds will be necessary to support the CIP. In general, debt service requirements for future bond sales have been calculated assuming level debt service (principal and interest payments payable semiannually on July 1st and January 1st). The forecast assumes average annualized coupon rates of 5.6% in FY 1999 and 6.50% from FY 1999 - 2000 to FY 2002-03 with a 1.20 coverage requirement.

As noted above, the bureau uses a 1.50 coverage ratio for planning purposes.

Investment Income - Investment or interest income is earned on all sewer system funds administered by the City Treasurer. Any investment income earned on balances within

Sewer System Funds helps offset future borrowing requirements.

FY 1998-99 Water CIP



relatively small.

Beginning Fund Balances - The last source of working capital in support of the CIP is the balance within the sewer system funds forecast to be available at the beginning of each fiscal year. The Sewer System Operating Fund maintains an ongoing reserve of 10% of operating expenses for unforeseen financial needs. Beginning fund balances in excess of this amount are made available to fund capital improvements. Beginning fund balances in the Construction Fund are also available to fund the bureau's CIP. Initial balances in all years are forecast to be

BUREAU OF WATER WORKS

The FY1998-99 CIP continues the past history of the bureau in placing emphasis on maintaining and improving the water system to better serve our citizens while planning for future system growth. Fifty-three percent (53%) of the total 10-year CIP budget is allocated to maintaining the water system, while 16% is assigned to projects that expand or enhance service to existing customers. Projects which significantly expand the water system's water supply sources are

listed in the CIP but are not funded because their timing and need will not be determined until after completion of the Infrastructure Master Plan in FY 2000-01.

The Bureau of Water Works manages its CIP to meet the City's need for a safe, reliable, and affordable supply of water. This goal underlies several other City and bureau goals: public safety, economic development activities, energy conservation, and protection of the environment. Meeting these goals not only means conduits, reservoirs, mains, and treatment facilities for the long run, but it also means maintaining the system of dams, conduits, reservoirs, mains, and treatment facilities for the long run. The CIP addresses itself beyond today's operations — to prolong the life of the system and prevent breakdown, to replace obsolete facilities, to forecast future needs, and to plan and implement projects to meet those needs.

The 10-year plan contains 116 funded projects with 69 of those receiving funding in the FY1998-99 budget. The majority of these projects is relatively small and addresses a specific maintenance problem or deficiency in the water system. The most significant projects are:

Mains Program - By far the largest project, with an average annual funding of \$5,100,000, the Mains Program maintains, renews, and extends the 1,900 miles of distribution piping system that serve customers within the City. The project installs nearly 12 miles of main each year.

Powell Butte Reservoir 2 - This \$22.3 million project will construct a second 50 million gallon reservoir on Powell Butte. The reservoir is needed to allow major maintenance on, or replacement of, the 100 year old reservoirs on Mt. Tabor and Washington Park while still maintaining storage capacity to safely operate the water system and provide fire protection.

Transportation Related Construction - The CIP funds the water system adjustments required for construction of transportation projects. These mandatory, but often reimbursable, projects include ODOT adjustments, South-North Light Rail, and Central City Streetcar. Over the 10-year period of this CIP, they will total \$17,070,000.

Conduit Relocation/Sandy River - This \$13.7 million project provides for relocating all three existing water supply conduit crossings of the Sandy River. The conduits are currently on 70 - 100-year old bridges that are susceptible to seismic and flood damage. The project will be constructed in phases, replacing the two existing bridges one at a time.

Conduit Isolations and Improvements - This \$11.5 million project will add operational reliability and flexibility to the existing three Bull Run conduits. This project implements the recommendations of the Conduit Hydraulics and Structural Analysis Study completed in 1996. The first two of six interties will be constructed in 2001. Construction of the remaining four will occur in the last five years of the CIP with completion scheduled in 2009.

System Vulnerability Reduction - This \$12.2 million project (2006 completion date) will implement a number of improvements to bureau facilities to better withstand earthquakes,

other natural disasters, and human caused problems. The bureau's current System Vulnerability Assessments Study has and will continue to identify needed improvements to ensure that the water system will remain operational after major disasters.

A significant component of the CIP is to fund studies that define future capital construction needs of the water system. The FY 1998-08 CIP includes several projects that will play a key roll in determining the future of the Water bureau's CIP. These studies include the following:

Infrastructure Master Plan - This \$650,000 study is the first phase of developing a revised 20-year Public Facility Plan to update the prior plan developed in the mid 1980's. The results of this study are expected to play a significant roll in drafting the bureau's future CIP plans and provide needed information to be used in negotiating future wholesale water contracts.

Conduit No. 5 Predesign - Currently the bureau operates three supply conduits from the Bull Run Watershed into the City. It is envisioned that over the next 20-years a new supply conduit (Conduit No. 5) could be needed. This new conduit would be used to replace one of the aging conduits and/or to increase the Bull Run system's delivery capacity. In the early 1970's a study was conducted to select a future route for Conduit No. 5. Property and easements have been secured since then for this conduit. However, since the original study was completed, significant changes have occurred in the area of environmental permitting that may not allow use of segments of the existing route. The bureau has budgeted \$700,000 to complete this study to review the existing selected route to ensure its feasibility, or to identify an alternate route when the need for the new conduit arises. The estimated construction cost of Conduit No. 5 is \$110 million, but is not currently funded in the CIP.

System Vulnerability Study - The CIP includes \$1,250,000 to complete a comprehensive study for the purpose of evaluating vulnerability of the water system to damage from both severe, less frequent events (such as earthquakes) and less severe, more frequent events (such as floods and landslides). The findings of this study will be used to prioritize the individual up-grade projects to be included in the \$12.2 million System Vulnerability Reduction Project. Reports received to date indicate several facilities can and should be strengthened to withstand the maximum credible earthquake.

The 10-year CIP increases funding requirements over previous years. This increase is due primarily to improvements required to upgrade key water facilities to meet new seismic standards, increasing maintenance/replacement costs of the bureau's aging water system, and increasing regulatory requirements for water quality studies and improvements. The 10-year CIP contains funding for projects totaling \$24,673,000 in FY 1998-99 and \$116,124,000 for FY 1998-99 to FY 2002-03.

PROJECT RATING SYSTEM

In order to identify those capital projects which contribute most to its mission, the Water Bureau established a method of ranking projects for funding and scheduling priority using a multi-step

process to fulfill identified needs of the water system and the community it serves while taking project costs into consideration. A bureau-wide review committee rated all projects against seven identified water system needs, with the exception of those mandatory projects are placed in a separate "Mandatory" category and given the highest priority for funding. The remaining projects are divided into two groups for funding: (1) "Allocated", and (2) "Non-Allocated", and ranked for priority within each of those groups. The second priority Allocated group includes those projects which best meet each of the bureau's identified needs and those projects that emphasize system maintenance, health, and safety. The third priority Non-Allocated group includes the remaining projects that as a group generally improve or expand service to existing customers.

WATER SUPPLY PLANNING AND EXPANSION

Projects which are primarily intended to significantly expand the system's water supply have been removed and are not included in the funded CIP. The need and timing for these projects are dependent upon decisions to be made by the City and 26 other regional water providers based on the findings provided by the Regional Water Supply Plan Phase 2 in 1996 and upon the conclusion of the bureau's Infrastructure Master Plan that is scheduled for completion in 2000.

CONSERVATION

The sizing of all projects was reviewed in light of recent conservation and demand reduction experience of the Water Bureau and its wholesale customers. Projects included in the funded CIP are intended primarily to address transmission and distribution problems within Portland, often in areas recently annexed to the City. Sizing for those projects is normally determined by fire protection and system reliability criteria, not customer water use criteria that is reduced by conservation measures. The biggest impact of conservation efforts on the bureau's CIP needs will come in reductions in size or delay in timing of supply expansion projects that were considered in the Regional Water Supply Plan Phase 2.

The Water Bureau places a high priority on conservation and environmental ideals and projects. The 10-year CIP allocates \$3,475,000 to projects supporting those ideals. That total represents a small percentage of the total CIP due to most of the bureau's conservation efforts being funded from the bureau's base budget. Most of the bureau's conservation measures cannot be capitalized and are, therefore, not included in the CIP.

PROJECT REPORTING

The Water Bureau has developed an internal project tracking and reporting system which consists of at least the following elements:

- Before the start of each fiscal year, objectives for the projects for the coming year are prepared along with a detailed expenditure projection by trimester, by line items, and by City and bureau organizational units.

- The bureau generates an individual project expenditure analysis each accounting period. This is a detailed analysis showing charges made to each project and allows rapid identification of schedule and funding variances and/or billing errors.
- At each trimester, a report is prepared detailing progress toward the project objectives. This report also includes a report on how actual expenditures compare to budgeted expenditures and explains requested budget changes that are to be requested in the bureau's Trimester Report.

APPROVED PROJECTS

The Bureau of Water Works submitted a FY 1998-99 capital request totaling \$24,673,000. Project totals by program area include the following:

Customer Service Program	\$ 1,365,000
Distribution Program	\$11,510,000
Quality Program	\$ 1,315,000
Supply Program	<u>\$10,483,000</u>
	<u>\$24,673,000</u>

Funding for the FY1998-99 capital projects will be predominantly through water system revenues or the proceeds of revenue bonds which were issued in November 1997.

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Public Utilities

Bureau of Environmental Services Program / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Surface Water Management								
Johnson Creek Land Acquisition	SE	0	110,000	0	0	0	0	110,000
Johnson Creek Projects	SE	1,000,000	549,258	1,100,798	2,999,429	3,200,513	650,000	8,499,998
Fanno Water Quality Wetland Detention & Flood Mg	SW	0	15,000	89,019	120,847	590,120	49,510	864,496
Lower Slough Enhancement: US Army COE 1135 Grn	NE	0	206,250	618,750	0	0	0	825,000
Fanno Creek @ SW 45th & Shattuck Road	SW	89,668	23,801	73,198	0	0	0	96,999
Fanno Creek/Tareen	SW	292,307	22,000	79,478	79,260	79,260	1,000	260,998
Pollution Reduction Facility @ NE 138th Avenue	NE	1,545,744	700,000	20,000	0	0	0	720,000
Riparian Restoration Project	NE	212,277	162,060	128,621	128,545	115,469	0	534,695
Tryon Creek Channel Restoration	SW	159,168	87,534	14,490	31,976	231,043	5,340	370,383
Fanno Creek/Birkland (Alpenrose Site)	SW	32,962	43,374	40,594	40,483	40,483	4,438	169,372
Fanno Creek @ SW 58th and Hamilton St	SW	298,505	311,007	1,000	0	0	0	312,007
NPDES Stormwater Program: NE 122nd Subbasin	NE	524,012	12,000	82,750	0	0	0	94,750
Slough Infrastructure: US Army COE Grant Project	NE	1,618	199,453	200,000	100,546	600,000	600,000	1,699,999
Pollution Reduction Facility @ NE 148th Avenue	NE	519,910	1,415,000	20,000	0	0	0	1,435,000
Pollution Reduction Facility @ NE 158th/162nd Ave	NE	1,701,070	485,164	1,030,000	10,000	10,000	10,000	1,545,164
NPDES Stormwater BMPs	N/A	286,271	99,990	50,043	24,965	0	0	174,998
Whitaker Ponds - Pollution Reduction Facility	NE	27,619	22,108	0	0	0	0	22,108
Total Surface Water Management		6,691,131	4,463,999	3,548,741	3,536,051	4,866,888	1,320,288	17,735,967
Sewage Treatment Systems								
Pump Station Improvement Program	N/A	7,138,264	1,400,000	1,000,000	1,700,000	1,700,000	1,700,000	7,500,000
CBWTP Outfall Line Repair	N	916,702	250,000	0	900,000	1,200,000	1,333,620	3,683,620
Inverness Force Main	NE	18,737,079	5,887,647	0	0	0	0	5,887,647
Rehab & Modification	N/A	5,160,987	1,203,132	1,702,705	1,698,052	1,698,052	1,698,052	7,999,993
CBWTP Secondary Treatment Expansion	N	0	0	0	161,000	0	0	161,000
CBWTP Seismic Improvements	N	0	0	0	0	103,500	1,096,747	1,200,247
CBWTP Odor Control Projects	N	2,279,647	41,247	700,208	829,791	295,000	2,590,000	4,456,246
TCWTP Improvements	SW	0	0	0	0	999,622	998,926	1,998,548
CBWTP Lagoon Reconstruction	N	0	200,000	558,000	1,704,332	1,704,332	1,704,332	5,870,996
CBWTP Automation (14)	N	670,796	133,453	345,905	111,645	136,802	369,231	1,097,036
Methane Utilization Fuel Cell	N	173,272	0	0	0	0	500,000	500,000
CBWTP Land Purchase	N	100,000	200,000	500,000	1,200,000	0	0	1,900,000
TCWTP Aeration Basin Modification	SW	0	0	65,000	580,000	0	0	645,000
CBWTP Solids Management & Dewatering	N	0	0	0	0	142,000	1,278,000	1,420,000
Tryon Creek Trtmnt Plnt Automation Imprvmnts Ph 2	SE	20,000	239,799	1,206	0	0	0	241,005
Total Sewage Treatment Systems		35,196,747	9,555,278	4,873,024	8,884,820	7,979,308	13,268,908	44,561,338

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Public Utilities

Bureau of Environmental Services Program / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Maintenance & Reliability								
Alder Basin Repair and Reconstruction, Phase I	SE	12,272,819	1,977,675	1,201,000	1,101,000	540,000	0	4,819,675
Fanno Basin Reconstruction	SW	2,699,458	7,036,037	3,092,401	0	0	0	10,128,438
NW Central Business District Basin Phases 1 - 6	CC	1,936,047	1,272,767	18,000	594,135	1,044,864	0	2,929,766
Insley/Taggart "A" Relief and Reconstruction	SE	0	1,507,000	2,266,000	0	0	0	3,773,000
Maintenance Capital - Construction	N/A	4,289,284	699,616	701,533	699,616	699,616	699,616	3,499,997
Maintenance Capital - Contract	N/A	5,410,449	1,921,178	1,503,285	1,499,178	1,499,178	1,499,178	7,921,997
Sullivan Basin Combined Sewer Relief	NE	0	499,316	500,683	300,000	3,000,000	3,000,000	7,299,999
Riverside Basin Combined Sewer Replacement	SE	32,695	999,086	1,001,824	999,086	0	0	2,999,996
Taggart B, C, and D Relief and Reconstruction	SE	0	643,381	324,334	100,000	1,700,000	1,700,000	4,467,715
Basement Flooding Relief (Shell Project)	N/A	6,795,005	0	450,205	3,622,589	5,227,204	8,797,445	18,097,443
Sump Reconstruction and Upgrade	N/A	20,181,312	399,780	400,876	399,780	399,780	399,780	1,999,996
Hayden Island Sanitary System Reconstruction	N	0	0	0	0	0	155,000	155,000
Hayden Island Storm System Reconstruction	N	0	0	0	0	0	87,500	87,500
SW Yamhill and Morrison Sewer Rehabilitation	SW	0	0	0	0	586,235	813,764	1,399,999
Total Maintenance & Reliability		53,617,069	16,955,836	11,460,141	9,315,384	14,696,877	17,152,283	69,580,521
Systems Development								
Bureau Moves	CC	0	1,136,653	0	0	0	0	1,136,653
Local Improvement Districts	N/A	65,127	120,207	127,709	127,360	127,360	127,360	629,996
South Airport Sanitary Trunk Sewer	NE	694,159	202,000	1,000,000	2,473,000	0	0	3,675,000
Permits	N/A	1,851,068	449,752	450,985	449,752	449,752	449,752	2,249,993
Commercial/Industrial Sanitary Sewer Extn Program	N/A	670,665	0	50,082	549,945	549,945	549,945	1,699,917
Residential Sanitary Sewer Extension Program	N/A	2,782,443	849,945	850,219	899,945	899,945	999,945	4,499,999
Bureau of Transportation Interagency (BTE I/A)	N/A	593,896	82,954	83,181	82,954	82,954	82,954	414,997
Permit Reimbursement	N/A	249,478	139,923	140,306	139,923	139,923	139,923	699,998
Drainage Improvement Program (DIP)	N/A	1,072,792	99,944	100,218	99,944	99,944	99,944	499,994
Total Systems Development		7,979,628	3,081,378	2,802,700	4,822,823	2,349,823	2,449,823	15,506,547

**CAPITAL SYSTEM
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Capital System - Public Utilities

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Combined Sewer Overflow								
Ankeny Pump Station Upgrade	CC	0	0	1,174,365	1,225,880	6,408,142	6,481,544	15,289,931
Oswego Combined Sewer Overflow Project	N	5,630,774	6,999,108	0	0	0	0	6,999,108
Columbia Blvd Wet Weather Treatment Facilities	N	9,188,887	10,412,000	17,896,000	6,900,000	8,905,000	6,295,000	50,408,000
Willamette River Basin Predesign	N/A	3,738,232	1,430,250	0	0	0	0	1,430,250
CBWWTP Outfall	N	3,223,628	8,475,000	4,579,000	518,000	0	0	13,572,000
Columbia Slough Consolidation Conduit	N	28,140,496	22,709,000	23,736,000	6,198,000	1,000,000	0	53,643,000
Downspout Disconnection Program (EPA Grants)	N/A	958,540	128,018	0	0	0	0	128,018
Ramsey Lake Wetlands	N	1,866,537	50,000	0	0	0	0	50,000
CBWWTP Influent Pump Station	NW	2,016,326	1,426,874	5,773,066	58,435	0	0	7,258,375
Tanner Creek Basin Stream Diversion	NW	3,494,604	2,489,469	5,983,807	7,005,000	5,000	0	15,483,276
Downspout Disconnection Program	N/A	1,628,250	1,000,000	1,800,000	1,500,000	1,500,000	1,300,000	7,100,000
Ankeny/Balch Consolidation Conduit	CC	0	0	500,000	2,000,000	2,000,000	2,000,000	6,500,000
Ankeny Force Main	SW	0	0	20,547	316,747	212,978	500,685	1,050,957
Balch Pump Station	SW	0	0	1,080,930	1,994,767	4,988,725	4,989,384	13,053,806
Balch River Crossing	N	0	0	0	299,744	1,656,255	1,723,000	3,678,999
Stormwater Infiltration Sump Projects	N/A	26,330,642	1,853,960	1,859,038	0	0	0	3,712,998
Sheridan Stream Diversion	SW	0	0	300,000	699,933	2,988,427	3,182,189	7,170,549
Woods Stream Diversion	SW	0	0	115,000	206,000	1,949,763	30,000	2,300,763
Carolina Stream Diversion	SW	0	0	115,000	276,000	1,909,000	0	2,300,000
Sellwood Basin Local Separation	SE	1,836,996	884,367	1,500,000	1,600,000	0	0	3,984,367
Willamette River Wet Weather Treatment Facility	N	32	0	623,353	1,413,192	1,054,454	10,011,012	13,102,011
Willamette River Wet Weather Treatment Fac Outfall	N	0	0	0	1,413,000	0	0	1,413,000
Western Half Lents 1 Separation	SE	0	249,589	548,507	1,451,902	50,000	0	2,299,998
California Consolidation Conduit	SW	0	0	60,000	144,000	1,192,000	0	1,396,000
Woods/Sheridan/Mill Consolidation Conduit	SW	0	0	206,100	494,640	1,498,978	1,498,978	3,698,696
California Street Storage	SW	0	0	249,915	400,084	248,641	3,551,358	4,449,998
NW 110th Avenue (Linnton) CSO Control	N	254,663	706,510	382,141	0	0	0	1,088,651
Tanner Cr Sewer Relief - Lower Basin Water Feature	NW	150,000	27,206	0	0	0	0	27,206
Fiske B Basin Local Separation	N	1,936,937	20,000	0	0	0	0	20,000
Total Combined Sewer Overflow		90,395,544	58,861,351	68,502,769	36,115,324	37,567,363	41,563,150	242,609,957
Grand Total Bureau of Environmental Services								
		193,880,119	92,917,842	91,187,375	62,674,402	67,460,259	75,754,452	389,994,330

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Public Utilities

Bureau of Water Works Program / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Customer Service								
CUSTOMER INFORMATION SYSTEM	NA	850,000	1,265,000	0	0	0	0	1,265,000
AUTOMATED METER READING (AMR)	NA	297,808	100,000	100,000	100,000	100,000	0	400,000
Total Customer Service		1,147,808	1,365,000	100,000	100,000	100,000	0	1,665,000
Distribution								
CENTRAL CITY STREETCAR	CC	190,000	1,500,000	1,500,000	180,000	180,000	180,000	3,540,000
NORTH/SOUTH LRT	CC	22,529	20,000	200,000	3,000,000	3,000,000	1,000,000	7,220,000
ODOT ADJUSTMENTS	NA	1,175,000	675,000	675,000	675,000	675,000	675,000	3,375,000
WESTSIDE LIGHT RAIL TRANSIT	SW	2,801,163	0	0	0	0	0	0
WESTSIDE MAINT. OPERATIONS STUDY & FACILI	SW	50,000	210,000	435,000	0	0	0	645,000
PROJECT MANAGEMENT SYSTEM	NA	100,000	0	0	0	0	0	0
INTERSTATE SECURITY SYSTEM	CC	212	10,000	200,000	0	0	0	210,000
HAYDEN ISLAND SUPPLY IMPROVEMENT	N	208,015	0	0	0	0	0	0
GIS WATER BUREAU	NA	592,661	710,000	325,000	0	0	0	1,035,000
PIPE DESIGN AND LIFE STUDY	NA	66,055	0	0	0	0	0	0
FOUNTAIN IMPROVEMENTS	CC	79,000	147,000	105,000	105,000	105,000	105,000	567,000
MAINS PROGRAM	NA	4,575,000	5,100,000	4,600,000	4,600,000	5,100,000	5,100,000	24,500,000
PEAK OFFLOAD/BACKUP WELLS FOR HEALTH C	NA	354,700	550,000	100,000	0	0	0	650,000
SYSTEM METERING	NA	79,000	79,000	27,000	27,000	27,000	27,000	187,000
STANDARDS FOR FACILITY DESIGN	NA	75,000	50,000	30,000	20,000	15,000	15,000	130,000
FLOW-TEST FLUSHING TANKER	NA	94,132	0	0	0	0	0	0
HAYDEN ISLAND MASTER METERING EAST OF I-	N	100,000	104,000	0	0	0	0	104,000
DESIGN PROCESS PRODUCTIVITY ENHANCEME	NA	20,100	80,000	0	0	0	0	80,000
BRIDGE PIPE EVALUATION	NA	40,601	0	0	0	0	0	0
KINGS HEIGHTS MAIN REPLACEMENT	SW	10,000	66,000	517,000	0	0	0	583,000
CORROSION CONTROL EXTERNAL	NA	130,000	50,000	50,000	50,000	50,000	50,000	250,000
DOWNTOWN IMPROVEMENTS	CC	0	0	220,000	120,000	0	0	340,000
INTERSTATE SITE PLAN IMPLEMENTATION	N	332,427	0	0	100,000	500,000	0	600,000
EMERGENCY PUMPS	NA	276,994	0	0	0	0	0	0
CONTROL SYSTEMS IMPROVEMENT	NE	27,000	27,000	27,000	27,000	27,000	27,000	135,000
CUSTOMER DEMAND MONITORING	NA	223,000	150,000	150,000	0	0	0	300,000
LARGE VALVE PROGRAM	NA	57,000	57,000	57,000	57,000	57,000	57,000	285,000
SW LANCASTER ROAD MAIN	SW	0	0	0	0	0	0	0
PARKROSE SUPPLY MAINS	NE	2,006,666	0	0	0	0	0	0
ROCKY BUTTE FIRE PROTECTION	NE	100,000	900,000	0	0	0	0	900,000
PUMP AND CONTROL MAINTENANCE	NA	125,000	125,000	125,000	125,000	125,000	125,000	625,000
MAINTENANCE MANAGEMENT SYSTEM	NA	525,000	900,000	700,000	500,000	500,000	0	2,600,000
WILLAMETTE TANK ANALYSIS	NW	0	0	0	0	70,000	95,000	165,000
FOREST PARK RESERVOIRS	NW	2,354,370	0	215,000	1,395,000	0	0	1,610,000
LINCOLN HIGH MAIN RELOCATION	SW	0	0	0	0	0	0	0
EAST BOUNDARY MAIN	SE	0	0	0	0	0	0	0
SE FOSTER ROAD SUPPLY MAIN	NA	0	0	0	0	0	0	0
CAREY BOULEVARD SUPPLY MAIN	N	0	0	0	0	0	0	0
EAST COUNTY SUPPLY MAIN	SE	0	0	0	0	0	0	0
SE HAROLD STREET MAIN	NA	0	0	0	0	0	0	0
SE STARK STREET MAIN	NA	0	0	0	0	0	0	0
Total Distribution		16,790,625	11,510,000	10,258,000	10,981,000	10,431,000	7,456,000	50,636,000

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Public Utilities

Bureau of Water Works Program / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Supply								
BULL RUN LAKE MONITORING PLAN/MITIGATION	NA	50,000	80,000	200,000	200,000	50,000	50,000	580,000
INDUSTRIAL CONSERVATION	NA	5,000	5,000	90,000	30,000	30,000	30,000	185,000
MT. TABOR PART 12	SE	33,830	5,000	40,000	0	0	0	45,000
REGIONAL WATER SUPPLY PLAN REVISION	NA	0	0	0	325,000	325,000	0	650,000
RESERVOIR MAINTENANCE	NA	347,000	312,000	312,000	312,000	312,000	312,000	1,560,000
SYSTEM VULNERABILITY ASSESSMENT	NA	637,040	400,000	40,000	290,000	290,000	230,000	1,250,000
WATER CONTROL CENTER MAINTENANCE	NA	1,075,500	50,000	26,000	26,000	26,000	26,000	154,000
TANK IMPROVEMENTS	NA	142,000	455,000	0	0	0	0	455,000
CONDUIT MAINTENANCE	NA	891,000	390,000	390,000	250,000	100,000	100,000	1,230,000
MARQUAM HILL PUMP MAIN REALIGNMENT	SW	15,000	55,000	260,000	0	0	0	315,000
CAPITOL HIGHWAY PUMP STATION	SW	345,121	0	0	0	0	0	0
CONDUIT 5-PRELIMINARY DESIGN	NA	504,905	400,000	300,000	0	0	0	700,000
WATERSHED MAINTENANCE	NA	300,000	325,000	300,000	300,000	300,000	300,000	1,525,000
USFS/CITY OF PORTLAND LAND EXCHANGE	NA	100,000	250,000	0	0	0	0	250,000
CONDUIT VULNERABILITY REDUCTION	NA	0	25,000	0	250,000	1,250,000	0	1,525,000
WATER LOSS REDUCTION	NA	0	86,000	86,000	172,000	172,000	172,000	688,000
EAST WELLFIELD COLLECTION SYSTEM EXPANS	NE	10,000	0	0	0	200,000	2,210,000	2,410,000
SW SUPPLY IMPROVEMENTS	SW	736,008	0	0	0	0	0	0
WELLFIELD MAINTENANCE	NE	500,000	500,000	500,000	500,000	500,000	500,000	2,500,000
GROUNDWATER TREATMENT STUDY	NE	526,625	0	0	0	0	0	0
SYSTEM VULNERABILITY REDUCTION	NA	0	0	10,000	0	2,000,000	1,400,000	3,410,000
TRANSMISSION PIPE CONDITION & LIFE STUDY	NA	0	75,000	75,000	50,000	100,000	500,000	800,000
PEAK OFFLOAD/BACKUP WELLS/HEALTH CARE	NA	0	40,000	80,000	200,000	200,000	200,000	720,000
DAM 2 TOWER IMPROVEMENTS/WATER QUALIT	NA	90,000	540,000	850,000	0	0	0	1,390,000
CONDUIT RELOCATION-SANDY RIVER	NA	496,724	180,000	500,000	5,780,000	400,000	0	6,860,000
CONDUIT ISOLATION AND IMPROVEMENTS	NA	366,785	2,300,000	2,300,000	0	1,650,000	4,700,000	10,950,000
POWELL BUTTE RESERVOIR #2	SE	242,000	150,000	150,000	150,000	1,000,000	4,000,000	5,450,000
POWELL BUTTE MASTER PLAN	SE	633,367	0	0	0	0	0	0
RIVER CROSSING REPLACEMENTS	NA	20,000	0	0	0	0	0	0
WASHINGTON PARK 30" PIPELINE REHABILITATI	NW	100,000	0	0	0	0	0	0
CONDUIT 5 RIGHT-OF-WAY	NA	10,000	10,000	50,000	100,000	10,000	10,000	180,000
PARKROSE WELLS	NE	410,000	0	0	0	0	0	0
BULL RUN BRIDGE MAINTENANCE	NA	1,478,895	52,000	52,000	231,000	86,000	52,000	473,000
GROUNDWATER STUDIES	NA	200,000	85,000	0	0	0	0	85,000
MASTER PLAN IN-CITY PROPERTY/CONDUIT RT	NA	6,025	75,000	0	290,000	85,000	85,000	535,000
BULL RUN LAKE MAINTENANCE	NA	349,533	300,000	50,000	50,000	50,000	50,000	500,000
MASTER PLAN DODGE PARK	N	4,796	0	84,000	25,000	0	0	109,000
BULL RUN FISHERIES	NA	73,006	400,000	0	0	0	0	400,000
BULL RUN LAKE CABINS	NA	0	0	40,000	110,000	0	0	150,000
WATER CONTROL CENTER DOWNSTAIRS COMP	NA	1,099,987	0	0	0	0	0	0
WATER DISTRICT CONNECTIONS #1	SE	107,949	100,000	100,000	0	0	0	200,000
WATERSHED DAMS MAINTENANCE	NA	262,500	128,000	52,000	52,000	52,000	52,000	336,000
BULL RUN LAKE STUDY	NA	8,198	0	83,000	105,000	21,000	0	209,000
WASHINGTON COUNTY SUPPLY LINE DRAIN	SW	0	0	0	0	0	10,000	10,000
FREEMAN TANK REMOVAL	NW	0	0	0	5,000	50,000	0	55,000
DAM 1 OUTLET WORKS	NA	30,000	100,000	0	0	0	0	100,000
MICROWAVE COMMUNICATIONS SYSTEM	NA	602,725	250,000	0	250,000	250,000	250,000	1,000,000
WEST SIDE HEADER	SW	443,809	200,000	0	0	0	0	200,000
DAM 2 STILLING POOL DEEPENING	NA	0	0	0	0	0	0	0
CONDUIT CATHODIC PROTECTION	NA	0	0	0	0	0	250,000	250,000
BURLINGAME/WCSL & WESTWOOD INTERTIE	SW	10,000	100,000	400,000	880,000	550,000	0	1,930,000

City of Portland, Oregon FY 1998-99 Adopted Budget

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Public Utilities

Bureau of Water Works Program / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
SPRINGVILLE PUMP STATION MAIN REPLACEME	NW	0	0	0	0	0	0	0
FULTON PUMP STATION RENOVATION	SW	0	0	0	0	0	0	0
STEPHENSON PUMP STATION ANALYSIS	SW	55,000	0	60,000	345,000	0	0	405,000
KELLY BUTTE AREA SUPPLY	SE	0	0	0	0	0	0	0
OPEN RESERVOIRS STUDY	NA	638,023	230,000	0	0	0	0	230,000
BUILDING MAINTENANCE-GENERAL	NA	1,415,000	250,000	200,000	200,000	200,000	200,000	1,050,000
WEST HAYDEN ISLAND SUPPLY MAIN	N	0	0	0	0	0	0	0
GREENLEAF PUMP STATION REPLACEMENT	NW	0	0	0	0	0	0	0
BURNSIDE PUMP STATION UPGRADE	NW	0	0	0	0	0	0	0
SMALL WELLS STUDY & RENOVATION	NA	25,000	10,000	200,000	0	0	0	210,000
DIVERSION DAM REPAIR	NA	0	10,000	285,000	0	0	0	295,000
WESTSIDE SUPPLY MAIN	NA	0	0	0	0	0	0	0
HEADWORKS SCREENHOUSE NO. 2 AND INTAKE	NA	305,071	500,000	3,651,000	100,000	0	0	4,251,000
COUNCIL CREST RESERVOIR NO. 3	SW	0	0	0	0	0	0	0
WELL SITE IMPROVEMENTS	NE	65,000	1,060,000	500,000	0	0	0	1,560,000
WATER REUSE & ALTERNATIVE USE	NA	31,259	0	60,000	208,000	208,000	208,000	684,000
LUSTED CLEAR WELL STORAGE	NA	0	0	0	0	0	0	0
GILBERT-CLATSOP SUPPLY MAIN	SE	0	0	0	0	0	0	0
FOREST PARK LOW SUPPLY MAIN	NW	0	0	0	0	0	0	0
FULTON-CAROLINA SUPPLY PIPELINE	SW	0	0	0	0	0	0	0
WATER SYSTEM STUDIES	NA	0	0	0	0	0	239,000	239,000
RIVERGATE INTERTIE	NA	0	0	0	0	0	0	0
GREENLEAF RESERVOIR NO. 3	NW	0	0	0	0	0	0	0
NORTHEAST SUPPLY MAIN	NE	0	0	0	0	0	0	0
BURLINGAME SERVICE AREA STORAGE IMPROV	NA	0	0	0	0	0	0	0
SAM JACKSON TANK #1	NA	0	0	0	0	0	0	0
Total Supply		15,805,681	10,483,000	12,376,000	11,786,000	10,467,000	16,136,000	61,248,000
Quality								
CORROSION CONTROL REGULATION COMPLIAN	NA	2,260,788	0	0	0	0	0	0
REGULATORY COMPLIANCE STUDIES	NA	317,742	200,000	50,000	50,000	0	0	300,000
WELLHEAD PROTECTION	NE	225,000	250,000	0	0	0	0	250,000
WELLFIELD REMEDIATION	NE	2,341,733	300,000	200,000	125,000	125,000	0	750,000
CHLORINE CONTROL IMPROVEMENTS	NA	250,000	240,000	0	0	0	0	240,000
WATER QUALITY SAMPLE UPGRADE	NA	286,573	100,000	100,000	0	0	0	200,000
PAINT SHOP RELOCATION	N	8,677	0	0	0	0	0	0
TANK OVERFLOW EVALUATION/IMPROVEMENT	NA	145,000	200,000	100,000	100,000	100,000	100,000	600,000
RESOURCE PROTECTION PUBLIC EDUCATION	NA	0	25,000	25,000	25,000	25,000	25,000	125,000
GROUNDWATER DISINFECTION IMPROVEMENTS	NE	350,755	0	0	0	0	0	0
Total Quality		6,186,268	1,315,000	475,000	300,000	250,000	125,000	2,465,000
Grand Total Bureau of Water Works		39,930,382	24,673,000	23,209,000	23,167,000	21,248,000	23,717,000	116,014,000

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Public Utilities

Bureau of Environmental Services Program / Project	General Fund	BES	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Surface Water Management							
Johnson Creek Land Acquisition	0	0	0	110,000	0	110,000	0
Johnson Creek Projects	0	0	549,258	0	0	549,258	0
Fanno Water Quality Wetland Detention & Flood	0	0	15,000	0	0	15,000	0
Lower Slough Enhancement: US Army COE 113	0	0	206,250	0	0	206,250	0
Fanno Creek @ SW 45th & Shattuck Road	0	0	23,801	0	0	23,801	0
Fanno Creek/Tareen	0	0	22,000	0	0	22,000	0
Pollution Reduction Facility @ NE 138th Avenue	0	0	0	700,000	0	700,000	0
Riparian Restoration Project	0	0	162,060	0	0	162,060	0
Tryon Creek Channel Restoration	0	0	87,534	0	0	87,534	0
Fanno Creek/Birkland (Alpenrose Site)	0	0	43,374	0	0	43,374	0
Fanno Creek @ SW 58th and Hamilton St	0	0	311,007	0	0	311,007	0
NPDES Stormwater Program: NE 122nd Subbas	0	0	12,000	0	0	12,000	0
Slough Infrastructure: US Army COE Grant Proj	0	0	199,453	0	0	199,453	0
Pollution Reduction Facility @ NE 148th Avenue	0	0	1,415,000	0	0	1,415,000	0
Pollution Reduction Facility @ NE 158th/162nd	0	0	485,164	0	0	485,164	0
NPDES Stormwater BMPs	0	0	99,990	0	0	99,990	0
Whitaker Ponds - Pollution Reduction Facility	0	0	0	22,108	0	22,108	0
Total Surface Water Management	0	0	3,631,891	832,108	0	4,463,999	0
Sewage Treatment Systems							
Pump Station Improvement Program	0	0	1,400,000	0	0	1,400,000	0
CBWTP Outfall Line Repair	0	0	250,000	0	0	250,000	0
Inverness Force Main	0	0	5,887,647	0	0	5,887,647	0
Rehab & Modification	0	0	1,203,132	0	0	1,203,132	0
CBWTP Secondary Treatment Expansion	0	0	0	0	0	0	0
CBWTP Seismic Improvements	0	0	0	0	0	0	0
CBWTP Odor Control Projects	0	0	41,247	0	0	41,247	0
TCWTP Improvements	0	0	0	0	0	0	0
CBWTP Lagoon Reconstruction	0	0	200,000	0	0	200,000	0
CBWTP Automation (14)	0	0	133,453	0	0	133,453	0
Methane Utilization Fuel Cell	0	0	0	0	0	0	0
CBWTP Land Purchase	0	0	200,000	0	0	200,000	0
TCWTP Aeration Basin Modification	0	0	0	0	0	0	0
CBWTP Solids Management & Dewatering	0	0	0	0	0	0	0
Tryon Creek Trtmt Plnt Automation Imprvmnts	0	0	239,799	0	0	239,799	0
Total Sewage Treatment Systems	0	0	9,555,278	0	0	9,555,278	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Public Utilities

Bureau of Environmental Services Program / Project	General Fund	BES	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Maintenance & Reliability							
Alder Basin Repair and Reconstruction, Phase I	0	0	1,977,675	0	0	1,977,675	0
Fanno Basin Reconstruction	0	0	7,036,037	0	0	7,036,037	0
NW Central Business District Basin Phases 1 - 6	0	0	1,272,767	0	0	1,272,767	0
Insley/Taggart "A" Relief and Reconstruction	0	0	1,507,000	0	0	1,507,000	0
Maintenance Capital - Construction	0	0	699,616	0	0	699,616	0
Maintenance Capital - Contract	0	0	1,921,178	0	0	1,921,178	0
Sullivan Basin Combined Sewer Relief	0	0	499,316	0	0	499,316	0
Riverside Basin Combined Sewer Replacement	0	0	999,086	0	0	999,086	0
Taggart B, C, and D Relief and Reconstruction	0	0	643,381	0	0	643,381	0
Basement Flooding Relief (Shell Project)	0	0	0	0	0	0	0
Sump Reconstruction and Upgrade	0	0	399,780	0	0	399,780	0
Hayden Island Sanitary System Reconstruction	0	0	0	0	0	0	0
Hayden Island Storm System Reconstruction	0	0	0	0	0	0	0
SW Yamhill and Morrison Sewer Rehabilitation	0	0	0	0	0	0	0
Total Maintenance & Reliability	0	0	16,955,836	0	0	16,955,836	0
Systems Development							
Bureau Moves	0	0	1,136,653	0	0	1,136,653	0
Local Improvement Districts	0	0	120,207	0	0	120,207	0
South Airport Sanitary Trunk Sewer	0	0	202,000	0	0	202,000	0
Permits	0	0	449,752	0	0	449,752	0
Commercial/Industrial Sanitary Sewer Extn Prog	0	0	0	0	0	0	0
Residential Sanitary Sewer Extension Program	0	0	849,945	0	0	849,945	0
Bureau of Transportation Interagency (BTE I/A)	0	0	82,954	0	0	82,954	0
Permit Reimbursement	0	0	139,923	0	0	139,923	0
Drainage Improvement Program (DIP)	0	99,944	0	0	0	99,944	0
Total Systems Development	0	99,944	2,981,434	0	0	3,081,378	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Public Utilities

Bureau of Environmental Services Program / Project	General Fund	BES	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Combined Sewer Overflow							
Ankeny Pump Station Upgrade	0	0	0	0	0	0	0
Oswego Combined Sewer Overflow Project	0	0	6,999,108	0	0	6,999,108	0
Columbia Blvd Wet Weather Treatment Facilitie	0	0	10,412,000	0	0	10,412,000	0
Willamette River Basin Predesign	0	0	1,430,250	0	0	1,430,250	0
CBWWTP Outfall	0	0	8,475,000	0	0	8,475,000	0
Columbia Slough Consolidation Conduit	0	0	22,709,000	0	0	22,709,000	0
Downspout Disconnection Program (EPA Grants	0	0	0	128,018	0	128,018	0
Ramsey Lake Wetlands	0	0	50,000	0	0	50,000	0
CBWWTP Influent Pump Station	0	0	1,426,874	0	0	1,426,874	0
Tanner Creek Basin Stream Diversion	0	0	1,289,469	1,200,000	0	2,489,469	0
Downspout Disconnection Program	0	0	1,000,000	0	0	1,000,000	0
Ankeny/Balch Consolidation Conduit	0	0	0	0	0	0	0
Ankeny Force Main	0	0	0	0	0	0	0
Balch Pump Station	0	0	0	0	0	0	0
Balch River Crossing	0	0	0	0	0	0	0
Stormwater Infiltration Sump Projects	0	0	1,853,960	0	0	1,853,960	0
Sheridan Stream Diversion	0	0	0	0	0	0	0
Woods Stream Diversion	0	0	0	0	0	0	0
Carolina Stream Diversion	0	0	0	0	0	0	0
Sellwood Basin Local Separation	0	0	884,367	0	0	884,367	0
Willamette River Wet Weather Treatment Facilit	0	0	0	0	0	0	0
Willamette River Wet Weather Treatment Fac O	0	0	0	0	0	0	0
Western Half Lents 1 Separation	0	0	249,589	0	0	249,589	0
California Consolidation Conduit	0	0	0	0	0	0	0
Woods/Sheridan/Mill Consolidation Conduit	0	0	0	0	0	0	0
California Street Storage	0	0	0	0	0	0	0
NW 110th Avenue (Linnton) CSO Control	0	0	706,510	0	0	706,510	0
Tanner Cr Sewer Relief - Lower Basin Water Fe	0	0	27,206	0	0	27,206	0
Fiske B Basin Local Separation	0	0	20,000	0	0	20,000	0
Total Combined Sewer Overflow	0	0	57,533,333	1,328,018	0	58,861,351	0
Grand Total Bureau of Environmental Services	0	99,944	90,657,772	2,160,126	0	92,917,842	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Public Utilities

Bureau of Water Works Program / Project	General Fund	WATER	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Customer Service							
CUSTOMER INFORMATION SYSTEM	0	0	632,500	632,500	0	1,265,000	0
AUTOMATED METER READING (AMR)	0	0	100,000	0	0	100,000	0
Total Customer Service	0	0	732,500	632,500	0	1,365,000	0
Distribution							
CENTRAL CITY STREETCAR	0	0	1,500,000	0	0	1,500,000	0
NORTH/SOUTH LRT	0	0	20,000	0	0	20,000	0
ODOT ADJUSTMENTS	0	0	337,500	337,500	0	675,000	0
WESTSIDE LIGHT RAIL TRANSIT	0	0	0	0	0	0	0
WESTSIDE MAINT. OPERATIONS STUDY & F	0	0	210,000	0	0	210,000	0
PROJECT MANAGEMENT SYSTEM	0	0	0	0	0	0	0
INTERSTATE SECURITY SYSTEM	0	0	10,000	0	0	10,000	0
HAYDEN ISLAND SUPPLY IMPROVEMENT	0	0	0	0	0	0	0
GIS WATER BUREAU	0	0	710,000	0	0	710,000	0
PIPE DESIGN AND LIFE STUDY	0	0	0	0	0	0	0
FOUNTAIN IMPROVEMENTS	0	0	147,000	0	0	147,000	0
MAINS PROGRAM	0	0	4,400,000	700,000	0	5,100,000	0
PEAK OFFLOAD/BACKUP WELLS FOR HEALT	0	0	550,000	0	0	550,000	0
SYSTEM METERING	0	0	79,000	0	0	79,000	0
STANDARDS FOR FACILITY DESIGN	0	0	50,000	0	0	50,000	0
FLOW-TEST FLUSHING TANKER	0	0	0	0	0	0	0
HAYDEN ISLAND MASTER METERING EAST	0	0	104,000	0	0	104,000	0
DESIGN PROCESS PRODUCTIVITY ENHANC	0	0	80,000	0	0	80,000	0
BRIDGE PIPE EVALUATION	0	0	0	0	0	0	0
KINGS HEIGHTS MAIN REPLACEMENT	0	0	66,000	0	0	66,000	0
CORROSION CONTROL EXTERNAL	0	0	50,000	0	0	50,000	0
DOWNTOWN IMPROVEMENTS	0	0	0	0	0	0	0
INTERSTATE SITE PLAN IMPLEMENTATION	0	0	0	0	0	0	0
EMERGENCY PUMPS	0	0	0	0	0	0	0
CONTROL SYSTEMS IMPROVEMENT	0	0	27,000	0	0	27,000	0
CUSTOMER DEMAND MONITORING	0	0	150,000	0	0	150,000	0
LARGE VALVE PROGRAM	0	0	57,000	0	0	57,000	0
SW LANCASTER ROAD MAIN	0	0	0	0	0	0	0
PARKROSE SUPPLY MAINS	0	0	0	0	0	0	0
ROCKY BUTTE FIRE PROTECTION	0	0	900,000	0	0	900,000	0
PUMP AND CONTROL MAINTENANCE	0	0	125,000	0	0	125,000	0
MAINTENANCE MANAGEMENT SYSTEM	0	0	900,000	0	0	900,000	0
WILLAMETTE TANK ANALYSIS	0	0	0	0	0	0	0
FOREST PARK RESERVOIRS	0	0	0	0	0	0	0
LINCOLN HIGH MAIN RELOCATION	0	0	0	0	0	0	0
EAST BOUNDARY MAIN	0	0	0	0	0	0	0
SE FOSTER ROAD SUPPLY MAIN	0	0	0	0	0	0	0
CAREY BOULEVARD SUPPLY MAIN	0	0	0	0	0	0	0
EAST COUNTY SUPPLY MAIN	0	0	0	0	0	0	0
SE HAROLD STREET MAIN	0	0	0	0	0	0	0
SE STARK STREET MAIN	0	0	0	0	0	0	0
Total Distribution	0	0	10,472,500	1,037,500	0	11,510,000	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Public Utilities

Bureau of Water Works Program / Project	General Fund	WATER	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Supply							
BULL RUN LAKE MONITORING PLAN/MITIGA	0	0	80,000	0	0	80,000	0
INDUSTRIAL CONSERVATION	0	0	5,000	0	0	5,000	0
MT. TABOR PART 12	0	0	5,000	0	0	5,000	0
REGIONAL WATER SUPPLY PLAN REVISION	0	0	0	0	0	0	0
RESERVOIR MAINTENANCE	0	0	312,000	0	0	312,000	0
SYSTEM VULNERABILITY ASSESSMENT	0	0	400,000	0	0	400,000	0
WATER CONTROL CENTER MAINTENANCE	0	0	50,000	0	0	50,000	0
TANK IMPROVEMENTS	0	0	455,000	0	0	455,000	0
CONDUIT MAINTENANCE	0	0	390,000	0	0	390,000	0
MARQUAM HILL PUMP MAIN REALIGNMENT	0	0	55,000	0	0	55,000	0
CAPITOL HIGHWAY PUMP STATION	0	0	0	0	0	0	0
CONDUIT 5-PRELIMINARY DESIGN	0	0	400,000	0	0	400,000	0
WATERSHED MAINTENANCE	0	0	325,000	0	0	325,000	0
USFS/CITY OF PORTLAND LAND EXCHANGE	0	0	250,000	0	0	250,000	0
CONDUIT VULNERABILITY REDUCTION	0	0	25,000	0	0	25,000	0
WATER LOSS REDUCTION	0	0	86,000	0	0	86,000	0
EAST WELLFIELD COLLECTION SYSTEM EX	0	0	0	0	0	0	0
SW SUPPLY IMPROVEMENTS	0	0	0	0	0	0	0
WELLFIELD MAINTENANCE	0	0	500,000	0	0	500,000	0
GROUNDWATER TREATMENT STUDY	0	0	0	0	0	0	0
SYSTEM VULNERABILITY REDUCTION	0	0	0	0	0	0	0
TRANSMISSION PIPE CONDITION & LIFE ST	0	0	75,000	0	0	75,000	0
PEAK OFFLOAD/BACKUP WELLS/HEALTH CA	0	0	40,000	0	0	40,000	0
DAM 2 TOWER IMPROVEMENTS/WATER QU	0	0	540,000	0	0	540,000	0
CONDUIT RELOCATION-SANDY RIVER	0	0	180,000	0	0	180,000	0
CONDUIT ISOLATION AND IMPROVEMENTS	0	0	2,300,000	0	0	2,300,000	0
POWELL BUTTE RESERVOIR #2	0	0	150,000	0	0	150,000	0
POWELL BUTTE MASTER PLAN	0	0	0	0	0	0	0
RIVER CROSSING REPLACEMENTS	0	0	0	0	0	0	0
WASHINGTON PARK 30" PIPELINE REHABILI	0	0	0	0	0	0	0
CONDUIT 5 RIGHT-OF-WAY	0	0	10,000	0	0	10,000	0
PARKROSE WELLS	0	0	0	0	0	0	0
BULL RUN BRIDGE MAINTENANCE	0	0	52,000	0	0	52,000	0
GROUNDWATER STUDIES	0	0	85,000	0	0	85,000	0
MASTER PLAN IN-CITY PROPERTY/COUNDUI	0	0	75,000	0	0	75,000	0
BULL RUN LAKE MAINTENANCE	0	0	300,000	0	0	300,000	0
MASTER PLAN DODGE PARK	0	0	0	0	0	0	0
BULL RUN FISHERIES	0	0	400,000	0	0	400,000	0
BULL RUN LAKE CABINS	0	0	0	0	0	0	0
WATER CONTROL CENTER DOWNSTAIRS C	0	0	0	0	0	0	0
WATER DISTRICT CONNECTIONS #1	0	0	100,000	0	0	100,000	0
WATERSHED DAMS MAINTENANCE	0	0	128,000	0	0	128,000	0
BULL RUN LAKE STUDY	0	0	0	0	0	0	0
WASHINGTON COUNTY SUPPLY LINE DRAIN	0	0	0	0	0	0	0
FREEMAN TANK REMOVAL	0	0	0	0	0	0	0
DAM 1 OUTLET WORKS	0	0	100,000	0	0	100,000	0
MICROWAVE COMMUNICATIONS SYSTEM	0	0	250,000	0	0	250,000	0
WEST SIDE HEADER	0	0	200,000	0	0	200,000	0
DAM 2 STILLING POOL DEEPENING	0	0	0	0	0	0	0
CONDUIT CATHODIC PROTECTION	0	0	0	0	0	0	0
BURLINGAME/WCSL & WESTWOOD INTERI	0	0	100,000	0	0	100,000	0

City of Portland, Oregon - FY 1998-99 Adopted Budget

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Public Utilities

Bureau of Water Works Program / Project	General Fund	WATER	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
SPRINGVILLE PUMP STATION MAIN REPLAC	0	0	0	0	0	0	0
FULTON PUMP STATION RENOVATION	0	0	0	0	0	0	0
STEPHENSON PUMP STATION ANALYSIS	0	0	0	0	0	0	0
KELLY BUTTE AREA SUPPLY	0	0	0	0	0	0	0
OPEN RESERVOIRS STUDY	0	0	230,000	0	0	230,000	0
BUILDING MAINTENANCE-GENERAL	0	0	250,000	0	0	250,000	0
WEST HAYDEN ISLAND SUPPLY MAIN	0	0	0	0	0	0	0
GREENLEAF PUMP STATION REPLACEMENT	0	0	0	0	0	0	0
BURNSIDE PUMP STATION UPGRADE	0	0	0	0	0	0	0
SMALL WELLS STUDY & RENOVATION	0	0	10,000	0	0	10,000	0
DIVERSION DAM REPAIR	0	0	10,000	0	0	10,000	0
WESTSIDE SUPPLY MAIN	0	0	0	0	0	0	0
HEADWORKS SCREENHOUSE NO. 2 AND IN	0	0	500,000	0	0	500,000	0
COUNCIL CREST RESERVOIR NO. 3	0	0	0	0	0	0	0
WELL SITE IMPROVEMENTS	0	0	1,060,000	0	0	1,060,000	0
WATER REUSE & ALTERNATIVE USE	0	0	0	0	0	0	0
LUSTED CLEAR WELL STORAGE	0	0	0	0	0	0	0
GILBERT-CLATSOP SUPPLY MAIN	0	0	0	0	0	0	0
FOREST PARK LOW SUPPLY MAIN	0	0	0	0	0	0	0
FULTON-CAROLINA SUPPLY PIPELINE	0	0	0	0	0	0	0
WATER SYSTEM STUDIES	0	0	0	0	0	0	0
RIVERGATE INTERTIE	0	0	0	0	0	0	0
GREENLEAF RESERVOIR NO. 3	0	0	0	0	0	0	0
NORTHEAST SUPPLY MAIN	0	0	0	0	0	0	0
BURLINGAME SERVICE AREA STORAGE IMP	0	0	0	0	0	0	0
SAM JACKSON TANK #1	0	0	0	0	0	0	0
Total Supply	0	0	10,483,000	0	0	10,483,000	0
Non-Budgeted							
BULL RUN LAKE PUMP SYSTEM	0	0	0	0	0	0	20,000
BULL RUN LAKE STUDY IMPLEMENTATION	0	0	0	0	0	0	500,000
BULL RUN RESERVOIR 2 WATER QUALITY S	0	0	0	0	0	0	10,000
CONDUIT 5	0	0	0	0	0	0	100,000
DAM 2 SPILLWAY RAISE	0	0	0	0	0	0	10,000
DAM 3	0	0	0	0	0	0	110,000
GROUNDWATER TREATMENT STUDY IMPL	0	0	0	0	0	0	2,000,000
INFORMATION TECHNOLOGY IMPLEMENTAT	0	0	0	0	0	0	500,000
LITTLE SANDY RIVER OFF-SITE STORAGE A	0	0	0	0	0	0	10,000
OPEN RESERVOIRS STUDY REPAIR/REPLAC	0	0	0	0	0	0	10,000,000
POWELL BUTTE RESERVOIR #3	0	0	0	0	0	0	20,000
REGIONAL TRANSMISSION SYSTEM	0	0	0	0	0	0	30,000
SOUTH FORK BULL RUN INTAKE	0	0	0	0	0	0	20,000
WASHINGTON COUNTY SUPPLY LINE PUMP	0	0	0	0	0	0	20,000
WATER DISTRICT CONNECTIONS #2	0	0	0	0	0	0	20,000
WATER TREATMENT PLANT	0	0	0	0	0	0	100,000
WEST WELLFIELD COMPLETION	0	0	0	0	0	0	20,000
WHOLESALE CUSTOMERS SUPPLY MAIN	0	0	0	0	0	0	10,000
Total Non-Budgeted	0	0	0	0	0	0	13,500,000

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Public Utilities

Bureau of Water Works Program / Project	General Fund	WATER	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Quality							
CORROSION CONTROL REGULATION COMP	0	0	0	0	0	0	0
REGULATORY COMPLIANCE STUDIES	0	0	200,000	0	0	200,000	0
WELLHEAD PROTECTION	0	0	250,000	0	0	250,000	0
WELLFIELD REMEDIATION	0	0	300,000	0	0	300,000	0
CHLORINE CONTROL IMPROVEMENTS	0	0	240,000	0	0	240,000	0
WATER QUALITY SAMPLE UPGRADE	0	0	100,000	0	0	100,000	0
PAINT SHOP RELOCATION	0	0	0	0	0	0	0
TANK OVERFLOW EVALUATION/IMPROVEM	0	0	200,000	0	0	200,000	0
RESOURCE PROTECTION PUBLIC EDUCATI	0	0	25,000	0	0	25,000	0
GROUNDWATER DISINFECTION IMPROVEM	0	0	0	0	0	0	0
Total Quality	0	0	1,315,000	0	0	1,315,000	0
Grand Total Bureau of Water Works	0	0	23,003,000	1,670,000	0	24,673,000	13,500,000

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Operating and Maintenance (CB Table 3)**

Capital System - Public Utilities

Bureau of Environmental Services Program / Project	Five-Year Costs	Fiscal Year FY98-99	Five Year Costs/Savings			
			Revenue Generated (-)	Oper / Maint Costs (+)	Oper / Maint Savings (-)	Net Finan. Impact
Surface Water Management						
Johnson Creek Projects	8,499,998	549,258	0	167,000	0	167,000
Fanno Water Quality Wetland Detention & Flood	864,496	15,000	0	5,000	0	5,000
Lower Slough Enhancement: US Army COE 1135	825,000	206,250	0	18,000	0	18,000
Fanno Creek @ SW 45th & Shattuck Road	96,999	23,801	0	20,000	0	20,000
Fanno Creek/Tareen	260,998	22,000	0	15,000	0	15,000
Pollution Reduction Facility @ NE 138th Avenue	720,000	700,000	0	30,000	0	30,000
Riparian Restoration Project	534,695	162,060	0	7,500	0	7,500
Tryon Creek Channel Restoration	370,383	87,534	0	6,000	0	6,000
Fanno Creek/Birkland (Alpenrose Site)	169,372	43,374	0	3,000	0	3,000
Fanno Creek @ SW 58th and Hamilton St	312,007	311,007	0	12,000	0	12,000
NPDES Stormwater Program: NE 122nd Subbasi	94,750	12,000	0	5,500	0	5,500
Slough Infrastructure: US Army COE Grant Proje	1,699,999	199,453	0	6,000	0	6,000
Pollution Reduction Facility @ NE 148th Avenue	1,435,000	1,415,000	0	24,000	0	24,000
Pollution Reduction Facility @ NE 158th/162nd A	1,545,164	485,164	0	48,000	0	48,000
NPDES Stormwater BMPs	174,998	99,990	0	11,500	0	11,500
Whitaker Ponds - Pollution Reduction Facility	22,108	22,108	0	2,000	0	2,000
Total Surface Water Management	17,625,967	4,353,999	0	380,500	0	380,500
Sewage Treatment Systems						
CBWTP Outfall Line Repair	3,683,620	250,000	0	5,000	0	5,000
Rehab & Modification	7,999,993	1,203,132	0	0	-126,000	-126,000
CBWTP Odor Control Projects	4,456,246	41,247	0	164,792	0	164,792
CBWTP Lagoon Reconstruction	5,870,996	200,000	0	102,270	0	102,270
CBWTP Automation (14)	1,097,036	133,453	0	0	-842,000	-842,000
Tryon Creek Trtmnt Plnt Automation Imprvmnts	241,005	239,799	0	0	-150,000	-150,000
Total Sewage Treatment Systems	23,348,896	2,067,631	0	272,062	-1,118,000	-845,938
Maintenance & Reliability						
Sump Reconstruction and Upgrade	1,999,996	399,780	0	96,000	0	96,000
Total Maintenance & Reliability	1,999,996	399,780	0	96,000	0	96,000
Systems Development						
South Airport Sanitary Trunk Sewer	3,675,000	202,000	0	10,000	0	10,000
Permits	2,249,993	449,752	0	450,000	0	450,000
Commercial/Industrial Sanitary Sewer Extn Progr	1,699,917	0	0	3,000	0	3,000
Residential Sanitary Sewer Extension Program	4,499,999	849,945	0	30,000	0	30,000
Total Systems Development	12,124,909	1,501,697	0	493,000	0	493,000

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Operating and Maintenance (CB Table 3)**

Capital System - Public Utilities

Bureau of Environmental Services Program / Project	Five-Year Costs	Fiscal Year FY98-99	Five Year Costs/Savings			
			Revenue Generated (-)	Oper / Maint Costs (+)	Oper / Maint Savings (-)	Net Finan. Impact
Combined Sewer Overflow						
Oswego Combined Sewer Overflow Project	6,999,108	6,999,108	0	144,000	0	144,000
Columbia Slough Consolidation Conduit	53,643,000	22,709,000	0	20,000	0	20,000
Ramsey Lake Wetlands	50,000	50,000	0	30,000	0	30,000
Tanner Creek Basin Stream Diversion	15,483,276	2,489,469	0	38,000	0	38,000
Stormwater Infiltration Sump Projects	3,712,998	1,853,960	0	625,000	0	625,000
Woods Stream Diversion	2,300,763	0	0	2,000	0	2,000
Carolina Stream Diversion	2,300,000	0	0	2,000	0	2,000
Sellwood Basin Local Separation	3,984,367	884,367	0	25,000	0	25,000
Western Half Lents 1 Separation	2,299,998	249,589	0	10,000	0	10,000
NW 110th Avenue (Linnton) CSO Control	1,088,651	706,510	0	8,000	0	8,000
Fiske B Basin Local Separation	20,000	20,000	0	10,000	0	10,000
Total Combined Sewer Overflow	91,882,161	35,962,003	0	914,000	0	914,000
<u>Grand Total Bureau of Environmental</u>	146,981,929	44,285,110	0	2,155,562	-1,118,000	1,037,562

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Operating and Maintenance (CB Table 3)**

Capital System - Public Utilities

Bureau of Water Works Program / Project	Five-Year Costs	Fiscal Year FY98-99	Five Year Costs/Savings			Net Finan. Impact
			Revenue Generated (-)	Oper / Maint Costs (+)	Oper / Maint Savings (-)	
Distribution						
GIS WATER BUREAU	1,035,000	710,000	0	30,000	0	30,000
Total Distribution	1,035,000	710,000	0	30,000	0	30,000
Quality						
CORROSION CONTROL REGULATION COMPL	0	0	0	30,000	0	30,000
Total Quality	0	0	0	30,000	0	30,000
<u>Grand Total Bureau of Water Works</u>	1,035,000	710,000	0	60,000	0	60,000



Capital Improvement Service Area Overview

TRANSPORTATION AND PARKING SERVICE AREA

Fiscal Year 1998-99 to 2002-03

The Transportation and Parking Service Area reflects the activities of two bureaus, the Bureau of General Services' Parking Division and the Portland Office of Transportation (PDOT). For FY 1998-99, the transportation and parking service area's capital budget totals approximately \$32.2 million, \$31.4 of which will be expended by the Office of Transportation and \$467,000 represents parking projects. The balance of \$347,000, funded by General Fund, represents a reimbursement to PDOT for a signal project completed in FY 1997-98.

The City-owned parking garage system was established in the 1970's to meet a number of city objectives including downtown economic vitality, a balanced transportation system, and financial stability. Some parking system revenues from the Parking Facilities Fund support a limited number of projects undertaken by the Office of Transportation.

I. Bureau of General Services Parking Division:

The mission of the City's Parking Division (a division within the Bureau of General Services) was adopted in 1994:

"Our mission is to provide an efficient system of Parking garages which primarily meets the short term parking needs of visitors and supports the economic vitality of the Central City."

The City owns seven parking garages in downtown Portland and is currently planning for an eighth. The City contracts the day-to-day management of the garages to the Association for Portland Progress (APP). In FY 1998-99, most parking facilities projects address maintenance needs of the parking garage system including upgrading of lighting, stairwells, painting, and signage. These projects will be paid for with parking facilities funds and will be reimbursed through parking rates.

II. Office of Transportation (PDOT):

PDOT's Capital Improvement Program (CIP) identifies improvements to be considered for FY 1998-99 through 2002-03, consistent with its mission:

"The Office of Transportation is a community partner in shaping a livable city. We plan, build, manage and maintain an effective and safe transportation system that provides access and mobility."

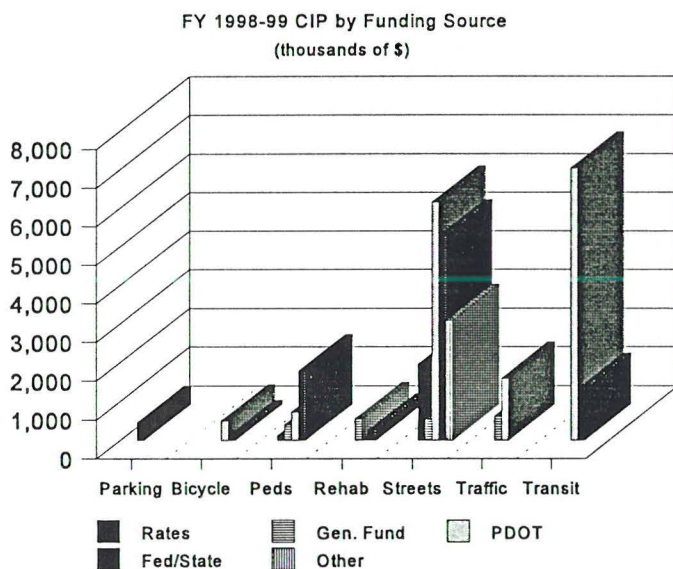
This budget document includes capital projects proposed by the Portland Office of

Transportation in City rights-of-way. It also includes some Tri-Met and Oregon Department of Transportation improvements within the City of Portland.

A. Submission Status

Projects included in this program are consistent with the City of Portland's definition of capital projects. The Capital Improvement Program is also consistent with the Transportation Public Facilities Plan and Portland Transportation System: Status and Condition Report. The Preservation/Rehabilitation Program of the CIP begins to address the needs identified in the Status and Condition Report.

B. Fiscal Overview



The primary funding source for the PDOT's CIP is General Transportation Revenue (GTR). These dollars represent the city's share of gas tax revenues, local parking revenues, cash transfers, and fund balance. The bureau uses these funds to leverage additional money from the federal government, other jurisdictions, and the private sector. In addition, some revenues are derived from permit fees. From time-to-time, GTR dollars are used to support revenue bonds. An example includes the revenue bonds used to purchase a leaf recycling facility for PDOT's Bureau of Maintenance.

The first year of PDOT's two year Adopted Budget is balanced to PDOT's predicted level of revenue. The second year is balanced to historic levels of revenues. As a result of no increases in the Gas Tax/Weight Mile since 1993, PDOT faces significant budget deficits. In FY 1998-99, this deficit forced PDOT to reduce current services levels of both the operating and capital programs and to appeal to Council for support. In FY 1999-00, this deficit will be to be addressed in next year's budget cycle. The Transportation Financial Plan, which was approved by City Council in December 1996, describes the bureau's future financial forecast.

Historically, a major element of the CIP has been the road rehabilitation program. This program is intended to fully reconstruct streets within the City. Currently a backlog of \$16.8 million of capital street work exists in this category. In previous years, this program was supported with federal funds, but these disappeared with the approval of the Intermodal Surface Transportation Efficiency Act (ISTEA).

This year the Office of Transportation began collecting a system development charge for transportation improvements. System development charges (SDCs) are one-time fees paid by new development. The transportation projects targeted for system development charge funding are intended to offset the impact of growth by improving access, convenience, efficiency, and reducing congestion. The projects selected will improve the City's transportation system for all modes of travel -- car, truck, transit, bike, and pedestrian.

C. Financial Analysis

As a part of the regional process for inclusion of projects within the Metro Transportation Improvement Program, PDOT must demonstrate that proposed projects are efficient and effective. Financial analysis is done at various stages of project development. Costs and benefits are usually reviewed as part of the environmental impact process. Individual local programs have service standards, and a financial analysis is undertaken during project development.

D. Asset Management

Each year, the Office of Transportation publishes Portland's Transportation System: Status and Conditions Report. The 1996 report estimates that the total replacement cost of the City's transportation facilities is approximately \$4.5 billion. Maintaining the system is a high priority. The report also notes that some elements of the transportation system are in good or very good condition. However, traffic signal hardware and bridges (none over the Willamette) are mostly in fair, poor, or very poor condition, while street pavement is deteriorating due to inadequate funding.

The Office of Transportation uses a separate committee and process to identify Computer and Automation/Information System Needs. This process occurs outside the CIP because computers are operating expenditures. The Office of Transportation's Information System Plan is used to identify the priority projects needed within Transportation bureaus -- those are the Office of the Director, the Bureau of Maintenance, the Bureau of Transportation Engineering and the Bureau of Traffic Management.

E. Operations and Maintenance Costs

The Office of Transportation has prepared estimates for future Operating and Maintenance (O & M) costs for projects that are maintained by the City of Portland. It is important to note that these costs are average annual costs, based on the anticipated life of the improvement. Estimates were prepared for only those projects that added new elements to the transportation system. Projects maintained by other jurisdictions, or those that are in the preliminary design stage, do not have estimated O & M costs.

Two methods were used to calculate O & M costs. The first method for new improvements uses a lane mile multiplier to determine the cost. The second method, for projects on existing streets where new elements are added to the system, uses a work sheet with unit cost multipliers. Both

procedures produce an estimated cost that suggests a relative change in operations and maintenance. These costs should not be used to estimate a budget increase in any one year.

F. Public Facilities Plan Coordination

The proposed CIP identifies transportation capital improvements to be considered over the next five years. The CIP is consistent with the projects outlined in the Transportation Public Facilities Plan and the Portland Transportation System: Status and Conditions Report.

PDOT is in the process of developing Portland's Transportation System Plan (TSP). The TSP will become part of the Transportation Element of the Comprehensive Plan and replace the current Transportation Public Facilities Plan. Portland's TSP will be consistent with Metro's 2040 Growth Concept. The Office of Transportation's TSP will be done in two phases. The first phase will address transportation policies and street classifications. The second will develop a series of land use and transportation alternatives for the City to meet its 2040 growth goals. A "preferred" alternative will be selected out of this second phase. Upon implementation, the TSP will become a primary tool in developing the annual CIP for PDOT.

G. Service Standards

The Office of Transportation sets service standards by subprogram area. Many of the projects the Office of Transportation addresses are regional in nature. Service standards for regional projects are set by the lead agency such as Metro/Tri-Met for Westside-Light Rail or ODOT for the Sunset Highway improvements. Service standards for Portland's transportation system are, in part, documented in the Transportation System: Status and Condition Report. There are also specific policy directions in the Transportation Element of the Comprehensive Plan.

H. Urban Services

PDOT does not track capital projects as they relate to annexations. Improvements are constructed based on need and not geographical area. However, as in past years, the City is continuing to fund the conversion of street light fixtures in annexed areas.

I. Interagency Expenditures

Indirect costs, such as General Fund overhead and Debt Management interagency, are not allocated to Transportation's capital projects. Funding of these costs is independent of the capital process.

J. Process and Policy Guidelines

Throughout the year, PDOT hears requests for capital projects from neighborhoods, businesses, and individuals. Requests are received at public hearings, through neighborhood and business plans, and in letters and phone calls on specific projects.

Based on projects and priorities identified in adopted City Council plans, PDOT staff present projects to an internal CIP committee in the fall of each year. Projects correspond to City-sponsored transportation planning projects or that address system deficiencies. There is a public notification process associated with all planning projects and citizens are encouraged to contact bureau representatives year-round regarding public involvement.

The CIP committee ranks projects according to the criteria outlined in the Office of Transportation FY 1998-99 - 2002-03 Capital Improvement Program project scoring criteria.

The CIP criteria evaluate the following: consistency with Transportation's Comprehensive Plan, impact on economic development, impact on neighborhood improvement goals, impact on public safety goals, impact on energy and environmental goals, impact on financial stability and public infrastructure goals, impact on pedestrian circulation goals, and impact on bicycle circulation goals.

Once the CIP project ranked list is developed, bureau managers from the Office of Transportation review the list, cutting and adding projects to stay within the funding targets in order to create a Proposed CIP.

For the third year, public hearings were held to give citizens an opportunity to comment on Transportation's Proposed CIP before it was submitted to City Council. The hearing dates were November 12 and November 13. Testimony was also accepted through the mail. More than 100 residents attended the public hearings, and Transportation received more than 200 written comments from a diverse group of individuals, neighborhoods, and business associations.

Prior to the hearings, the Proposed Five-Year CIP draft, with FY 1998-99 and FY 1999-2000 balanced according to historical revenue levels, was distributed to the public. Copies were sent directly to all neighborhood associations and all business associations. The draft CIP was also sent to transportation-related advocacy groups and interested parties.

After considering the public testimony, the PDOT management team finalized the Proposed CIP and submitted it to its Citizens Bureau Advisory Committee and the Commissioner of Public Works. The Commissioner then forwarded the document to the Office of Finance and Administration and to the Mayor.

K. Capital Program Categories

The FY 1998-99 through FY 2002-03 Capital Improvement Program contains six program areas, each of which addresses the City's goals for transportation, economic development, public safety, and neighborhood revitalization. The six programs are as follows:

1. Bicycle Program (\$600,000 or 2% of PDOT's total CIP budget for FY 1998-99.)

The Bicycle Program works to make cycling a more attractive transportation option. To accomplish this objective, PDOT uses three main approaches: planning, constructing and maintaining a comprehensive network of bikeways; providing secure bicycle parking; and educating people about the benefits of bicycling as a transportation mode.

2. Facilities Program (There is no budget allocation made to this program for FY 1998-99.)

The Facilities Program includes capital projects which will increase efficiencies and productivity in support of Bureau of Maintenance operations.

3. Pedestrian Program (\$3,038,705 or 10% of PDOT's total CIP budget for FY 1998-99.)

The Pedestrian Program was started in 1992 to make Portland more walkable. To do this, PDOT uses three approaches: planning and building a safe, accessible, and convenient network of walkways throughout the city; promoting walking as a viable transportation mode; and educating people about pedestrian safety.

4. Preservation/Rehabilitation Program (\$600,205 or 2% of PDOT's total CIP budget for FY 1998-99.)

The Preservation Program identifies and eliminates structural deficiencies and restores transportation facilities to their original condition. Road rehabilitation; restoration of walls and bridges; and signal and street lighting replacements are included in this program. The needs are identified in Portland's Transportation System: Status and Condition Report -- an annual assessment of the transportation infrastructure.

5. Street Improvement Program (\$16,990,745 or 54% of PDOT's total CIP budget for FY 1998-99.)

The Street Improvement Program consists of six subprograms: Regional Trafficways, Major Traffic Streets, Neighborhood Collectors, Local Neighborhood Streets, Local Commercial/Industrial Streets, and Street Lighting System. These projects involve the construction, reconstruction or improvement of the City's street system. These improvements are designed to consider all modes of transit, including automobiles, transit, bicycles, and pedestrians.

6. Traffic Management Program (\$1,866,576 or 6% of PDOT's total CIP budget for FY 1998-99.)

The Traffic Management Program consists of four subprograms: Intelligent Transportation Systems; Traffic Calming; Traffic Safety, and the Traffic Signal System. The four subprograms are intended to make the most efficient use of Portland's street network while improving safety within public rights-of-way and improving livability within residential neighborhoods.

7. Transit Program (\$8,341,953 or 26% of PDOT's total CIP budget for FY 1998-99.)

The Transit Program consists of two subprograms: Regional Transitways and the Major Transit Streets. They both include transit-related capital projects on City rights-of-way. Examples are the Westside Light Rail Project, the Regional Rail Program, a Central City Streetcar, Transit Preferential Streets, Transit Signal Priority, Tri-Met Fast Link, and Transit Mall Restoration.

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Transportation and Parking

Office of Transportation Program / Subprogram / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Traffic Management Program								
<u>Traffic Signal System</u>								
SE COMMUNITY CENTER, SE	SE	0	44,553	0	0	0	0	44,553
CLAY/2ND NEW PED/VEH SIGNAL, SW	SW	0	0	0	100,000	0	0	100,000
AUDIBLE PEDESTRIAN SIGNALS, CW	NA	0	0	0	50,000	50,000	50,000	150,000
BARBUR/30TH NEW SIGNAL, SW	SW	0	0	0	175,000	0	0	175,000
GLISAN/131ST NEW SIGNAL, NE	NE	0	0	0	0	140,000	0	140,000
RETROFIT LED SIGNAL HEADS, CW	NA	0	0	0	450,000	450,000	0	900,000
OVERHEAD STREET NAME SIGNS, CW	NA	0	0	0	50,000	50,000	50,000	150,000
<i>Subtotal</i>		0	44,553	0	825,000	690,000	100,000	1,659,553
Total Traffic Management Program		0	44,553	0	825,000	690,000	100,000	1,659,553
Preservation & Rehab Program								
<u>Streets</u>								
ROAD REHABILITATION	NA	0	493,000	1,000,000	1,000,000	1,000,000	1,000,000	4,493,000
<i>Subtotal</i>		0	493,000	1,000,000	1,000,000	1,000,000	1,000,000	4,493,000
Total Preservation & Rehab Program		0	493,000	1,000,000	1,000,000	1,000,000	1,000,000	4,493,000
Street Improvement Program								
<u>Regional Trafficway</u>								
SUNSET HIGHWAY SUPPORT, SW	SW	162,451	49,506	65,000	30,000	10,000	5,000	159,506
I-5 GREELEY BANFIELD PH 2, NE	NE	0	53,344	53,344	27,900,000	3,000,000	0	31,006,688
I-5 FREIGHT MOBILITY, N	N	0	0	0	0	0	10,000	10,000
MCLOUGHLIN/GRAND/KING STR., SE	SE	0	0	0	0	22,000,000	0	22,000,000
<i>Subtotal</i>		162,451	102,850	118,344	27,930,000	25,010,000	15,000	53,176,194
Total Street Improvement Program		162,451	102,850	118,344	27,930,000	25,010,000	15,000	53,176,194

**CAPITAL SYSTEM
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Bicycle Program								
<u>Bicycle Program</u>								
WEST BIKEWAYS, SW/NW	NA	237,807	0	0	100,000	0	0	100,000
BIKEWAY SPOT IMPROVEMENTS, CW	NA	196,216	50,000	100,000	100,000	100,000	100,000	450,000
WOODWARD/CLINTON BIKEWAY, SE	SE	30,000	120,000	0	0	0	0	120,000
VANCOUVER/WILLIAMS BIKEWAY, N	N	20,000	120,000	0	0	0	0	120,000
TILLAMOOK BIKEWAY, NE	NE	200,000	200,000	0	0	0	0	200,000
FORTIES N-S BIKEWAY, NE/SE	NA	90,000	110,000	0	0	0	0	110,000
PRESCOTT BIKE/PED, NE	NE	0	0	60,000	240,000	0	0	300,000
SEVENTIES BIKEWAY, NE/SE	NA	0	0	50,000	200,000	200,000	0	450,000
GOING ST BIKE LANES, N	N	0	0	50,000	0	0	0	50,000
BURNSIDE BIKE LANES, E	E	0	0	125,000	0	0	0	125,000
HOLGATE BIKE LANES, SE	SE	0	0	10,000	90,000	0	0	100,000
TAYLORS FERRY, MAC-TERWILL, SW	SW	0	0	0	300,000	1,500,000	0	1,800,000
11TH/12TH BIKE LANES, SE	SE	0	0	0	0	0	85,000	85,000
GREELEY/INTERSTATE BIKEWAY	N	0	0	0	0	100,000	1,000,000	1,100,000
FIFTIES BIKEWAY, NE/SE	NA	0	0	0	0	25,000	150,000	175,000
TWENTIES BIKEWAY, NE/SE	NA	0	0	0	25,000	125,000	0	150,000
102ND/CHERRY BLOSSOM, NE/SE	NA	0	0	0	100,000	0	0	100,000
HALSEY BIKE LANES, NE	NE	0	0	0	10,000	90,000	0	100,000
BERTHA BIKE LANES, SW	SW	0	0	0	40,000	360,000	0	400,000
TAYLORS FERRY, CAPL-65TH, SW	SW	0	0	0	0	0	150,000	150,000
KNOTT ST BIKEWAY, NE	NE	0	0	0	0	0	35,000	35,000
47TH/42ND BIKE LANES, NE	NE	0	0	0	0	0	160,000	160,000
CULLY/57TH BIKE LANES, NE	NE	0	0	0	0	90,000	810,000	900,000
KLICKITAT/SISKIYOU BIKEWAY, NE	NE	0	0	0	0	0	65,000	65,000
BRIDGE RD BIKE LANES, NW	NW	0	0	0	0	0	200,000	200,000
SKIDMORE BIKEWAY, N/NE	NA	0	0	0	0	0	65,000	65,000
136TH BIKE LANES, SE	SE	0	0	0	0	0	150,000	150,000
92ND BIKE LANES, NE	NE	0	0	0	0	0	25,000	25,000
ALDERWOOD BIKEWAY, NE	NE	0	0	0	0	40,000	360,000	400,000
<i>Subtotal</i>		774,023	600,000	395,000	1,205,000	2,630,000	3,355,000	8,185,000
Total Bicycle Program		774,023	600,000	395,000	1,205,000	2,630,000	3,355,000	8,185,000
Transit Program								
<u>Regional Transitways</u>								
WESTSIDE LIGHT RAIL, SW	SW	9,383,362	542,985	0	0	0	0	542,985
REGIONAL RAIL PROGRAM, CW	NA	100,000	140,089	175,000	150,000	100,000	100,000	665,089
S/NTCS COORDINATION	NA	515,136	267,407	50,000	50,000	50,000	50,000	467,407
S/N DES/CON - SE/DNTN/NE	NA	0	0	500,000	850,000	1,530,369	1,585,369	4,465,738
S/N TRAFFIC MITIGATION	NA	0	0	100,000	1,000,000	0	0	1,100,000
AIRPORT LIGHT RAIL, NE	NE	0	0	0	150,000	150,000	100,000	400,000
<i>Subtotal</i>		9,998,498	950,481	825,000	2,200,000	1,830,369	1,835,369	7,641,219
Total Transit Program		9,998,498	950,481	825,000	2,200,000	1,830,369	1,835,369	7,641,219

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Transit Program								
<u>Major Transit Streets</u>								
TRANSIT MALL RESTORATION, SW	SW	0	222,576	1,970,000	0	0	0	2,192,576
CC STREETCAR - SE,SW,NE,NW	NA	7,019,734	7,168,896	22,484,200	9,900,000	0	0	39,553,096
SE 17TH/MILWAUKIE CONNECTOR,SE	SE	0	0	0	100,000	100,000	300,000	500,000
BARBUR BV TSM,SW	SW	0	0	0	0	100,000	0	100,000
<i>Subtotal</i>		7,019,734	7,391,472	24,454,200	10,000,000	200,000	300,000	42,345,672
Total Transit Program		7,019,734	7,391,472	24,454,200	10,000,000	200,000	300,000	42,345,672
Street Improvement Program								
<u>Major Traffic Streets</u>								
AIRPORT WAY, NE	NE	7,886,717	33,698	25,000	15,000	10,000	10,000	93,698
HAYDEN IS.IMPROVEMENTS N.	N	0	49,114	100,000	0	0	0	149,114
WILLAMETTE R. BR. ACCESS,DTN	CC	0	54,597	0	0	0	0	54,597
FOSTER: 136TH-BARBARA WELCH,SE	SE	0	0	0	23,416	93,666	70,250	187,332
FOSTER: BARBARA WELCH-162ND,SE	SE	0	0	0	0	0	0	0
<i>Subtotal</i>		7,886,717	137,409	125,000	38,416	103,666	80,250	484,741
<u>Neighborhood Collectors</u>								
11TH-13TH AVE CONNECTION, NE	NE	0	0	0	0	100,000	801,500	901,500
<i>Subtotal</i>		0	0	0	0	100,000	801,500	901,500
Total Street Improvement Program		7,886,717	137,409	125,000	38,416	203,666	881,750	1,386,241

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Street Improvement Program								
<u>Major Traffic Streets</u>								
RATS PH I - STEEL BRIDGE NE/SW	NA	808,602	739,433	0	0	0	0	739,433
NORTH MALL REPAIR, NW	NW	50,077	47,880	0	0	0	0	47,880
RIVER DISTRICT - NW	NW	793,368	100,000	100,000	100,000	100,000	100,000	500,000
LOVEJOY RAMP-NW	NW	5,944,000	2,944,000	0	0	0	0	2,944,000
COLUMBIA/LOMB: RVGT. S. ENT, N	N	341,656	72,516	0	0	0	0	72,516
SOUTH PORTLAND CIRC STUDY, SW	SW	393,000	73,000	350,000	0	0	0	423,000
RATS PH II - OCC DOCK, NE/SW	NA	761,603	580,000	0	0	0	0	580,000
NAITO PARKWAY: DAVIS-MARKET, SW	SW	819,773	666,750	205,000	0	0	0	871,750
OCC/LLOYD/MACADM DIST DEV NESW	NA	50,322	75,040	75,000	50,000	50,000	50,000	300,040
CITY-WIDE SDC	NA	304,254	254,145	250,000	270,000	275,000	280,000	1,329,145
S RVGT. RRO-PASS: LOM, BUR, COL, N	N	70,131	244,570	387,950	1,522,950	1,522,950	0	3,678,420
MARINE DR: COL SL-2.5 MI E, N	N	334,831	269,159	0	0	0	0	269,159
SANDY BV. 122ND-185TH, NE	NE	0	0	487,000	4,870,000	0	0	5,357,000
SANDY BLVD: 102ND - 121ST, NE	NE	81,907	6,488	0	0	0	0	6,488
FOSTER AT JENNE, SE	SE	490,312	521,670	17,490	0	0	0	539,160
GRAND AVE. BRIDGEHEADS, SE	SE	0	500,000	3,500,000	0	0	0	4,000,000
MULTNOMAH BL: BARBUR-45TH, SW	SW	0	0	0	0	10,000	10,000	20,000
CHERRY ST. MODIFICATIONS, N	N	0	0	40,000	300,000	0	0	340,000
LOMBARD: RIVERGATE - RAMSEY, N	N	0	0	0	0	0	60,000	60,000
BROADWAY/WEIDLER AT ARENA, N	N	0	0	40,000	400,000	0	0	440,000
MLK AT COLUMBIA BLVD, NE	NE	0	0	14,305	71,526	109,035	0	194,866
NW NAITO: 9TH TO STEEL BR -NW	NW	0	2,195,091	0	0	0	0	2,195,091
FOSTER AT BARBARA WELCH, SE	SE	25,710	0	25,000	150,000	50,000	775,000	1,000,000
BARBUR: NAITO PKWY-HAMILTON, SW	SW	233,785	11,586	0	0	0	0	11,586
FOSTER AT 162ND, SE	SE	572,762	1,266,789	145,510	0	0	0	1,412,299
ALDERWOOD/COLUMBIA UPGRADE, NE	NE	0	0	0	25,000	270,000	0	295,000
BROADWAY/WEIDLER II, 15-24TH NE	NE	501,035	0	450,000	2,000,000	0	0	2,450,000
MLK Corridor Final Eng & Const	NE	300,000	1,220,226	0	0	0	0	1,220,226
82: WEBSTER-HOLMAN, NE	NE	0	0	255,371	200,000	200,000	200,000	855,371
STREETCAR PLANNING	NA	0	70,000	70,000	0	0	0	140,000
UPRR GRADE CROSSINGS, SE	SE	0	0	20,000	20,000	20,000	20,000	80,000
BWAY-WEIDLER III GRAND-10TH, NE	NE	0	0	500,000	2,000,000	0	0	2,500,000
PSU TRANSIT CENTER, SW	SW	65,000	570,352	0	0	0	0	570,352
LENTS PED/BICYCLE ENHANCE, SE	SE	0	74,263	541,538	724,794	0	0	1,340,595
N MACADAM INFRASTRUCTURE, SW	SW	0	0	457,800	2,446,000	2,172,200	1,782,000	6,858,000
CLAY/KING INT. IMPROVEMTS., SE	SE	0	0	0	250,000	0	0	250,000
ODOT DISTRICT HWYS. EVAL., C/N	NA	0	0	0	100,000	0	0	100,000
TACOMA MAIN STREET, SE	SE	0	0	0	150,000	0	0	150,000
BURNSIDE REDEV: PARK-23RD, DTN	CC	0	0	0	50,000	50,000	50,000	150,000
BARBUR-HAMILTON-CAPITAL, SW	SW	0	0	0	0	3,000,000	0	3,000,000
SANDY BLVD.-I-205 TO 101ST, NE	NE	0	0	0	0	500,000	0	500,000
DIVISION REDEV: 6TH-40TH, SE	SE	0	0	0	0	10,000	10,000	20,000
GATEWAY REGIONAL CENTER, NE	NE	0	0	0	0	0	0	0
BURNSIDE AT 5TH/6TH AVE, W	NA	0	0	0	0	100,000	100,000	200,000
FOSTER RD FASTLINK, SE	SE	0	0	0	200,000	108,309	0	308,309
SANDY BV.-STARK-BURNSIDE, SE/NE	NA	0	0	0	35,000	0	0	35,000
INNER E. BURNSIDE, SE	SE	0	0	0	50,000	150,000	0	200,000
MLK: LOMBARD-COLUMBIA, NE	NE	0	0	0	0	500,000	500,000	1,000,000

City of Portland, Oregon - FY 1998-99 Adopted Budget

**CAPITAL SYSTEM
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DIVISION/11TH/12TH RR XING	SE	0	0	0	50,000	350,000	0	400,000
POWELL/8th INTERSECTION, SE	SE	0	0	0	200,000	0	0	200,000
WESTERN EDGE, SE	SE	0	0	0	50,000	0	0	50,000
LOMBARD: ST. JOHNS-COLUMBIA, N	N	0	0	0	1,500,000	4,250,000	4,250,000	10,000,000
82ND AVE: SCHILLER-CRYS SPG, SE	SE	0	0	0	0	0	0	0
BELMONT RAMP/CLAY-KING INT, SE	SE	0	0	0	0	220,000	1,230,000	1,450,000
FLINT ST ARENA ACCESS, N	N	0	0	0	44,000	256,000	0	300,000
GOING ST BR. WIDENING & RET, N	N	0	208,840	0	0	0	0	208,840
CEID TRUCK ACCESS STUDY, SE	SE	0	0	0	110,000	0	0	110,000
RATS PH III-OAKS PK DOCK, NE/SE	NE	0	0	0	700,000	100,000	0	800,000
RIGHT OF WAY OPPORTUNITIES, CW	NA	0	0	0	100,000	100,000	100,000	300,000
14TH/16 BURNSIDE TO VAUGHN, NW	NW	0	0	0	50,000	0	0	50,000
<i>Subtotal</i>		12,942,128	12,711,798	7,931,964	18,789,270	14,473,494	9,517,000	63,423,526
Total Street Improvement Program		12,942,128	12,711,798	7,931,964	18,789,270	14,473,494	9,517,000	63,423,526
Street Improvement Program								
<u>Major Traffic Streets</u>								
JOHNSON CR: 32ND-45TH, PH2, SE	SE	0	346,237	11,000	162,000	55,000	0	574,237
<i>Subtotal</i>		0	346,237	11,000	162,000	55,000	0	574,237
Total Street Improvement Program		0	346,237	11,000	162,000	55,000	0	574,237
Facilities Program								
<u>Facilities Program</u>								
MAJOR NEW EQUIPMENT, CW	NA	0	0	0	389,000	389,000	389,000	1,167,000
SATELLITE FACILITIES, CW	NA	0	0	0	334,000	334,000	334,000	1,002,000
KERBY/ALBINA FACILITY, N	N	0	0	0	301,000	63,000	179,000	543,000
<i>Subtotal</i>		0	0	0	1,024,000	786,000	902,000	2,712,000
Total Facilities Program		0	0	0	1,024,000	786,000	902,000	2,712,000

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Pedestrian Program								
<u>Pedestrian Program</u>								
PED ACCESS TO TRANSIT, 3&4, CW	NA	679,693	100,000	0	0	0	0	100,000
HILLSDALE PEDESTRIAN DISTRICT	SW	0	820,580	0	0	0	0	820,580
WOODSTOCK: 39TH TO 49TH	SE	0	200,000	0	0	0	0	200,000
MULTNOMAH VILLAGE PED DIST, SW	SW	0	373,943	0	0	0	0	373,943
CAP HWY:HILLSDALE/MULT VIL,SW	SW	180,000	300,000	546,177	0	0	0	846,177
PED CROSSING PROJECTS, CW	NA	387,182	175,000	175,000	175,000	175,000	175,000	875,000
CAP HWY:W PORT/MULT VILLAGE,SW	SW	0	0	212,500	604,982	0	0	817,482
PED DEFICIENCY SPOT IMPROV,CW	NA	120,318	50,000	100,000	100,000	100,000	100,000	450,000
GATEWAY PED DISTRICT, NE	NE	95,000	0	0	0	100,000	100,000	200,000
HAWTHORNE: GRAND-55TH, SE	SE	181,265	600,000	0	150,000	400,000	200,000	1,350,000
ALBERTA MAIN STREET	NE	0	419,182	0	0	0	0	419,182
DIVISION ST: GRAND -136TH, SE	SE	95,000	0	95,000	250,000	250,000	0	595,000
CULLY:KILLINGSWORTH-PRESCOTT,N	NE	0	0	0	85,000	185,000	1,163,684	1,433,684
HOLLYWOOD PED DISTRICT NE	NE	0	0	0	0	75,000	90,000	165,000
BURNSIDE: TICHNER TO SKY,NW	NW	0	0	0	0	0	0	0
B-H HWY: CAPITOL-60TH, SW	SW	0	0	0	0	0	0	0
82 AVE: DUKE-CLATSOP, SE	SE	0	0	0	0	0	0	0
ST JOHNS PED DISTRICT N	N	0	0	0	0	0	75,000	75,000
KILLINGSWORTH PED DIST NE	NE	0	0	0	0	0	75,000	75,000
KILLINGSWORTH: 42ND-CULLY, NE	NE	0	0	0	0	0	90,000	90,000
CAP HWY:WEST OF TERWILLIGER,SW	SW	0	0	0	0	0	203,095	203,095
CAP HWY: PHASE 2, SW	SW	0	0	0	0	0	0	0
35TH: LURADEL-DICKINSON, SW	SW	0	0	0	0	0	0	0
102 AVE: BRAZEE-SANDY, NE	NE	0	0	0	0	0	0	0
CENTRAL CITY PED ENHANCEMT.,CC	CC	0	0	0	50,000	0	0	50,000
BARBUR: SHERIDAN-FRONT SW	SW	0	0	0	75,000	0	0	75,000
HALSEY: 122ND TO 162ND PED, NE	NE	0	0	0	0	0	0	0
FREMONT: 42ND-52ND,NE	NE	0	0	0	45,000	50,000	0	95,000
BELMONT SE	SE	0	0	0	0	0	0	0
VENTURA PARK PED DIST NE/SE	NA	0	0	0	80,000	85,000	100,000	265,000
PED CAP PROJ DEVEL CW	NA	0	0	0	45,000	45,000	45,000	135,000
<i>Subtotal</i>		1,738,458	3,038,705	1,128,677	1,659,982	1,465,000	2,416,779	9,709,143
Total Pedestrian Program		1,738,458	3,038,705	1,128,677	1,659,982	1,465,000	2,416,779	9,709,143
Street Improvement Program								
<u>Local Commercial-Industrial Streets</u>								
COMM/INDUSTRIAL PRGM, CW	NA	593,343	331,776	303,000	312,000	321,000	331,000	1,598,776
LOWER ALBINA OVERCROSSING, NE	NE	335,750	289,580	0	0	0	0	289,580
DEFICIENCY CORRECTIONS PRGM,CW	NA	100,000	100,000	100,000	100,000	100,000	100,000	500,000
<i>Subtotal</i>		1,029,093	721,356	403,000	412,000	421,000	431,000	2,388,356
Total Street Improvement Program		1,029,093	721,356	403,000	412,000	421,000	431,000	2,388,356

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Street Improvement Program								
<u>Local Neighborhood Streets</u>								
MINOR PERMIT STREETS PRGM, CW	NA	234,226	141,383	129,900	134,000	138,000	142,000	685,283
LID - STREET DESIGN, NI	NA	387,510	267,420	273,500	287,100	301,500	316,600	1,446,120
I&D SUBSIDY, NI	NA	60,000	60,000	60,000	60,000	60,000	60,000	300,000
TEXAS/26-29TH, SW	SW	74,558	57,352	0	0	0	0	57,352
HCD REPLACEMENT CAPITAL, NI	NA	23,218	24,367	26,000	28,400	30,900	33,700	143,367
HCD - STREET DESIGN, NI	NA	61,700	58,974	60,200	63,200	66,300	69,700	318,374
SUBSTANDARD STREET PROGRAM	NA	78,827	71,016	74,000	77,000	80,000	83,000	385,016
PRE-LID'S, NI	NA	124,710	104,364	109,600	115,100	120,900	126,900	576,864
SUBDIVISION STREET PROGRAM, CW	NA	635,887	333,858	328,000	338,000	348,000	358,000	1,705,858
Neighborhoods Enhancement	NA	1,214,286	849,791	90,000	0	0	0	939,791
48TH:MITCHELL-RAYMOND, SE	SE	16,293	3,413	0	0	0	0	3,413
EVANS/19TH, SW	SW	43,855	12,348	0	0	0	0	12,348
55TH/AINSWORTH, NE	NE	25,153	4,712	0	0	0	0	4,712
RIVER PARKWAY, SW	SW	0	0	443,000	715,000	0	0	1,158,000
E PORTLAND DEVELOPMENT FUND	NA	0	0	0	50,000	100,000	250,000	400,000
NW EVERETT GLISAN DECOUPLE	NW	0	0	0	680,000	0	0	680,000
NW 18TH/19TH DECOUPLE, NW	NW	0	0	0	180,000	0	0	180,000
<i>Subtotal</i>		2,980,223	1,988,998	1,594,200	2,727,800	1,245,600	1,439,900	8,996,498
Total Street Improvement Program		2,980,223	1,988,998	1,594,200	2,727,800	1,245,600	1,439,900	8,996,498
Traffic Management Program								
<u>Traffic Safety</u>								
STARK/WASH CORRIDOR SAFETY, SE	SE	92,000	405,000	0	0	0	0	405,000
MARKET/1ST INTERS, SW	SW	0	25,011	100,000	0	0	0	125,011
SPOT SAFETY IMPROVEMENTS, CW	NA	0	50,000	100,000	250,000	250,000	250,000	900,000
SANDY/BRNSD-33RD HEP MATCH, NE	NE	0	0	0	50,000	0	0	50,000
LOMBARD(SIJHNS-MLK)HEP MATCH, N	N	0	0	0	0	50,000	0	50,000
GARDEN HOME RD/MULT SIGNAL, SW	SW	0	0	0	131,000	744,000	0	875,000
82ND AVE HEP MATCH, NE/SE	NA	0	0	0	50,000	0	0	50,000
LOMBARD/PORTSMOUTH INTERS, N	N	0	0	0	25,000	155,000	0	180,000
FUTURE HEP MATCH	NA	0	0	0	0	0	50,000	50,000
LOMBARD/PENINSULAR INTERS, N	N	0	0	0	15,000	135,000	0	150,000
39TH AVE CORRIDOR SAFETY NE/SE	NA	0	0	0	165,000	535,000	0	700,000
EVERETT ST CORR SAFETY, NW	NW	0	0	0	0	40,000	135,000	175,000
60TH AVE CORRIDOR SAFETY NE/SE	NA	0	0	0	100,000	280,000	0	380,000
MARINE DR/33RD AVE, NE	NE	0	0	0	0	50,000	700,000	750,000
MARINE DR/122ND AVE, NE	NE	0	0	0	50,000	0	0	50,000
TRAFFIC OPERATIONS IMPROV, CW	NA	0	0	0	315,000	580,000	500,000	1,395,000
INTERSECTION SAFETY IMPROV, NI	NA	0	0	0	450,000	300,000	400,000	1,150,000
102ND AVE CORR SAFETY, NE/SE	NA	0	0	0	0	75,000	235,000	310,000
BURNSIDE/SKYLINE INTERSECT, W	NW	0	0	0	0	75,000	750,000	825,000
26TH/REGENTS, NE	NE	0	0	0	15,000	100,000	0	115,000
DESTINATION SIGNING, CW	NA	0	0	0	75,000	75,000	75,000	225,000
<i>Subtotal</i>		92,000	480,011	200,000	1,691,000	3,444,000	3,095,000	8,910,011
Total Traffic Management Program		92,000	480,011	200,000	1,691,000	3,444,000	3,095,000	8,910,011

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Transportation and Parking

Office of Transportation Program / Subprogram / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Traffic Management Program								
<u>Intelligent Transportation Systems</u>								
EXPAND CITYWIDE SIG SYS, CW	NA	200,000	200,000	200,000	300,000	300,000	300,000	1,300,000
TRAFFIC SIGNAL RETIMING, CW	NA	72,802	75,230	77,000	79,000	81,000	83,000	395,230
TRANSIT SIGNAL PRIORITY, NI	NA	50,000	50,000	150,000	200,000	200,000	200,000	800,000
SAFER BOND (ITS PACKAGE), CW	NA	0	0	0	890,000	890,000	890,000	2,670,000
SAFER BOND (OPTICOM), CW	NA	0	0	0	1,300,000	1,300,000	1,300,000	3,900,000
ATMS INTEGRATION, CW	NA	0	0	0	300,000	300,000	0	600,000
SANDY ITS CORRIDOR, NE	NE	0	0	0	0	90,000	250,000	340,000
BARBUR BLVD ITS CORRIDOR, SW	SW	0	0	0	200,000	350,000	0	550,000
MLK/INTERSTATE ITS CORRIDOR, NE	NE	0	0	0	50,000	500,000	0	550,000
82ND ITS CORRIDOR, NE/SE	NA	0	0	0	0	0	350,000	350,000
<i>Subtotal</i>		322,802	325,230	427,000	3,319,000	4,011,000	3,373,000	11,455,230
Total Traffic Management Program		322,802	325,230	427,000	3,319,000	4,011,000	3,373,000	11,455,230
Preservation & Rehab Program								
<u>Traffic Signals</u>								
SIGNAL SAFETY REMODELS, NI	NA	175,000	0	150,000	300,000	300,000	300,000	1,050,000
SIGNAL REMODELS FOR MAINT., NI	NA	270,000	0	270,000	400,000	450,000	500,000	1,620,000
CORRECT NONSTANDARD SIGNALS, NI	NA	0	0	0	150,000	150,000	150,000	450,000
<i>Subtotal</i>		445,000	0	420,000	850,000	900,000	950,000	3,120,000
Total Preservation & Rehab Program		445,000	0	420,000	850,000	900,000	950,000	3,120,000

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Transportation and Parking

Office of Transportation Program / Subprogram / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Preservation & Rehab Program								
<u>Structures</u>								
SEISMIC RETROFIT - 33RD NE	NE	0	0	79,727	0	0	0	79,727
SEISMIC RETROFIT-KITTRIDGE NW	NW	0	0	397,606	0	0	0	397,606
SEISMIC RETROFIT-CAPITOL HW SW	SW	0	0	50,000	233,300	0	0	283,300
SEISMIC RETROFIT-INTERSTATE N	N	0	0	343,000	70,000	0	0	413,000
SEISMIC RETROFIT - 33RD AVE NE	NE	0	0	0	0	213,000	0	213,000
SEISMIC RETROFIT-47TH NE	NE	0	0	0	403,600	0	0	403,600
SEISMIC RETROFIT-COL BLVD W,N	N	0	0	0	0	172,000	0	172,000
SEISMIC RETROFIT-COL BLVD E, N	N	0	0	50,000	167,700	0	0	217,700
SEISMIC RETROFIT-42ND AVE NE	NE	0	0	0	0	248,500	0	248,500
SEISMIC RETROFIT - HALSEY NE	NE	350,952	0	84,508	0	0	0	84,508
SEISMIC RETROFIT-VANCOUVER N	N	0	0	0	0	0	415,250	415,250
SEISMIC RETROFIT-BYBEE BLVD SE	SE	0	0	0	0	0	119,000	119,000
SEISMIC RETROFIT-CAPITOL HW SW	SW	0	0	0	0	0	137,500	137,500
SEISMIC RETROFIT-GOING PD OP N	N	0	0	0	0	0	0	0
SEISMIC RETROFIT-33RD AVE NE	NE	0	0	0	0	0	0	0
SEISMIC RETROFIT-INTERSTATE N	N	0	0	0	0	0	0	0
WILLAMETTE BLVD LANDSLIDE	N	0	15,000	175,000	1,000,000	1,000,000	1,200,000	3,390,000
138TH OVER CLOUMBIA SLOUGH NE	NE	0	27,205	853,544	0	0	0	880,749
THURMAN ST BRIDGE, NW	NW	0	0	0	0	0	275,000	275,000
VANCOUVER AT COLUMBIA SL, N	N	0	0	0	270,000	2,430,000	0	2,700,000
BYBEE BLVD OVER MCLOUGHLIN, SE	SE	0	0	0	0	187,500	1,875,000	2,062,500
BURGARD BRIDGE REMOVAL, N	N	0	0	0	0	0	397,000	397,000
<i>Subtotal</i>		350,952	42,205	2,033,385	2,144,600	4,251,000	4,418,750	12,889,940
Total Preservation & Rehab Program		350,952	42,205	2,033,385	2,144,600	4,251,000	4,418,750	12,889,940
Preservation & Rehab Program								
<u>Street Lighting</u>								
CONVERSION TO H.P. SODIUM, NI	NA	65,000	65,000	40,000	25,000	25,000	25,000	180,000
M.L.KING VIADUCT LIGHTING, SE	SE	0	0	40,000	0	0	0	40,000
<i>Subtotal</i>		65,000	65,000	80,000	25,000	25,000	25,000	220,000
Total Preservation & Rehab Program		65,000	65,000	80,000	25,000	25,000	25,000	220,000
Street Improvement Program								
<u>Street Lighting System</u>								
3RD AV. TWINS, BURNS.-WASH, SW	SW	0	372,000	0	0	0	0	372,000
3RD AV TWINS, WASH-MADISON, SW	SW	0	0	450,000	0	0	0	450,000
9TH & PARK: BURNSIDE-MORR., SW	SW	0	290,000	0	0	0	0	290,000
NE ALBERTA ST. NODE LIGHTING	NE	0	0	80,000	0	0	0	80,000
CEID-MLK	NA	0	0	0	250,000	0	0	250,000
LENTS LIGHTING	SE	0	0	0	150,000	0	0	150,000
NORTH MACADAM	SW	0	0	0	0	0	250,000	250,000
RIVER DISTRICT PUBLIC LIGHTING	NW	0	0	0	250,000	0	0	250,000
<i>Subtotal</i>		0	662,000	530,000	650,000	0	250,000	2,092,000
Total Street Improvement Program		0	662,000	530,000	650,000	0	250,000	2,092,000

City of Portland, Oregon - FY 1998-99 Adopted Budget

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Transportation and Parking

Office of Transportation Program / Subprogram / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Traffic Management Program								
<u>Traffic Calming</u>								
32nd/33rd/Hassalo	NA	0	0	50,000	0	0	0	50,000
NE FREMONT:112th-122nd TCP, NI	NE	0	0	80,000	150,000	0	0	230,000
SE FLAVEL ST:112-DERDF TCP,SE	SE	0	0	76,500	150,000	0	0	226,500
STREAMLINED BUMP PROJECTS, NI	NA	226,997	140,000	140,000	140,000	140,000	140,000	700,000
NEW TCP DEVICES, NI	NA	50,000	0	50,000	50,000	50,000	50,000	200,000
NE 32ND/33RD/HASSALO TCP, NE	NE	67,568	258,000	0	0	0	0	258,000
N ALBINA AVE:KLNGS-LMBD TCP,N	N	0	70,500	150,000	0	0	0	220,500
N AINSWORTH ST:INTS-VNCR TCP,N	N	0	70,500	150,000	0	0	0	220,500
ELEMENTARY SCHOOL SAFETY,NI	NA	517,000	426,828	425,000	425,000	425,000	425,000	2,126,828
VANCOUVER/WILLIAMS DECOUPLE,N	N	0	0	0	152,000	0	0	152,000
ELEMENTARY SCHOOL BEACONS, NI	NA	49,435	50,954	50,000	50,000	50,000	50,000	250,954
SE WOODSTOCK BLVD:52-72 TCP,SE	N	0	0	70,500	222,800	0	0	293,300
SW TERWILLIGER BLVD:BF-PLT,SW	N	0	0	70,500	222,800	0	0	293,300
NE 7TH AVE:FREMNT-PRES TCP,NE	NE	0	0	70,500	243,400	0	0	313,900
SW 55TH AVE:TYLFR-POMO TCP,SW	SW	0	0	70,500	243,400	0	0	313,900
SE HAWTHRONE BLVD;50-60 TCP,SE	SE	0	0	0	76,200	263,200	0	339,400
SE 92ND AVE:DIV-PWL,TCP,SE	SE	0	0	0	95,700	231,700	0	327,400
N VANCOUVER;SKID-KLNGS TCP,N	N	0	0	0	0	99,500	240,900	340,400
NE FREMONT:102ND-112TH TCP,NE	NE	0	0	0	0	0	103,500	103,500
NE 60TH AVE:KLNS-PRSC TPC,NE	NE	0	0	0	0	0	82,400	82,400
SE 52ND AVE:DIV-POWL TCP, SE	SE	0	0	0	0	79,200	263,200	342,400
N FREMONT ST:MSSRI-VNCR TCP,N	N	0	0	0	0	79,200	263,200	342,400
NE KNOTT ST:15TH-33RD TCP, NE	NE	0	0	0	0	79,200	263,200	342,400
SE 139TH AVE:STRK-DIVS TCP,SE	SE	0	0	0	0	79,200	263,200	342,400
N WILLAMETTE BLVD TCP, N	N	0	0	0	95,700	231,700	0	327,400
NE KNOTT ST:MLK-15TH TCP,NE	NE	0	0	0	0	0	82,400	82,400
NE 72ND AVE:KLNS-PRES TCP,NE	NE	0	0	0	70,500	234,000	0	304,500
SW VERMONT ST;30TH-45TH TCP,SW	SW	0	0	0	0	0	103,500	103,500
N WALL AVE:FESSDN-LMBD TCP,N	N	0	0	0	73,300	243,400	0	316,700
MIDDLE SCHOOL SAFETY, NI	NA	0	0	0	100,000	100,000	100,000	300,000
NE SHAVER ST:122D-141ST TCP,NE	NE	0	0	0	76,200	253,100	0	329,300
SE 128TH AVE:HARLD-FSTR TCP,SE	SE	0	0	0	76,200	253,100	0	329,300
SW HUBER ST:25TH-35TH TCP,SW	SW	0	0	0	76,200	253,100	0	329,300
SE 41ST AVE:WDSTK-STLE TCP,SE	SE	0	0	0	70,500	243,400	0	313,900
SE 112TH AVE/110TH DR:FS-FV,SE	SE	0	0	0	0	99,500	240,900	340,400
SE MAIN ST:162ND-182ND TCP,SE	SE	0	0	0	0	0	82,400	82,400
SW BARNES RD:BURNS-SKY TCP, SW	SW	0	0	0	70,500	234,000	0	304,500
SE 26TH AVE:HOLGT-STELE TCP,SE	SE	0	0	0	0	0	82,400	82,400
<i>Subtotal</i>		911,000	1,016,782	1,453,500	2,930,400	3,721,500	2,836,200	11,958,382
Total Traffic Management Program		911,000	1,016,782	1,453,500	2,930,400	3,721,500	2,836,200	11,958,382

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Transportation and Parking

Office of Transportation Program / Subprogram / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Street Improvement Program								
<u>Neighborhood Collectors</u>								
MCLOUGHLIN NEIGHBORHOOD, SE	SE	20,000	100,000	100,000	0	0	0	200,000
158TH:MARINE DR- SANDY BLVD NE	NE	0	49,019	20,000	30,000	0	0	99,019
TACOMA: 28TH-32ND, SE	SE	103,926	0	640,730	0	0	0	640,730
BELMONT MORRISON DECOUPLE, SE	SE	40,000	40,000	60,000	440,000	0	0	540,000
ALDERWOOD ST: 82ND-CLARK, NE	NE	351,905	0	0	0	0	0	0
47TH/COLUMBIA-CORNFOOT, NE	NE	0	0	179,030	2,672,587	0	0	2,851,617
33RD AVE TRAFFIC CALMING, NE	NE	0	0	0	300,000	0	0	300,000
ALDERWOOD/CORNFOOT, NE	NE	0	0	0	0	60,000	60,000	120,000
WATER AVE EXTENSION, SE	SE	172,682	57,522	0	0	0	0	57,522
KILLINGSWORTH ST: 102-109, NE	NE	48,989	0	37,089	150,000	0	0	187,089
HAWTHORNE FASTLINK, SE	SE	0	0	50,000	1,461,481	162,819	0	1,674,300
CORNFOOT: 47TH-AIRTRANS WY, NE	NE	0	0	0	35,000	35,000	360,000	430,000
17TH AVE AT OCHOCO, SE	SE	57,417	23,556	0	0	0	0	23,556
DOSCH RD: PATTON TO B/H, SW	SW	0	0	9,000	50,000	200,000	0	259,000
LENTS TRANSPORTATION PLAN,SE	SE	0	50,000	0	0	0	0	50,000
JENNE/174TH: FOSTER-POWELL, SE	SE	0	0	0	30,000	30,000	50,000	110,000
109th: SANDY-KILLINGSWORTH, NE	NE	0	0	0	10,000	20,000	70,000	100,000
102ND: SANDY-KILLINGSWORTH, NE	NE	0	0	0	0	0	10,000	10,000
GARDEN HOME: MULT-74TH, SW	SW	0	0	0	0	10,000	10,000	20,000
NW TRAFFIC CIRC. PH 2,NW	NW	0	0	0	29,850	0	0	29,850
GARDEN HOME OLESON-MULT.,SW	SW	0	0	0	50,000	50,000	400,000	500,000
SOUTHERN TRIANGLE CIRC IMP.,SE	SE	0	0	0	925,000	740,000	800,000	2,465,000
ARGYLE: MLK-14TH PL, NE	NE	0	0	0	0	0	0	0
GATEWAY TRANSPORTATION PLAN,NE	NE	0	0	0	50,000	50,000	0	100,000
PALATINE ST: 27-LANCASTER, SW	SW	0	0	0	19,411	38,821	202,732	260,964
UNION STATION MULTI-MODAL CTR	NW	0	0	0	100,000	0	0	100,000
MARX DR: 82ND-87TH, NE	NE	0	0	0	0	0	0	0
THURMAN-VAUGHN CORRIDOR, NW	NA	0	0	0	75,000	425,000	0	500,000
<i>Subtotal</i>		794,919	320,097	1,095,849	6,428,329	1,821,640	1,962,732	11,628,647
Total Street Improvement Program		794,919	320,097	1,095,849	6,428,329	1,821,640	1,962,732	11,628,647
Service Area / Bureau / Program		Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	Project Total
General Services/Transportation								
Traffic Signals		0	347,000	0	0	0	0	347,000
<i>Subtotal</i>		0	347,000	0	0	0	0	347,000
Total General Services/Transportation		0	347,000	0	0	0	0	347,000

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Transportation and Parking

Office of Transportation Program / Subprogram / Project	General Fund	TRANS	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Traffic Management Program							
<u>Traffic Signal System</u>							
AUDIBLE PEDESTRIAN SIGNALS,CW	0	0	0	0	0	0	0
BARBUR/30TH NEW SIGNAL, SW	0	0	0	0	0	0	0
CLAY/2ND NEW PED/VEH SIGNAL,SW	0	0	0	0	0	0	0
GLISAN/131ST NEW SIGNAL, NE	0	0	0	0	0	0	0
OVERHEAD STREET NAME SIGNS, CW	0	0	0	0	0	0	0
RETROFIT LED SIGNAL HEADS, CW	0	0	0	0	0	0	0
SE COMMUNITY CENTER, SE	0	44,553	0	0	0	44,553	0
<i>Subtotal</i>	0	44,553	0	0	0	44,553	0
Total Traffic Management Program	0	44,553	0	0	0	44,553	0
Preservation & Rehab Program							
<u>Streets</u>							
ROAD REHABILITATION	493,000	0	0	0	0	493,000	0
<i>Subtotal</i>	493,000	0	0	0	0	493,000	0
Total Preservation & Rehab Program	493,000	0	0	0	0	493,000	0
Street Improvement Program							
<u>Regional Trafficway</u>							
I-5 FREIGHT MOBILITY, N	0	0	0	0	0	0	0
I-5 GREELEY BANFIELD PH 2,NE	0	0	0	53,344	0	53,344	0
MCCLOUGHLIN/GRAND/KING STR.,SE	0	0	0	0	0	0	0
SUNSET HIGHWAY SUPPORT, SW	0	0	0	49,506	0	49,506	0
<i>Subtotal</i>	0	0	0	102,850	0	102,850	0
Total Street Improvement Program	0	0	0	102,850	0	102,850	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Transportation and Parking

Office of Transportation Program / Subprogram / Project	General Fund	TRANS	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Bicycle Program							
<u>Bicycle Program</u>							
102ND/CHERRY BLOSSOM, NE/SE	0	0	0	0	0	0	0
11TH/12TH BIKE LANES, SE	0	0	0	0	0	0	0
136TH BIKE LANES, SE	0	0	0	0	0	0	0
47TH/42ND BIKE LANES, NE	0	0	0	0	0	0	0
92ND BIKE LANES, NE	0	0	0	0	0	0	0
ALDERWOOD BIKEWAY, NE	0	0	0	0	0	0	0
BERTHA BIKE LANES, SW	0	0	0	0	0	0	0
BIKEWAY SPOT IMPROVEMENTS, CW	0	50,000	0	0	0	50,000	0
BRIDGE RD BIKE LANES, NW	0	0	0	0	0	0	0
BURNSIDE BIKE LANES, E	0	0	0	0	0	0	0
CULLY/57TH BIKE LANES, NE	0	0	0	0	0	0	0
FIFTIES BIKEWAY, NE/SE	0	0	0	0	0	0	0
FORTIES N-S BIKEWAY, NE/SE	0	110,000	0	0	0	110,000	0
GOING ST BIKE LANES, N	0	0	0	0	0	0	0
GREELEY/INTERSTATE BIKEWAY	0	0	0	0	0	0	0
HALSEY BIKE LANES, NE	0	0	0	0	0	0	0
HOLGATE BIKE LANES, SE	0	0	0	0	0	0	0
KLICKITAT/SISKIYOU BIKEWAY, NE	0	0	0	0	0	0	0
KNOTT ST BIKEWAY, NE	0	0	0	0	0	0	0
PRESCOTT BIKE/PED, NE	0	0	0	0	0	0	0
SEVENTIES BIKEWAY, NE/SE	0	0	0	0	0	0	0
SKIDMORE BIKEWAY, N/NE	0	0	0	0	0	0	0
TAYLORS FERRY, CAPL-65TH, SW	0	0	0	0	0	0	0
TAYLORS FERRY, MAC-TERWILL, SW	0	0	0	0	0	0	0
TILLAMOOK BIKEWAY, NE	0	200,000	0	0	0	200,000	0
TWENTIES BIKEWAY, NE/SE	0	0	0	0	0	0	0
VANCOUVER/WILLIAMS BIKEWAY, N	0	20,000	0	100,000	0	120,000	0
WEST BIKEWAYS, SW/NW	0	0	0	0	0	0	0
WOODWARD/CLINTON BIKEWAY, SE	0	120,000	0	0	0	120,000	0
<i>Subtotal</i>	0	500,000	0	100,000	0	600,000	0
Total Bicycle Program	0	500,000	0	100,000	0	600,000	0
Transit Program							
<u>Regional Transitways</u>							
AIRPORT LIGHT RAIL, NE	0	0	0	0	0	0	0
CASCADIA INTERCITY RAIL, SE/NE	0	0	0	0	0	0	0
REGIONAL RAIL PROGRAM, CW	0	140,089	0	0	0	140,089	0
S/N DES/CON - SE/DNTN/NE	0	0	0	0	0	0	0
S/N TRAFFIC MITIGATION	0	0	0	0	0	0	0
S/NTCS COORDINATION	0	75,136	0	192,271	0	267,407	0
WESTSIDE LIGHT RAIL, SW	0	530,000	0	12,985	0	542,985	0
<i>Subtotal</i>	0	745,225	0	205,256	0	950,481	0
Total Transit Program	0	745,225	0	205,256	0	950,481	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Transportation and Parking

Office of Transportation Program / Subprogram / Project	General Fund	TRANS	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Transit Program							
<u>Major Transit Streets</u>							
BARBUR BV TSM,SW	0	0	0	0	0	0	0
CC STREETCAR - SE,SW,NE,NW	0	6,109,696	0	1,059,200	0	7,168,896	0
SE 17TH/MILWAUKIE CONNECTOR,SE	0	0	0	0	0	0	0
TRANSIT MALL RESTORATION, SW	0	178,061	0	44,515	0	222,576	1,870,000
<i>Subtotal</i>	0	6,287,757	0	1,103,715	0	7,391,472	1,870,000
Total Transit Program	0	6,287,757	0	1,103,715	0	7,391,472	1,870,000
Street Improvement Program							
<u>Major Traffic Streets</u>							
AIRPORT WAY, NE	0	33,698	0	0	0	33,698	0
FOSTER: 136TH-BARBARA WELCH,SE	0	0	0	0	0	0	0
FOSTER: BARBARA WELCH-162ND,SE	0	0	0	0	0	0	0
HAYDEN IS.IMPROVEMENTS N.	0	49,114	0	0	0	49,114	0
WILLAMETTE R. BR. ACCESS,DTN	0	10,919	0	43,678	0	54,597	0
<i>Subtotal</i>	0	93,731	0	43,678	0	137,409	0
<u>Neighborhood Collectors</u>							
11TH-13TH AVE CONNECTION, NE	0	0	0	0	0	0	0
<i>Subtotal</i>	0	0	0	0	0	0	0
Total Street Improvement Program	0	93,731	0	43,678	0	137,409	0

CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)

Capital System - Transportation and Parking

Office of Transportation Program / Subprogram / Project	General Fund	TRANS	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Street Improvement Program							
<u>Major Traffic Streets</u>							
14TH/16 BURNSIDE TO VAUGHN, NW	0	0	0	0	0	0	0
82: WEBSTER-HOLMAN, NE	0	0	0	0	0	0	0
82ND AVE: SCHILLER-CRYS SPG,SE	0	0	0	0	0	0	0
ALDERWOOD/COLUMBIA UPGRADE, NE	0	0	0	0	0	0	0
BARBUR-HAMILTON-CAPITAL,SW	0	0	0	0	0	0	0
BARBUR: NAITO PKWY-HAMILTON,SW	0	0	0	11,586	0	11,586	0
BELMONT RAMP/CLAY-KING INT, SE	0	0	0	0	0	0	0
BROADWAY/WEIDLER AT ARENA, N	0	0	0	0	0	0	0
BROADWAY/WEIDLER II,15-24TH NE	0	0	0	0	0	0	0
BURNSIDE AT 5TH/6TH AVE, W	0	0	0	0	0	0	0
BURNSIDE REDEV: PARK-23RD, DTN	0	0	0	0	0	0	0
BWAY-WEIDLER III GRAND-10TH,NE	0	0	0	0	0	0	0
CEID TRUCK ACCESS STUDY,SE	0	0	0	0	0	0	0
CHERRY ST. MODIFICATIONS, N	0	0	0	0	0	0	0
CITY-WIDE SDC	0	0	254,145	0	0	254,145	0
CLAY/KING INT. IMPROVEMTS.,SE	0	0	0	0	0	0	0
COLUMBIA/LOMB: RVGT. S. ENT, N	0	27,853	0	44,663	0	72,516	1,107,200
DIVISION REDEV: 6TH-40TH, SE	0	0	0	0	0	0	0
DIVISION/11TH/12TH RR XING	0	0	0	0	0	0	0
FLINT ST ARENA ACCESS, N	0	0	0	0	0	0	0
FOSTER AT 162ND, SE	0	1,266,789	0	0	0	1,266,789	0
FOSTER AT BARBARA WELCH, SE	0	0	0	0	0	0	0
FOSTER AT JENNE, SE	0	137,004	384,666	0	0	521,670	0
FOSTER RD FASTLINK, SE	0	0	0	0	0	0	0
GATEWAY REGIONAL CENTER, NE	0	0	0	0	0	0	0
GOING ST BR. WIDENING & RET, N	0	0	0	50,000	158,840	208,840	1,842,053
GRAND AVE. BRIDGEHEADS,SE	0	0	0	500,000	0	500,000	0
INNER E. BURNSIDE,SE	0	0	0	0	0	0	0
JOHNSON CR: 32ND-45TH, PH2, SE	0	20,000	0	326,237	0	346,237	484,000
LENTS PED/BICYCLE ENHANCE, SE	0	0	74,263	0	0	74,263	0
LOMBARD: RIVERGATE - RAMSEY, N	0	0	0	0	0	0	0
LOMBARD: ST. JOHNS-COLUMBIA,N	0	0	0	0	0	0	0
LOVEJOY RAMP-NW	0	2,944,000	0	0	0	2,944,000	9,000,000
MARINE DR: COL SL-2.5 MI E, N	0	0	0	269,159	0	269,159	0
MLK AT COLUMBIA BLVD, NE	0	0	0	0	0	0	0
MLK Corridor Final Eng & Const	0	0	0	1,220,226	0	1,220,226	0
MLK: LOMBARD-COLUMBIA, NE	0	0	0	0	0	0	0
MULTNOMAH BL: BARBUR-45TH, SW	0	0	0	0	0	0	0
N MACADAM INFRASTRUCTURE, SW	0	0	0	0	0	0	0
NAITO PARKWAY: DAVIS-MARKET,SW	0	526,207	0	140,543	0	666,750	879,000
NORTH MALL REPAIR, NW	0	15,000	32,880	0	0	47,880	374,400
NW NAITO: 9TH TO STEEL BR -NW	0	0	0	1,495,091	700,000	2,195,091	0
OCC/LLOYD/MACADM DIST DEV NESW	0	75,040	0	0	0	75,040	0
ODOT DISTRICT HWYS. EVAL., C/N	0	0	0	0	0	0	0
POWELL/8th INTERSECTION,SE	0	0	0	0	0	0	0
PSU TRANSIT CENTER, SW	0	0	500,000	70,352	0	570,352	0
RATS PH I - STEEL BRIDGE NE/SW	0	0	0	150,000	589,433	739,433	3,562,000
RATS PH II - OCC DOCK, NE/SW	0	0	0	580,000	0	580,000	0
RATS PH III-OAKS PK DOCK,NE/SE	0	0	0	0	0	0	0
City of Portland, Oregon - FY 1998-99 Adopted Budget							

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Transportation and Parking

Office of Transportation Program / Subprogram / Project	General Fund	TRANS	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
RIGHT OF WAY OPPORTUNITIES,CW	0	0	0	0	0	0	0
RIVER DISTRICT - NW	0	100,000	0	0	0	100,000	0
S RVGT.RRO-PASS:LOM,BUR,COL, N	0	50,487	0	194,083	0	244,570	0
SANDY BLVD.-I-205 TO 101ST, NE	0	0	0	0	0	0	0
SANDY BLVD: 102ND - 121ST, NE	0	1,488	0	5,000	0	6,488	0
SANDY BV. 122ND-185TH,NE	0	0	0	0	0	0	0
SANDY BV.-STARK-BURNSIDE,SE/NE	0	0	0	0	0	0	0
SOUTH PORTLAND CIRC STUDY,SW	0	73,000	0	0	0	73,000	0
STREETCAR PLANNING	0	35,000	0	0	35,000	70,000	0
TACOMA MAIN STREET, SE	0	0	0	0	0	0	0
UPRR GRADE CROSSINGS, SE	0	0	0	0	0	0	51,000
WESTERN EDGE, SE	0	0	0	0	0	0	0
<i>Subtotal</i>	0	5,271,868	1,245,954	5,056,940	1,483,273	13,058,035	17,299,653
Total Street Improvement Program	0	5,271,868	1,245,954	5,056,940	1,483,273	13,058,035	17,299,653
Facilities Program							
<u>Facilities Program</u>							
KERBY/ALBINA FACILITY, N	0	0	0	0	0	0	0
MAJOR NEW EQUIPMENT, CW	0	0	0	0	0	0	0
SATELLITE FACILITIES, CW	0	0	0	0	0	0	0
<i>Subtotal</i>	0	0	0	0	0	0	0
Total Facilities Program	0	0	0	0	0	0	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Transportation and Parking

Office of Transportation Program / Subprogram / Project	General Fund	TRANS	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Pedestrian Program							
<u>Pedestrian Program</u>							
102 AVE: BRAZEE-SANDY, NE	0	0	0	0	0	0	0
35TH: LURADEL-DICKINSON, SW	0	0	0	0	0	0	0
82 AVE: DUKE-CLATSOP, SE	0	0	0	0	0	0	0
ALBERTA MAIN STREET	0	0	0	419,182	0	419,182	0
B-H HWY: CAPITOL-60TH, SW	0	0	0	0	0	0	0
BARBUR: SHERIDAN-FRONT SW	0	0	0	0	0	0	0
BELMONT SE	0	0	0	0	0	0	0
BURNSIDE: TICHNER TO SKY,NW	0	0	0	0	0	0	0
CAP HWY: PHASE 2, SW	0	0	0	0	0	0	0
CAP HWY:HILLSDALE/MULT VIL,SW	0	300,000	0	0	0	300,000	0
CAP HWY:W PORT/MULT VILLAGE,SW	0	0	0	0	0	0	0
CAP HWY:WEST OF TERWILLIGER,SW	0	0	0	0	0	0	0
CENTRAL CITY PED ENHANCEMT.,CC	0	0	0	0	0	0	0
CULLY:KILLINGSWORTH-PRESCOTT,N	0	0	0	0	0	0	0
DIVISION ST: GRAND -136TH, SE	0	0	0	0	0	0	0
FREMONT: 42ND-52ND,NE	0	0	0	0	0	0	0
GATEWAY PED DISTRICT, NE	0	0	0	0	0	0	0
HALSEY: 122ND TO 162ND PED, NE	0	0	0	0	0	0	0
HAWTHORNE: GRAND-55TH, SE	400,000	50,000	0	150,000	0	600,000	0
HILLSDALE PEDESTRIAN DISTRICT	0	0	0	820,580	0	820,580	0
HOLLYWOOD PED DISTRICT NE	0	0	0	0	0	0	0
KILLINGSWORTH PED DIST NE	0	0	0	0	0	0	0
KILLINGSWORTH: 42ND-CULLY, NE	0	0	0	0	0	0	0
MULTNOMAH VILLAGE PED DIST, SW	0	153,520	123,943	96,480	0	373,943	0
PED ACCESS TO TRANSIT, 3&4, CW	0	0	0	100,000	0	100,000	0
PED CAP PROJ DEVEL CW	0	0	0	0	0	0	0
PED CROSSING PROJECTS, CW	0	175,000	0	0	0	175,000	0
PED DEFICIENCY SPOT IMPROV,CW	0	50,000	0	0	0	50,000	0
ST JOHNS PED DISTRICT N	0	0	0	0	0	0	0
VENTURA PARK PED DIST NE/SE	0	0	0	0	0	0	0
WOODSTOCK: 39TH TO 49TH	0	0	0	200,000	0	200,000	0
Subtotal	400,000	728,520	123,943	1,786,242	0	3,038,705	0
Total Pedestrian Program	400,000	728,520	123,943	1,786,242	0	3,038,705	0
Street Improvement Program							
<u>Local Commercial-Industrial Streets</u>							
COMM/INDUSTRIAL PRGM, CW	0	69,830	261,946	0	0	331,776	3,105,000
DEFICIENCY CORRECTIONS PRGM,CW	0	100,000	0	0	0	100,000	0
LOWER ALBINA OVERCROSSING, NE	0	25,000	0	0	264,580	289,580	4,000,000
Subtotal	0	194,830	261,946	0	264,580	721,356	7,105,000
Total Street Improvement Program	0	194,830	261,946	0	264,580	721,356	7,105,000

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Transportation and Parking

Office of Transportation Program / Subprogram / Project	General Fund	TRANS	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Street Improvement Program							
<u>Local Neighborhood Streets</u>							
48TH:MITCHELL-RAYMOND, SE	0	0	0	0	3,413	3,413	0
55TH/AINSWORTH, NE	0	0	0	0	4,712	4,712	40,000
E PORTLAND DEVELOPMENT FUND	0	0	0	0	0	0	0
EVANS/19TH, SW	0	0	0	0	12,348	12,348	128,500
HCD - STREET DESIGN, NI	0	0	0	0	58,974	58,974	0
HCD REPLACEMENT CAPITAL, NI	0	24,367	0	0	0	24,367	0
I&D SUBSIDY, NI	0	60,000	0	0	0	60,000	0
LID - STREET DESIGN, NI	0	28,500	0	0	238,920	267,420	0
MINOR PERMIT STREETS PRGM, CW	0	33,932	107,451	0	0	141,383	511,500
Neighborhoods Enhancement	0	90,000	0	0	759,791	849,791	0
NW 18TH/19TH DECOUPLE, NW	0	0	0	0	0	0	0
NW EVERETT GLISAN DECOUPLE	0	0	0	0	0	0	0
PRE-LID'S, NI	0	104,364	0	0	0	104,364	0
RIVER PARKWAY, SW	0	0	0	0	0	0	0
SUBDIVISION STREET PROGRAM, CW	0	46,740	287,118	0	0	333,858	3,780,000
SUBSTANDARD STREET PROGRAM	0	19,895	51,121	0	0	71,016	0
TEXAS/26-29TH, SW	0	0	0	0	57,352	57,352	705,500
<i>Subtotal</i>	0	407,798	445,690	0	1,135,510	1,988,998	5,165,500
Total Street Improvement Program	0	407,798	445,690	0	1,135,510	1,988,998	5,165,500
Traffic Management Program							
<u>Traffic Safety</u>							
102ND AVE CORR SAFETY, NE/SE	0	0	0	0	0	0	0
26TH/REGENTS, NE	0	0	0	0	0	0	0
39TH AVE CORRIDOR SAFETY NE/SE	0	0	0	0	0	0	0
60TH AVE CORRIDOR SAFETY NE/SE	0	0	0	0	0	0	0
82ND AVE HEP MATCH, NE/SE	0	0	0	0	0	0	0
BURNSIDE/SKYLINE INTERSECT, W	0	0	0	0	0	0	0
DESTINATION SIGNING, CW	0	0	0	0	0	0	0
EVERETT ST CORR SAFETY, NW	0	0	0	0	0	0	0
FUTURE HEP MATCH	0	0	0	0	0	0	0
GARDEN HOME RD/MULT SIGNAL, SW	0	0	0	0	0	0	0
INTERSECTION SAFETY IMPROV, NI	0	0	0	0	0	0	0
LOMBARD(SJHNS-MLK)HEP MATCH,N	0	0	0	0	0	0	0
LOMBARD/PENINSULAR INTERS, N	0	0	0	0	0	0	0
LOMBARD/PORTSMOUTH INTERS, N	0	0	0	0	0	0	0
MARINE DR/122ND AVE, NE	0	0	0	0	0	0	0
MARINE DR/33RD AVE, NE	0	0	0	0	0	0	0
MARKET/1ST INTERS, SW	0	25,011	0	0	0	25,011	0
SANDY/BRNSD-33RD HEP MATCH, NE	0	0	0	0	0	0	0
SPOT SAFETY IMPROVEMENTS, CW	0	50,000	0	0	0	50,000	0
STARK/WASH CORRIDOR SAFETY, SE	0	405,000	0	0	0	405,000	0
TRAFFIC OPERATIONS IMPROV, CW	0	0	0	0	0	0	0
<i>Subtotal</i>	0	480,011	0	0	0	480,011	0
Total Traffic Management Program	0	480,011	0	0	0	480,011	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Transportation and Parking

Office of Transportation Program / Subprogram / Project	General Fund	TRANS	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Traffic Management Program							
<u>Intelligent Transportation Systems</u>							
82ND ITS CORRIDOR, NE/SE	0	0	0	0	0	0	0
ATMS INTEGRATION, CW	0	0	0	0	0	0	0
BARBUR BLVD ITS CORRIDOR,SW	0	0	0	0	0	0	0
EXPAND CITYWIDE SIG SYS, CW	0	200,000	0	0	0	200,000	0
MLK/INTERSTATE ITS CORRIDOR,NE	0	0	0	0	0	0	0
SAFER BOND (ITS PACKAGE), CW	0	0	0	0	0	0	0
SAFER BOND (OPTICOM), CW	0	0	0	0	0	0	0
SANDY ITS CORRIDOR, NE	0	0	0	0	0	0	0
TRAFFIC SIGNAL RETIMING, CW	75,230	0	0	0	0	75,230	0
TRANSIT SIGNAL PRIORITY, NI	0	50,000	0	0	0	50,000	100,000
<i>Subtotal</i>	75,230	250,000	0	0	0	325,230	100,000
Total Traffic Management Program	75,230	250,000	0	0	0	325,230	100,000
Preservation & Rehab Program							
<u>Traffic Signals</u>							
CORRECT NONSTANDARD SIGNALS,NI	0	0	0	0	0	0	0
SIGNAL REMODELS FOR MAINT.,NI	0	0	0	0	0	0	0
SIGNAL SAFETY REMODELS, NI	0	0	0	0	0	0	0
<i>Subtotal</i>	0	0	0	0	0	0	0
Total Preservation & Rehab Program	0	0	0	0	0	0	0
Preservation & Rehab Program							
<u>Structures</u>							
138TH OVER CLOUMBIA SLOUGH NE	0	0	0	27,205	0	27,205	0
BURGARD BRIDGE REMOVAL, N	0	0	0	0	0	0	0
BYBEE BLVD OVER MCLOUGHLIN, SE	0	0	0	0	0	0	0
SEISMIC RETROFIT - 33RD AVE NE	0	0	0	0	0	0	0
SEISMIC RETROFIT - 33RD NE	0	0	0	0	0	0	0
SEISMIC RETROFIT - HALSEY NE	0	0	0	0	0	0	0
SEISMIC RETROFIT-33RD AVE NE	0	0	0	0	0	0	0
SEISMIC RETROFIT-42ND AVE NE	0	0	0	0	0	0	0
SEISMIC RETROFIT-47TH NE	0	0	0	0	0	0	0
SEISMIC RETROFIT-BYBEE BLVD SE	0	0	0	0	0	0	0
SEISMIC RETROFIT-CAPITOL HW SW	0	0	0	0	0	0	0
SEISMIC RETROFIT-COL BLVD E, N	0	0	0	0	0	0	0
SEISMIC RETROFIT-COL BLVD W,N	0	0	0	0	0	0	0
SEISMIC RETROFIT-GOING PD OP N	0	0	0	0	0	0	0
SEISMIC RETROFIT-INTERSTATE N	0	0	0	0	0	0	0
SEISMIC RETROFIT-KITTRIDGE NW	0	0	0	0	0	0	0
SEISMIC RETROFIT-VANCOUVER N	0	0	0	0	0	0	0
THURMAN ST BRIDGE, NW	0	0	0	0	0	0	0
VANCOUVER AT COLUMBIA SL, N	0	0	0	0	0	0	0
WILLAMETTE BLVD LANDSLIDE	0	15,000	0	0	0	15,000	0
<i>Subtotal</i>	0	15,000	0	27,205	0	42,205	0
Total Preservation & Rehab Program	0	15,000	0	27,205	0	42,205	0

City of Portland, Oregon - FY 1998-99 Adopted Budget

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Transportation and Parking

Office of Transportation Program / Subprogram / Project	General Fund	TRANS	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Preservation & Rehab Program							
<u>Street Lighting</u>							
CONVERSION TO H.P. SODIUM, NI	65,000	0	0	0	0	65,000	0
M.L.KING VIADUCT LIGHTING, SE	0	0	0	0	0	0	0
<i>Subtotal</i>	65,000	0	0	0	0	65,000	0
Total Preservation & Rehab Program	65,000	0	0	0	0	65,000	0
Street Improvement Program							
<u>Street Lighting System</u>							
3RD AV TWINS, WASH-MADISON, SW	0	0	0	0	0	0	0
3RD AV. TWINS, BURNS.-WASH, SW	372,000	0	0	0	0	372,000	0
9TH & PARK: BURNSIDE-MORR., SW	145,000	0	0	0	145,000	290,000	0
CEID-MLK	0	0	0	0	0	0	0
LENTS LIGHTING	0	0	0	0	0	0	0
NE ALBERTA ST. NODE LIGHTING	0	0	0	0	0	0	0
NORTH MACADAM	0	0	0	0	0	0	0
RIVER DISTRICT PUBLIC LIGHTING	0	0	0	0	0	0	0
<i>Subtotal</i>	517,000	0	0	0	145,000	662,000	0
Total Street Improvement Program	517,000	0	0	0	145,000	662,000	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Transportation and Parking

Office of Transportation Program / Subprogram / Project	General Fund	TRANS	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Traffic Management Program							
<u>Traffic Calming</u>							
32nd/33rd/Hassalo	0	0	0	0	0	0	0
ELEMENTARY SCHOOL BEACONS, NI	0	50,954	0	0	0	50,954	0
ELEMENTARY SCHOOL SAFETY, NI	199,046	227,782	0	0	0	426,828	0
MIDDLE SCHOOL SAFETY, NI	0	0	0	0	0	0	0
N AINSWORTH ST:INTS-VNCR TCP,N	0	70,500	0	0	0	70,500	0
N ALBINA AVE:KLNGS-LMBD TCP,N	0	70,500	0	0	0	70,500	0
N FREMONT ST:MSSRI-VNCR TCP,N	0	0	0	0	0	0	0
N VANCOUVER;SKID-KLNGS TCP,N	0	0	0	0	0	0	0
N WALL AVE:FESSDN-LMBD TCP,N	0	0	0	0	0	0	0
N WILLAMETTE BLVD TCP, N	0	0	0	0	0	0	0
NE 32ND/33RD/HASSALO TCP, NE	0	258,000	0	0	0	258,000	0
NE 60TH AVE:KLNS-PRSC TCP,NE	0	0	0	0	0	0	0
NE 72ND AVE:KLNS-PRES TCP,NE	0	0	0	0	0	0	0
NE 7TH AVE:FREMNT-PRES TCP,NE	0	0	0	0	0	0	0
NE FREMONT:102ND-112TH TCP,NE	0	0	0	0	0	0	0
NE FREMONT:112th-122nd TCP, NI	0	0	0	0	0	0	0
NE KNOTT ST:15TH-33RD TCP, NE	0	0	0	0	0	0	0
NE KNOTT ST:MLK-15TH TCP,NE	0	0	0	0	0	0	0
NE SHAVER ST:122D-141ST TCP,NE	0	0	0	0	0	0	0
NEW TCP DEVICES, NI	0	0	0	0	0	0	0
SE 112TH AVE/110TH DR:FS-FV,SE	0	0	0	0	0	0	0
SE 128TH AVE:HARLD-FSTR TCP,SE	0	0	0	0	0	0	0
SE 139TH AVE:STRK-DIVS TCP,SE	0	0	0	0	0	0	0
SE 26TH AVE:HOLGT-STELE TCP,SE	0	0	0	0	0	0	0
SE 41ST AVE:WDSTK-STLE TCP,SE	0	0	0	0	0	0	0
SE 52ND AVE:DIV-POWL TCP, SE	0	0	0	0	0	0	0
SE 92ND AVE:DIV-PWL,TCP,SE	0	0	0	0	0	0	0
SE FLAVEL ST:112-DERDF TCP,SE	0	0	0	0	0	0	0
SE HAWTHRONE BLVD;50-60 TCP,SE	0	0	0	0	0	0	0
SE MAIN ST:162ND-182ND TCP,SE	0	0	0	0	0	0	0
SE WOODSTOCK BLVD:52-72 TCP,SE	0	0	0	0	0	0	0
STREAMLINED BUMP PROJECTS, NI	0	140,000	0	0	0	140,000	0
SW 55TH AVE:TYLFR-POMO TCP,SW	0	0	0	0	0	0	0
SW BARNES RD:BURNS-SKY TCP, SW	0	0	0	0	0	0	0
SW HUBER ST:25TH-35TH TCP,SW	0	0	0	0	0	0	0
SW TERWILLIGER BLVD:BF-PLT,SW	0	0	0	0	0	0	0
SW VERMONT ST;30TH-45TH TCP,SW	0	0	0	0	0	0	0
VANCOUVER/WILLIAMS DECOUPLE,N	0	0	0	0	0	0	0
Subtotal	199,046	817,736	0	0	0	1,016,782	0
Total Traffic Management Program	199,046	817,736	0	0	0	1,016,782	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Transportation and Parking

Office of Transportation Program / Subprogram / Project	General Fund	TRANS	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Street Improvement Program							
<u>Neighborhood Collectors</u>							
102ND: SANDY-KILLINGSWORTH, NE	0	0	0	0	0	0	0
109th: SANDY-KILLINGSWORTH, NE	0	0	0	0	0	0	0
158TH: MARINE DR- SANDY BLVD NE	0	44,400	0	0	4,619	49,019	200,000
17TH AVE AT OCHOCO, SE	0	0	0	23,556	0	23,556	64,734
33RD AVE TRAFFIC CALMING, NE	0	0	0	0	0	0	0
47TH/COLUMBIA-CORNFOOT, NE	0	0	0	0	0	0	0
ALDERWOOD ST: 82ND-CLARK, NE	0	0	0	0	0	0	0
ALDERWOOD/CORNFOOT, NE	0	0	0	0	0	0	0
ARGYLE: MLK-14TH PL, NE	0	0	0	0	0	0	0
BELMONT MORRISON DECOUPLE, SE	0	40,000	0	0	0	40,000	0
CORNFOOT: 47TH-AIRTRANS WY, NE	0	0	0	0	0	0	0
DOSCH RD: PATTON TO B/H, SW	0	0	0	0	0	0	0
GARDEN HOME OLESON-MULT., SW	0	0	0	0	0	0	0
GARDEN HOME: MULT-74TH, SW	0	0	0	0	0	0	0
GATEWAY TRANSPORTATION PLAN, NE	0	0	0	0	0	0	0
HAWTHORNE FASTLINK, SE	0	0	0	0	0	0	0
JENNE/174TH: FOSTER-POWELL, SE	0	0	0	0	0	0	0
KILLINGSWORTH ST: 102-109, NE	0	0	0	0	0	0	0
LENTS TRANSPORTATION PLAN, SE	0	0	0	50,000	0	50,000	0
MARX DR: 82ND-87TH, NE	0	0	0	0	0	0	0
MCLOUGHLIN NEIGHBORHOOD, SE	0	100,000	0	0	0	100,000	0
NW TRAFFIC CIRC. PH 2, NW	0	0	0	0	0	0	0
PALATINE ST: 27-LANCASTER, SW	0	0	0	0	0	0	0
SOUTHERN TRIANGLE CIRC IMP., SE	0	0	0	0	0	0	0
TACOMA: 28TH-32ND, SE	0	0	0	0	0	0	0
THURMAN-VAUGHN CORRIDOR, NW	0	0	0	0	0	0	0
UNION STATION MULTI-MODAL CTR	0	0	0	0	0	0	0
WATER AVE EXTENSION, SE	0	0	0	0	57,522	57,522	1,000,000
<i>Subtotal</i>	0	184,400	0	73,556	62,141	320,097	1,264,734
Total Street Improvement Program	0	184,400	0	73,556	62,141	320,097	1,264,734
Grand Total Office of Transportation	1,749,276	16,021,429	2,077,533	8,499,442	3,090,504	31,438,184	32,804,887

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Transportation and Parking

Bureau of General Services Program / Subprogram / Project	General Fund	BGS	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
General Services/Parking							
<u>Parking Facilities</u>							
Correct Drainage @ Third and Alder	0	70,000	0	0	0	70,000	0
First and Jefferson Roof Deck Coating	0	0	0	0	0	0	0
Interior maintenance at Parking Garages	0	268,000	0	0	0	268,000	0
Lighting System at Parking Garages	0	46,000	0	0	0	46,000	0
Maintain Exteriors at Parking Garages	0	0	0	0	0	0	0
Paint Exterior of Third and Alder	0	0	0	0	0	0	0
Parking Information System Study	0	50,000	0	0	0	50,000	0
Rebuild Stairwell Walls at Naito & Davis	0	33,000	0	0	0	33,000	0
Repaint Steel Flooring at Tenth and Yamhill	0	0	0	0	0	0	0
Replace Stair Treads at First and Jefferson	0	0	0	0	0	0	0
Second Floor Deck Coating	0	0	0	0	0	0	0
Upgrade Elevators at Naito and Davis	0	0	0	0	0	0	0
<i>Subtotal</i>	0	467,000	0	0	0	467,000	0
Total General Services/Parking	0	467,000	0	0	0	467,000	0

Bureau of General Services Program / Subprogram / Project	General Fund	BGS	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
General Services/Transportation							
Traffic Signals	347,000	0	0	0	0	347,000	0
<i>Subtotal</i>	347,000	0	0	0	0	347,000	0
Total General Services/Transportation	347,000	0	0	0	0	347,000	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Operating and Maintenance (CB Table 3)**

Capital System - Transportation and Parking

Office of Transportation Program / Subprogram / Project	Five-Year Costs	Fiscal Year FY98-99	Five Year Costs/Savings			
			Revenue Generated (-)	Oper / Maint Costs (+)	Oper / Maint Savings (-)	Net Finan. Impact
Traffic Management Program						
<u>Traffic Signal System</u>						
CLAY/2ND NEW PED/VEH SIGNAL,SW	100,000	0	0	1,800	0	1,800
<i>Subtotal</i>	100,000	0	0	1,800	0	1,800
Total Traffic Management Program	100,000	0	0	1,800	0	1,800
Street Improvement Program						
<u>Regional Trafficway</u>						
SUNSET HIGHWAY SUPPORT, SW	159,506	49,506	0	42,102	0	42,102
<i>Subtotal</i>	159,506	49,506	0	42,102	0	42,102
Total Street Improvement Program	159,506	49,506	0	42,102	0	42,102
Transit Program						
<u>Major Transit Streets</u>						
CC STREETCAR - SE,SW,NE,NW	39,553,096	7,168,896	0	12,300	0	12,300
<i>Subtotal</i>	39,553,096	7,168,896	0	12,300	0	12,300
Total Transit Program	39,553,096	7,168,896	0	12,300	0	12,300
Street Improvement Program						
<u>Major Traffic Streets</u>						
AIRPORT WAY, NE	93,698	33,698	0	30,000	0	30,000
<i>Subtotal</i>	93,698	33,698	0	30,000	0	30,000
Total Street Improvement Program	93,698	33,698	0	30,000	0	30,000
Street Improvement Program						
<u>Major Traffic Streets</u>						
NORTH MALL REPAIR, NW	47,880	47,880	0	11,778	0	11,778
LOVEJOY RAMP-NW	2,944,000	2,944,000	0	126,460	0	126,460
COLUMBIA/LOMB: RVGT. S. ENT, N	72,516	72,516	0	21,812	0	21,812
NAITO PARKWAY: DAVIS-MARKET,SW	871,750	666,750	0	20,554	0	20,554
JOHNSON CR: 32ND-45TH, PH2, SE	175,024	74,024	0	9,805	0	9,805
S RVGT.RRO-PASS:LOM,BUR,COL, N	3,678,420	244,570	0	10,008	0	10,008
MARINE DR: COL SL-2.5 MI E, N	269,159	269,159	0	45,925	0	45,925
SANDY BLVD: 102ND - 121ST, NE	6,488	6,488	0	2,996	0	2,996
FOSTER AT JENNE, SE	539,160	521,670	0	8,309	0	8,309
CHERRY ST. MODIFICATIONS, N	340,000	0	0	2,000	0	2,000
MLK AT COLUMBIA BLVD, NE	194,866	0	0	541	0	541
FOSTER AT BARBARA WELCH, SE	1,000,000	0	0	8,617	0	8,617
BARBUR: NAITO PKWY-HAMILTON,SW	11,586	11,586	0	4,007	0	4,007
FOSTER AT 162ND, SE	1,412,299	1,266,789	0	10,669	0	10,669
MLK Corridor Final Eng & Const	1,220,226	1,220,226	0	7,277	0	7,277
82: WEBSTER-HOLMAN, NE	855,371	0	0	16,915	0	16,915
<i>Subtotal</i>	13,638,745	7,345,658	0	307,673	0	307,673
Total Street Improvement Program	13,638,745	7,345,658	0	307,673	0	307,673

City of Portland, Oregon FY 1998-99 Adopted Budget

CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Operating and Maintenance (CB Table 3)

Capital System - Transportation and Parking

Office of Transportation Program / Subprogram / Project	Five-Year Costs	Fiscal Year FY98-99	Five Year Costs/Savings			
			Revenue Generated (-)	Oper / Maint Costs (+)	Oper / Maint Savings (-)	Net Finan. Impact
Street Improvement Program						
<u>Major Traffic Streets</u>						
JOHNSON CR: 32ND-45TH, PH2, SE	399,213	272,213	0	9,805	0	9,805
<i>Subtotal</i>	399,213	272,213	0	9,805	0	9,805
Total Street Improvement Program	399,213	272,213	0	9,805	0	9,805
Pedestrian Program						
<u>Pedestrian Program</u>						
MULTNOMAH VILLAGE PED DIST, SW	373,943	373,943	0	3,542	0	3,542
CAP HWY:HILLSDALE/MULT VIL,SW	846,177	300,000	0	24,838	0	24,838
<i>Subtotal</i>	1,220,120	673,943	0	28,380	0	28,380
Total Pedestrian Program	1,220,120	673,943	0	28,380	0	28,380
Street Improvement Program						
<u>Local Commercial-Industrial Streets</u>						
COMM/INDUSTRIAL PRGM, CW	1,598,776	331,776	0	17,184	0	17,184
LOWER ALBINA OVERCROSSING, NE	289,580	289,580	0	25,746	0	25,746
<i>Subtotal</i>	1,888,356	621,356	0	42,930	0	42,930
Total Street Improvement Program	1,888,356	621,356	0	42,930	0	42,930
Street Improvement Program						
<u>Local Neighborhood Streets</u>						
SUBDIVISION STREET PROGRAM, CW	1,705,858	333,858	0	34,064	0	34,064
Neighborhoods Enhancement	939,791	849,791	0	1,940	0	1,940
<i>Subtotal</i>	2,645,649	1,183,649	0	36,004	0	36,004
Total Street Improvement Program	2,645,649	1,183,649	0	36,004	0	36,004
Traffic Management Program						
<u>Traffic Safety</u>						
STARK/WASH CORRIDOR SAFETY, SE	405,000	405,000	0	316	0	316
MARKET/1ST INTERS, SW	125,011	25,011	0	71	0	71
<i>Subtotal</i>	530,011	430,011	0	387	0	387
Total Traffic Management Program	530,011	430,011	0	387	0	387
Traffic Management Program						
<u>Intelligent Transportation Systems</u>						
EXPAND CITYWIDE SIG SYS, CW	1,300,000	200,000	0	5,000	0	5,000
TRANSIT SIGNAL PRIORITY, NI	800,000	50,000	0	3,000	0	3,000
<i>Subtotal</i>	2,100,000	250,000	0	8,000	0	8,000
Total Traffic Management Program	2,100,000	250,000	0	8,000	0	8,000

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Operating and Maintenance (CB Table 3)**

Capital System - Transportation and Parking

Office of Transportation Program / Subprogram / Project	Five-Year Costs	Fiscal Year FY98-99	Five Year Costs/Savings			
			Revenue Generated (-)	Oper / Maint Costs (+)	Oper / Maint Savings (-)	Net Finan. Impact
Preservation & Rehab Program						
<u>Street Lighting</u>						
CONVERSION TO H.P. SODIUM, NI	180,000	65,000	0	0	-10,971	-10,971
M.L.KING VIADUCT LIGHTING, SE	40,000	0	0	1,035	0	1,035
<i>Subtotal</i>	220,000	65,000	0	1,035	-10,971	-9,936
Total Preservation & Rehab Program	220,000	65,000	0	1,035	-10,971	-9,936
Street Improvement Program						
<u>Street Lighting System</u>						
3RD AV. TWINS, BURNS.-WASH, SW	372,000	372,000	0	5,589	0	5,589
3RD AV TWINS, WASH-MADISON, SW	450,000	0	0	7,452	0	7,452
9TH & PARK: BURNSIDE-MORR., SW	290,000	290,000	0	6,624	0	6,624
LENTS LIGHTING	150,000	0	0	1,076	0	1,076
<i>Subtotal</i>	1,262,000	662,000	0	20,741	0	20,741
Total Street Improvement Program	1,262,000	662,000	0	20,741	0	20,741
Traffic Management Program						
<u>Traffic Calming</u>						
STREAMLINED BUMP PROJECTS, NI	700,000	140,000	0	25,000	0	25,000
<i>Subtotal</i>	700,000	140,000	0	25,000	0	25,000
Total Traffic Management Program	700,000	140,000	0	25,000	0	25,000
Street Improvement Program						
<u>Neighborhood Collectors</u>						
158TH:MARINE DR- SANDY BLVD NE	99,019	49,019	0	4,233	0	4,233
TACOMA: 28TH-32ND, SE	640,730	0	0	2,859	0	2,859
47TH/COLUMBIA-CORNFOOT, NE	2,851,617	0	0	5,012	0	5,012
WATER AVE EXTENSION, SE	57,522	57,522	0	30,764	0	30,764
KILLINGSWORTH ST: 102-109, NE	187,089	0	0	5,481	0	5,481
17TH AVE AT OCHOCO, SE	23,556	23,556	0	265	0	265
DOSCH RD: PATTON TO B/H, SW	259,000	0	0	438	0	438
<i>Subtotal</i>	4,118,533	130,097	0	49,052	0	49,052
Total Street Improvement Program	4,118,533	130,097	0	49,052	0	49,052
<u>Grand Total Office of Transportation</u>	68,628,927	19,026,027	0	615,209	-10,971	604,238



Capital Improvement Service Area Overview

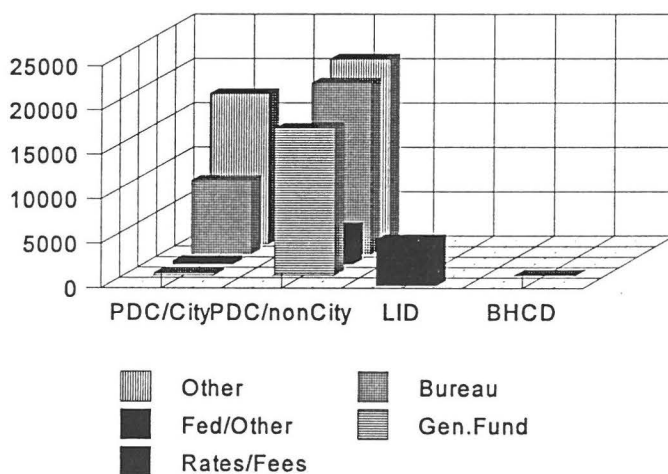
COMMUNITY DEVELOPMENT & SERVICES SERVICE AREA

Fiscal Year 1998-99 to 2002-03

The total service area is \$30,961,012 including Portland Development Commission's (PDC) projects (totaling approximately \$25.8 million) that are a part of the City's asset base. PDC will also undertake projects totaling \$61 million that are not a part of the City's assets that include housing projects which are partially funded by City funds. Local Improvement Districts (LIDs) account for \$5.1 million of the Community Development and Services service area. Finally, a project costing \$20,000 will be completed in FY 1998-99 by the Bureau of Housing and

Community Development (BHCD) for the Kennedy School community gardens.

FY 1998-99 CIP by Funding Source
(thousands of \$)



Portland Development Commission (PDC)

The Portland Development Commission (PDC) was created as a City agency in 1958 by Portland voters to deliver projects and programs, which achieve the city's housing, economic development and redevelopment priorities and link citizens to jobs. The governing body is a five-member commission, appointed by the Mayor and approved by the City Council.

PDC states its mission as:

"Our mission is to bring together community resources to achieve Portland's vision of a vital economy with healthy neighborhoods and quality jobs for all citizens."

In carrying out City policy PDC has developed and managed projects and programs which have played a major role in keeping Portland one of America's most livable cities. During the past 40 years PDC has taken forward nine urban renewal plans, has worked extensively in Portland's neighborhoods to deliver a broad range of housing and neighborhood improvement programs, and has carried out a comprehensive range of economic development programs aimed at creating jobs for city residents. The linkages among these efforts and the integration of services set PDC apart and ensures that true efficiencies are achieved.

The Portland Development Commission Capital Improvement Program (CIP) is directed towards: 1) producing and preserving affordable housing for single- and multi-family dwellings,

2) stimulating job creation and retention that link jobs to city residents, 3) comprehensive planning and project development for the revitalization of the downtown and neighborhood areas.

The Portland Development Commission's FY 1998-99 capital budget includes 47 projects totaling \$86,475,646. Of this amount, \$25,791,012 contribute to the City's asset base, and \$60,684,634 are non-City assets. The City General Fund contribution for FY 1998-99 is almost entirely dedicated to multi-family housing projects which are non-City assets. The total in FY 1998-99 for housing is \$15,201,283 -- \$6,000,000 of which will be added to the City budget in the fall supplemental budget process. General Fund special appropriations also contribute to PDC a total of \$242,352 which are included in the total City budget but not identified as capital projects in Volume One of the FY 1998-99 Adopted Budget.

Listed below is a breakdown by fund source of the revenue categories that make up the CIP budget.

Funding Source	Amount
Beginning Fund Balance	\$17,676,612
Cash Transfer In	732,434
Federal and Other Grants	4,495,275
City General Fund	7,520,091
Housing Investment Fund	9,201,283
Private Funding	3,161,000
Program Income	4,007,906
Service Reimbursement	1,963,338
Tax Increment Debt Proceeds	<u>37,717,707</u>
Total Sources	\$86,475,646

PDC has historically used the annual update to the Five Year Business Plan as a foundation for the CIP. The Five Year Business Plan is the Commission's multi-year resource allocation plan that allows PDC to prudently project revenues and expenditures for eight target areas and two program areas in Portland's business districts and neighborhoods. The plan is updated in conjunction with community partners and is adopted by the commission each fall. In FY 1997-98, however, the update of the plan was replaced with the work of allocating additional tax increment resources in urban renewal areas, a consequence of the implementation requirements of Measure 50. This urban renewal work involved the community, City Council, and other City bureaus and is incorporated in this document. The previous Five Year Plan numbers could not be used for the CIP since Measure 50 made the numbers inaccurate. PDC plans to update its Five Year Business Plan in the summer of 1998 and to update this planning document annually as a basis for future budgets and CIP's.

Some of PDC's projects can contribute to both City and non-City assets. For example, the Airport Way/Columbia Corridor Project's transportation improvement component adds to the Office of Transportation's infrastructure of the city, while the light rail development component of the project is to be built and owned by Tri-Met, the regional transportation agency.

Listed below are total combined annual project costs. For more detail with regard to further breakdowns, please see the attached tables.

Jobs Program

Maintain a strong economic climate through encouraging the development of a diverse and sufficient supply of jobs, especially family wage jobs, in appropriate locations. Utilize a target industry approach focusing retention, recruitment, and expansion in order to broaden and diversity the region's industrial base.

Goals:

- * Create/Retain 1,700 jobs within the city during FY 1998-99
- * Create 1,000 to 1,500 jobs within the Airport Way Urban Renewal District of three years

Major capital projects in the FY 1998-99 Adopted Budget

- | | |
|--|-------------|
| * Airport Way Light Rail Development | \$6,000,000 |
| * Airport Way Land Acquisition & Development | \$5,200,000 |

Housing:

Provide a diverse range of housing types with specific goals for low- and moderate-income and market rate housing, and provide for housing densities and projects supportive of a regional transportation system with designated centers and corridors. PDC efforts will focus on annual progress towards supporting the production of 55,000 housing units by 2014.

Goals:

- * Finance 1,984 rental units
- * Finance 475 home ownership and rehabilitate units

Major Capital projects in the FY 1998-99 Adopted Budget:

- | | |
|-----------------------------------|-------------|
| * Eastside Permanent Housing | \$6,000,000 |
| * Hamilton II Replacement Housing | \$6,200,000 |

Revitalization:

Redevelopment and reuse of lands used in the past or already used for commercial and industrial purposes in support of the 2040 goals for ensuring that the prospect of living, working, and doing business in those locations remains attractive to a wide range of households and employers.

Goals:

- * Facilitate the development and preservation of affordable mixed-income neighborhoods
- * Creation of a balanced transportation system, less dependent on the private automobile

Major capital projects in the FY 1998-99 Adopted Budget:

* Eastbank Park	\$5,000,000
* Convention Center area public site improvements	\$2,000,000
* Portland State University Urban Plaza	\$1,500,000

Information Technology:

The FY 1998-99 Capital Budget provides \$172,700 for improvements to PDC's financial and information systems. Currently, the Finance and Information Systems Department is undergoing a financial system conversion which includes these new systems: general ledger, budget, payroll, loan origination, accounts payable, and accounts receivable. In addition, upgrades are being made to records management and inter/intra net services.

Local Improvement Districts (LID)

The LID finances local infrastructure improvements, records and collects special assessments that result in local improvement projects and enforces City sidewalk, maintenance, and building codes. In addition, the program assists property owners by providing a variety of methods for paying special assessments in installments.

The size of the budget varies greatly depending on the level of demand by property owners for local street or sewer improvements, and by the level of regulatory work performed by the Bureaus of Buildings and Maintenance. For FY 1998-99, the total budget is \$5.1 million.

Bureau of Housing and Community Development (BHCD)

In conjunction with the Parks Bureau and the Portland Development Commission, BHCD will assist in the development of a new community garden at Kennedy School in the Concordia neighborhood. BHCD's portion of the project will cost \$20,000, funded by the General Fund.

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Community Development & Services

Portland Development Commission Program / Subprogram / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
CITY ASSET								
Neighborhood Commercial								
<u>Inner Northeast</u>								
Walnut Park Retail	NE	0	6,426	0	0	0	0	6,426
<i>Subtotal</i>		0	6,426	0	0	0	0	6,426
Total Neighborhood Commercial		0	6,426	0	0	0	0	6,426
Transportation/Transit								
<u>Airport Way/Columbia Corridor</u>								
Transportation Improvemt.	N	0	976,169	0	0	0	0	976,169
<i>Subtotal</i>		0	976,169	0	0	0	0	976,169
<u>Downtown</u>								
Community Park Blocks Street Impr.	CC	0	256,184	0	0	0	0	256,184
Old Town/China Town Streetscape Impr.	CC	0	458,677	0	0	0	0	458,677
River Parkway Realignment	CC	0	910,187	0	0	0	0	910,187
South Park Blocks - Cultural Center Parking	CC	0	665,882	0	0	0	0	665,882
Streetcar Streetscape Improve.	CC	0	659,009	0	0	0	0	659,009
Transit Mall Rehab	CC	0	842,299	0	0	0	0	842,299
<i>Subtotal</i>		0	3,792,238	0	0	0	0	3,792,238
<u>Lloyd District</u>								
Broadway/Weidler Infrastructu	NE	0	256,140	0	0	0	0	256,140
<i>Subtotal</i>		0	256,140	0	0	0	0	256,140
<u>North Macadam/South Waterfront</u>								
Public Parking Development	CC	0	0	0	0	0	0	0
Harrison St Extension	CC	0	230,214	0	0	0	0	230,214
Public Parking Development	CC	0	357,868	0	0	0	0	357,868
<i>Subtotal</i>		0	588,082	0	0	0	0	588,082
Total Transportation/Transit		0	5,612,629	0	0	0	0	5,612,629
Redevelopment Project Mgmt								
<u>North Macadam/South Waterfront</u>								
North Macadam Predevelopment	CC	0	149,700	0	0	0	0	149,700
<i>Subtotal</i>		0	149,700	0	0	0	0	149,700
Total Redevelopment Project Mgmt		0	149,700	0	0	0	0	149,700

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Community Development & Services

Portland Development Commission Program / Subprogram / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Public Facilities								
<u>Downtown</u>								
Portland State Univ. -- Urban Plaza	CC	0	2,659,578	0	0	0	0	2,659,578
<i>Subtotal</i>		0	2,659,578	0	0	0	0	2,659,578
<u>Lloyd District</u>								
Convention Center Public Imps.	NE	0	2,089,409	0	0	0	0	2,089,409
<i>Subtotal</i>		0	2,089,409	0	0	0	0	2,089,409
<u>River District/Old Town</u>								
Union Station - Public Site	CC	0	3,168,305	0	0	0	0	3,168,305
Union Station Restoration	CC	0	262,453	0	0	0	0	262,453
<i>Subtotal</i>		0	3,430,758	0	0	0	0	3,430,758
Total Public Facilities		0	8,179,745	0	0	0	0	8,179,745
Commercial/Industrial								
<u>North Macadam/South Waterfront</u>								
River Place Shore Restoration	CC	0	248,472	0	0	0	0	248,472
<i>Subtotal</i>		0	248,472	0	0	0	0	248,472
Total Commercial/Industrial		0	248,472	0	0	0	0	248,472
Parks And Open Space								
<u>Central Eastside</u>								
Eastbank Riverfront Park	CC	0	7,898,760	0	0	0	0	7,898,760
<i>Subtotal</i>		0	7,898,760	0	0	0	0	7,898,760
<u>North Macadam/South Waterfront</u>								
Greenway Development	CC	0	2,648,087	0	0	0	0	2,648,087
<i>Subtotal</i>		0	2,648,087	0	0	0	0	2,648,087
<u>River District/Old Town</u>								
Classical Chinese Garden	CC	0	1,047,193	0	0	0	0	1,047,193
<i>Subtotal</i>		0	1,047,193	0	0	0	0	1,047,193
Total Parks And Open Space		0	11,594,040	0	0	0	0	11,594,040
TOTAL CITY ASSET		0	25,791,012	0	0	0	0	25,791,012

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Community Development & Services

Bureau of Housing & Community Development Program / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Economic Development								
Community Garden at Kennedy School	NE	0	20,000	0	0	0	0	20,000
Total Economic Development		0	20,000	0	0	0	0	20,000
Grand Total Bureau of Housing & Community Development		0	20,000	0	0	0	0	20,000
Local Improvement Districts Program / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Local Improvement Districts								
Local Improvement Districts	N/A	0	5,150,000	5,000,000	5,000,000	5,000,000	5,000,000	25,150,000
Total Local Improvement Districts		0	5,150,000	5,000,000	5,000,000	5,000,000	5,000,000	25,150,000
Grand Total Local Improvement Districts		0	5,150,000	5,000,000	5,000,000	5,000,000	5,000,000	25,150,000

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Community Development & Services

Portland Development Commission Program / Subprogram / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
NON-CITY ASSET								
Multi Family Housing								
<u>Central Eastside</u>								
Eastside Permanent Housi	CC	0	6,000,000	0	0	0	0	6,000,000
Residential Conversion	CC	0	627,039	0	0	0	0	627,039
<i>Subtotal</i>		0	6,627,039	0	0	0	0	6,627,039
<u>Housing Programs</u>								
Rental Projects	N/	0	12,201,283	0	0	0	0	12,201,283
Rental Projects	N/	0	13,254,715	0	0	0	0	13,254,715
<i>Subtotal</i>		0	25,455,998	0	0	0	0	25,455,998
Total Multi Family Housing		0	32,083,037	0	0	0	0	32,083,037
Neighborhood Commercial								
<u>Central Eastside</u>								
MLK Street Improvements	CC	0	354,832	0	0	0	0	354,832
<i>Subtotal</i>		0	354,832	0	0	0	0	354,832
<u>Inner Northeast</u>								
MLK Blvd Improvements	NE	0	1,469,378	0	0	0	0	1,469,378
MLK Commercial Site Develop.	NE	0	1,342,717	0	0	0	0	1,342,717
<i>Subtotal</i>		0	2,812,095	0	0	0	0	2,812,095
<u>Lloyd District</u>								
Lloyd Land Acquisition & Devel	NE	0	1,110,104	0	0	0	0	1,110,104
<i>Subtotal</i>		0	1,110,104	0	0	0	0	1,110,104
Total Neighborhood Commercial		0	4,277,031	0	0	0	0	4,277,031
Transportation/Transit								
<u>Airport Way/Columbia Corridor</u>								
Airport Light Rail Dev.	N	0	6,567,365	0	0	0	0	6,567,365
<i>Subtotal</i>		0	6,567,365	0	0	0	0	6,567,365
<u>Downtown</u>								
Chinatown Parking/Develmt Site	CC	0	2,077,288	0	0	0	0	2,077,288
<i>Subtotal</i>		0	2,077,288	0	0	0	0	2,077,288
Total Transportation/Transit		0	8,644,653	0	0	0	0	8,644,653
Business Development								
<u>Airport Way/Columbia Corridor</u>								
Land Acquisition & Development	N	0	7,258,319	0	0	0	0	7,258,319
<i>Subtotal</i>		0	7,258,319	0	0	0	0	7,258,319
Total Business Development		0	7,258,319	0	0	0	0	7,258,319

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Community Development & Services

Portland Development Commission Program / Subprogram / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Redevelopment Project Mgmt								
<u>Lloyd District</u>								
Finance and Comm. Outreach	NE	0	171,988	0	0	0	0	171,988
<i>Subtotal</i>		0	171,988	0	0	0	0	171,988
<u>North Macadam/South Waterfront</u>								
North Macadam Predevelopment	CC	0	136,450	0	0	0	0	136,450
<i>Subtotal</i>		0	136,450	0	0	0	0	136,450
Total Redevelopment Project Mgmt		0	308,438	0	0	0	0	308,438
Public Facilities								
<u>River District/Old Town</u>								
Union Station - Public Site	CC	0	0	0	0	0	0	0
<i>Subtotal</i>		0	0	0	0	0	0	0
Total Public Facilities		0	0	0	0	0	0	0
Commercial/Industrial								
<u>Central Eastside</u>								
Central Eastside Redevelopment	CC	0	1,155,329	0	0	0	0	1,155,329
<i>Subtotal</i>		0	1,155,329	0	0	0	0	1,155,329
<u>Downtown</u>								
Horsebarn Site Redevelopment	CC	0	335,003	0	0	0	0	335,003
Simon Benson House	CC	0	358,362	0	0	0	0	358,362
<i>Subtotal</i>		0	693,365	0	0	0	0	693,365
<u>Lloyd District</u>								
Convention Center - Headquarters Hotel De	NE	0	0	0	0	0	0	0
Headquarters Hotel Dev	NE	0	93,781	0	0	0	0	93,781
<i>Subtotal</i>		0	93,781	0	0	0	0	93,781
<u>North Macadam/South Waterfront</u>								
South Water Front - Environ Site Prep	CC	0	297,534	0	0	0	0	297,534
South Water Front Parcels 6,6c,4&5 Develo	CC	0	512,424	0	0	0	0	512,424
<i>Subtotal</i>		0	809,958	0	0	0	0	809,958
<u>River District/Old Town</u>								
Trailways/Post Office Block	CC	0	84,739	0	0	0	0	84,739
Union Station - Agricultural Center	CC	0	486,147	0	0	0	0	486,147
<i>Subtotal</i>		0	570,886	0	0	0	0	570,886
Total Commercial/Industrial		0	3,323,319	0	0	0	0	3,323,319

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Community Development & Services

Portland Development Commission Program / Subprogram / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Parks And Open Space								
<u>River District/Old Town</u>								
RiverDistrict Land Acquisition	CC	0	982,762	0	0	0	0	982,762
<i>Subtotal</i>		0	982,762	0	0	0	0	982,762
Total Parks And Open Space		0	982,762	0	0	0	0	982,762
Targeted Industries Dev								
<u>Downtown</u>								
Biotech Target Industry Dev.	CC	0	381,888	0	0	0	0	381,888
<i>Subtotal</i>		0	381,888	0	0	0	0	381,888
Total Targeted Industries Dev		0	381,888	0	0	0	0	381,888
Neighborhood Commercial								
<u>Outer Southeast</u>								
Lents Development Fund	SE	0	1,300,000	0	0	0	0	1,300,000
<i>Subtotal</i>		0	1,300,000	0	0	0	0	1,300,000
Total Neighborhood Commercial		0	1,300,000	0	0	0	0	1,300,000
Neighborhood Hsg Preservation								
<u>Housing Programs</u>								
Urban Homestead Program	N/	0	161,849	0	0	0	0	161,849
<i>Subtotal</i>		0	161,849	0	0	0	0	161,849
Total Neighborhood Hsg Preservation		0	161,849	0	0	0	0	161,849
General Administration								
<u>Administration</u>								
Computer Services	N/	0	570,968	0	0	0	0	570,968
Facilities Management	N/	0	1,127,725	0	0	0	0	1,127,725
Records Management	N/	0	104,057	0	0	0	0	104,057
<i>Subtotal</i>		0	1,802,750	0	0	0	0	1,802,750
Total General Administration		0	1,802,750	0	0	0	0	1,802,750
Finance and Information								
<u>Administration</u>								
Finance Dept Admin	N/	0	160,588	0	0	0	0	160,588
<i>Subtotal</i>		0	160,588	0	0	0	0	160,588
Total Finance and Information		0	160,588	0	0	0	0	160,588
TOTAL NON-CITY ASSET		0	60,684,634	0	0	0	0	60,684,634
Grand Total Portland Development Commission		0	86,475,646	0	0	0	0	86,475,646

City of Portland, Oregon - FY 1998-99 Adopted Budget

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Community Development & Services

Portland Development Commission Program / Subprogram / Project	General Fund	PDC	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
CITY ASSET							
Neighborhood Commercial							
<u>Inner Northeast</u>							
Walnut Park Retail	0	6,426	0	0	0	6,426	0
<i>Subtotal</i>	0	6,426	0	0	0	6,426	0
Total Neighborhood Commercial	0	6,426	0	0	0	6,426	0
Transportation/Transit							
<u>Airport Way/Columbia Corridor</u>							
Transportation Improvemt.	0	800,000	0	0	176,169	976,169	0
<i>Subtotal</i>	0	800,000	0	0	176,169	976,169	0
<u>Downtown</u>							
South Park Blocks - Cultural Center Parking	0	18,418	0	0	647,464	665,882	0
Old Town/China Town Streetscape Impr.	0	0	0	0	458,677	458,677	0
Streetcar Streetscape Improve.	0	134,678	0	0	524,331	659,009	0
Transit Mall Rehab	0	400,000	0	0	442,299	842,299	0
Community Park Blocks Street Impr.	0	0	0	0	256,184	256,184	0
River Parkway Realignment	0	0	0	0	910,187	910,187	0
<i>Subtotal</i>	0	553,096	0	0	3,239,142	3,792,238	0
<u>Lloyd District</u>							
Broadway/Weidler Infrastructu	0	0	0	0	256,140	256,140	0
<i>Subtotal</i>	0	0	0	0	256,140	256,140	0
<u>North Macadam/South Waterfront</u>							
Harrison St Extension	0	0	0	0	230,214	230,214	0
Public Parking Development	0	0	0	0	0	0	0
Public Parking Development	0	0	0	0	357,868	357,868	0
<i>Subtotal</i>	0	0	0	0	588,082	588,082	0
Total Transportation/Transit	0	1,353,096	0	0	4,259,533	5,612,629	0
Redevelopment Project Mgmt							
<u>North Macadam/South Waterfront</u>							
North Macadam Predevelopment	74,700	75,000	0	0	0	149,700	0
<i>Subtotal</i>	74,700	75,000	0	0	0	149,700	0
Total Redevelopment Project Mgmt	74,700	75,000	0	0	0	149,700	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Community Development & Services

Portland Development Commission Program / Subprogram / Project	General Fund	PDC	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Public Facilities							
<u>Downtown</u>							
Portland State Univ. -- Urban Plaza	0	2,648,479	0	0	11,099	2,659,578	0
<i>Subtotal</i>	0	2,648,479	0	0	11,099	2,659,578	0
<u>Lloyd District</u>							
Convention Center Public Imps.	0	0	0	0	2,089,409	2,089,409	0
<i>Subtotal</i>	0	0	0	0	2,089,409	2,089,409	0
<u>River District/Old Town</u>							
Union Station - Public Site	167,652	3,000,653	0	0	0	3,168,305	0
Union Station Restoration	0	0	0	0	262,453	262,453	0
<i>Subtotal</i>	167,652	3,000,653	0	0	262,453	3,430,758	0
Total Public Facilities	167,652	5,649,132	0	0	2,362,961	8,179,745	0
Commercial/Industrial							
<u>North Macadam/South Waterfront</u>							
River Place Shore Restoration	0	0	0	0	248,472	248,472	0
<i>Subtotal</i>	0	0	0	0	248,472	248,472	0
Total Commercial/Industrial	0	0	0	0	248,472	248,472	0
Parks And Open Space							
<u>Central Eastside</u>							
Eastbank Riverfront Park	0	745,568	0	0	7,153,192	7,898,760	0
<i>Subtotal</i>	0	745,568	0	0	7,153,192	7,898,760	0
<u>North Macadam/South Waterfront</u>							
Greenway Development	0	428,900	0	400,000	1,819,187	2,648,087	0
<i>Subtotal</i>	0	428,900	0	400,000	1,819,187	2,648,087	0
<u>River District/Old Town</u>							
Classical Chinese Garden	0	0	0	0	1,047,193	1,047,193	0
<i>Subtotal</i>	0	0	0	0	1,047,193	1,047,193	0
Total Parks And Open Space	0	1,174,468	0	400,000	10,019,572	11,594,040	0
TOTAL CITY ASSET	242,352	8,258,122	0	400,000	16,890,538	25,791,012	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Community Development & Services

Bureau of Housing & Community Develop Program / Project	General Fund	BHCD	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Economic Development							
Community Garden at Kennedy School	20,000	0	0	0	0	20,000	0
Total Economic Development	20,000	0	0	0	0	20,000	0
<u>Grand Total Bureau of Housing & Community Develop</u>	20,000	0	0	0	0	20,000	0
Local Improvement Districts Program / Project	General Fund	LID	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Local Improvement Districts							
Local Improvement Districts	0	0	5,150,000	0	0	5,150,000	0
Total Local Improvement Districts	0	0	5,150,000	0	0	5,150,000	0
<u>Grand Total Local Improvement Districts</u>	0	0	5,150,000	0	0	5,150,000	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Community Development & Services

Portland Development Commission Program / Subprogram / Project	General Fund	PDC	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
NON-CITY ASSET							
Multi Family Housing							
<u>Central Eastside</u>							
Residential Conversion	0	91,481	0	0	535,558	627,039	0
Eastside Permanent Housi	6,000,000	0	0	0	0	6,000,000	0
Subtotal	6,000,000	91,481	0	0	535,558	6,627,039	0
<u>Housing Programs</u>							
Rental Projects	9,201,283	3,000,000	0	0	0	12,201,283	0
Rental Projects	0	7,986,603	0	4,035,275	1,232,837	13,254,715	0
Subtotal	9,201,283	10,986,603	0	4,035,275	1,232,837	25,455,998	0
Total Multi Family Housing	15,201,283	11,078,084	0	4,035,275	1,768,395	32,083,037	0
Neighborhood Commercial							
<u>Central Eastside</u>							
MLK Street Improvements	0	354,581	0	0	251	354,832	0
Subtotal	0	354,581	0	0	251	354,832	0
<u>Inner Northeast</u>							
MLK Blvd Improvements	0	0	0	0	1,469,378	1,469,378	0
MLK Commercial Site Develop.	0	0	0	0	1,342,717	1,342,717	0
Subtotal	0	0	0	0	2,812,095	2,812,095	0
<u>Lloyd District</u>							
Lloyd Land Acquisition & Devel	0	0	0	0	1,110,104	1,110,104	0
Subtotal	0	0	0	0	1,110,104	1,110,104	0
Total Neighborhood Commercial	0	354,581	0	0	3,922,450	4,277,031	0
Transportation/Transit							
<u>Airport Way/Columbia Corridor</u>							
Airport Light Rail Dev.	0	2,496,090	0	0	4,071,275	6,567,365	0
Subtotal	0	2,496,090	0	0	4,071,275	6,567,365	0
<u>Downtown</u>							
Chinatown Parking/Develmt Site	0	0	0	0	2,077,288	2,077,288	0
Subtotal	0	0	0	0	2,077,288	2,077,288	0
Total Transportation/Transit	0	2,496,090	0	0	6,148,563	8,644,653	0
Business Development							
<u>Airport Way/Columbia Corridor</u>							
Land Acquisition & Development	0	480,000	0	0	6,778,319	7,258,319	0
Subtotal	0	480,000	0	0	6,778,319	7,258,319	0
Total Business Development	0	480,000	0	0	6,778,319	7,258,319	0

**CAPITAL SYSTEM
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Capital System - Community Development & Services

Portland Development Commission Program / Subprogram / Project	General Fund	PDC	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Redevelopment Project Mgmt							
<u>Lloyd District</u>							
Finance and Comm. Outreach	0	0	0	0	171,988	171,988	0
<i>Subtotal</i>	0	0	0	0	171,988	171,988	0
<u>North Macadam/South Waterfront</u>							
North Macadam Predevelopment	0	76,450	0	60,000	0	136,450	0
<i>Subtotal</i>	0	76,450	0	60,000	0	136,450	0
Total Redevelopment Project Mgmt	0	76,450	0	60,000	171,988	308,438	0
Public Facilities							
<u>River District/Old Town</u>							
Union Station - Public Site	0	0	0	0	0	0	0
<i>Subtotal</i>	0	0	0	0	0	0	0
Total Public Facilities	0	0	0	0	0	0	0
Commercial/Industrial							
<u>Central Eastside</u>							
Central Eastside Redevelopment	0	1,155,329	0	0	0	1,155,329	0
<i>Subtotal</i>	0	1,155,329	0	0	0	1,155,329	0
<u>Downtown</u>							
Simon Benson House	0	0	0	0	358,362	358,362	0
Horsebarn Site Redevelopment	0	0	0	0	335,003	335,003	0
<i>Subtotal</i>	0	0	0	0	693,365	693,365	0
<u>Lloyd District</u>							
Convention Center - Headquarters Hotel Dev	0	0	0	0	0	0	0
Headquarters Hotel Dev	0	0	0	0	93,781	93,781	0
<i>Subtotal</i>	0	0	0	0	93,781	93,781	0
<u>North Macadam/South Waterfront</u>							
South Water Front - Environ Site Prep	0	0	0	0	297,534	297,534	0
South Water Front Parcels 6,6c,4&5 Developmt	0	512,424	0	0	0	512,424	0
<i>Subtotal</i>	0	512,424	0	0	297,534	809,958	0
<u>River District/Old Town</u>							
Union Station - Agricultural Center	0	0	0	0	486,147	486,147	0
Trailways/Post Office Block	0	0	0	0	84,739	84,739	0
<i>Subtotal</i>	0	0	0	0	570,886	570,886	0
Total Commercial/Industrial	0	1,667,753	0	0	1,655,566	3,323,319	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Community Development & Services

Portland Development Commission Program / Subprogram / Project	General Fund	PDC	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Parks And Open Space							
<u>River District/Old Town</u>							
RiverDistrict Land Acquisition	810,173	172,589	0	0	0	982,762	0
<i>Subtotal</i>	810,173	172,589	0	0	0	982,762	0
Total Parks And Open Space	810,173	172,589	0	0	0	982,762	0
Targeted Industries Dev							
<u>Downtown</u>							
Biotech Target Industry Dev.	0	0	0	0	381,888	381,888	0
<i>Subtotal</i>	0	0	0	0	381,888	381,888	0
Total Targeted Industries Dev	0	0	0	0	381,888	381,888	0
Neighborhood Commercial							
<u>Outer Southeast</u>							
Lents Development Fund	467,566	832,434	0	0	0	1,300,000	0
<i>Subtotal</i>	467,566	832,434	0	0	0	1,300,000	0
Total Neighborhood Commercial	467,566	832,434	0	0	0	1,300,000	0
Neighborhood Hsg Preservation							
<u>Housing Programs</u>							
Urban Homestead Program	0	161,849	0	0	0	161,849	0
<i>Subtotal</i>	0	161,849	0	0	0	161,849	0
Total Neighborhood Hsg Preservation	0	161,849	0	0	0	161,849	0
General Administration							
<u>Administration</u>							
Records Management	0	104,057	0	0	0	104,057	0
Facilities Management	0	1,127,725	0	0	0	1,127,725	0
Computer Services	0	570,968	0	0	0	570,968	0
<i>Subtotal</i>	0	1,802,750	0	0	0	1,802,750	0
Total General Administration	0	1,802,750	0	0	0	1,802,750	0
Finance and Information							
<u>Administration</u>							
Finance Dept Admin	0	160,588	0	0	0	160,588	0
<i>Subtotal</i>	0	160,588	0	0	0	160,588	0
Total Finance and Information	0	160,588	0	0	0	160,588	0
TOTAL NON-CITY ASSET	16,479,022	19,283,168	0	4,095,275	20,827,169	60,684,634	0
TOTAL Portland Development Commission	16,721,374	27,541,290	0	4,495,275	37,717,707	86,475,646	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Operating and Maintenance (CB Table 3)**

Capital System - Community Development & Services

Bureau of Housing & Community Develop Program / Project	Five-Year Costs	Fiscal Year FY98-99	Five Year Costs/Savings			Net Finan. Impact
			Revenue Generated (-)	Oper / Maint Costs (+)	Oper / Maint Savings (-)	
Economic Development						
Community Garden at Kennedy School	20,000	20,000	0	4,000	0	4,000
Total Economic Development	20,000	20,000	0	4,000	0	4,000
<u>Grand Total Bureau of Housing & Com</u>	20,000	20,000	0	4,000	0	4,000



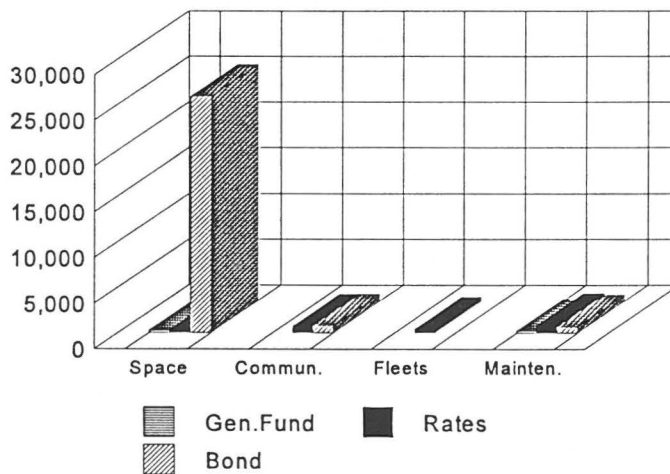
Capital Improvement Service Area Overview

LEGISLATIVE/ADMINISTRATIVE AND SUPPORT SERVICES

Fiscal Year 1998-99 to 2002-03

Legislative/Administrative and Support Services comprise activities by bureaus that provide support to the City's operating bureaus. The support includes such services as legal advice, facilities, fleets, purchasing, human resources, financial planning, and administrative services including the Mayor and Commissioners Offices. Some of the Legislative/Administrative and Support Services involve capital projects which are undertaken mostly, but not exclusively, by the Bureau of General Services (BGS). Where appropriate, services that the Bureau of General Services provides to bureaus that are a part of other service areas (public safety, transportation and parking, etc.) are reflected in those respective service areas. The total budget for Capital Improvements in the Legislative/Administrative and Support Services is \$30.6 million ¹.

Fy 1998-99 CIP by Funding Source
(thousands of \$)



Space:

Projects that relate to the City's space needs make up the largest part of the CIP for this service area. Space needs account for \$26.5 million, \$25.9 million of which is allocated to the office building for City development bureaus which is to be funded by special revenue bonds. The new building is required because of space limitations that have up to this point been addressed by leasing downtown space. As this space becomes more expensive, it has become apparent that building a new office building would be more effective than continuing to lease downtown space.

Other costs relating to space total \$613,000. These costs relate to remodeling and moving bureaus into and within the Portland Building. \$290,000 of this is funded by General Fund which pays for the remodeling of the 4th Floor for a General Fund bureau, the Office of Finance and Administration. The other remodeling and moving projects (Bureau of General Services and the Bureau of Information Services) are paid for through these bureaus' rental rates.

¹ CIP Figures represented in Vols. Two and Three of the FY 1998-99 Adopted Budget in this service area are higher than those shown in Vol. One. The increase represents BGS' practice of adding overhead, contingency and cash transfer costs in their projects.

Major Maintenance:

The Bureau of General Services dedicates ongoing maintenance projects for some of the buildings that the City owns. The remaining facilities are maintained by their respective bureaus, most notably the Parks Bureau and some of the utilities' facilities. The Bureau of General Services maintains the Portland Building, the Justice Center (costs for which, totaling \$279,000, are reflected in the Public Safety Service Area), and the City's fleet facilities. In FY 1998-99, total major maintenance for these facilities are \$2 million, which includes some large repair projects on the Portland Building (loggia roofs replacement and elimination of exterior wall leaks).

The Bureau of General Services will also undertake a project for the Auditor's Office which will install a fire protection sprinkler system in the City's archives building, a \$200,000 project which will be paid for through General Fund.

Communications:

The City also maintains and supports an 800 MHz communications system, the services of which are used regionally, as well as the more typical communications systems involving telephone communications and more recently data communications. The major project for FY 1998-99 is the construction of an 800MHz site on Prune Hill in Clark County, which will result in full simulcast coverage of Multnomah County. Costs for the Prune Hill site are expected to be paid for through user rates. A three channel simulcast upgrade will also take place in order to add capacity to meet the needs of the increasing number of customers. The total budget for these projects is \$1.5 million.

Information & Computer Services:

There are two projects in the FY 1998-99 budget which upgrade the City's use of computerized technology and which help further the City's Information Technology Strategic Planning processes. The Bureau of General Services will design and construct a wide-area network (WAN) that will serve as a replacement and augmentation to the conventional circuit-based networking strategies currently in place in many bureaus. Total costs of this project are \$390,000, which are spread over two years. A supporting project will complete the backbone (\$150,000 for FY 1998-99). Failure to properly construct and support an upgraded the backbone and WAN will result in slow, poor, unreliable data transmission for users and lower productivity for business processes which depend on speed and reliability of the system.

Finally, the Bureau of General Services will implement a new management information system to track its projects.

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Legislative, Administrative & Support Svcs

Bureau of General Services Program / Subprogram / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Portland Building								
<u>Portland Building</u>								
Loggia Roofs Replacement	CC	0	672,000	0	0	0	0	672,000
ADA Requirements	CC	0	0	0	28,000	0	0	28,000
Paint Interiors	CC	250,000	50,000	50,000	50,000	50,000	50,000	250,000
Restroom Renovations	CC	159,000	42,000	42,000	42,000	42,000	42,000	210,000
Carpet Replacement	CC	885,000	129,000	129,000	129,000	129,000	129,000	645,000
Renovate Chillers	CC	205,000	0	227,000	0	0	0	227,000
HVAC Improvements	CC	15,000	0	249,000	263,000	0	0	512,000
Eliminate Exterior Wall Leaks	CC	865,000	485,000	0	0	0	0	485,000
Upgrade Second Floor Meeting Rooms	CC	372,000	0	0	0	471,000	0	471,000
Replace Main Roof	CC	0	0	0	366,000	0	0	366,000
Access Card System	CC	0	0	144,000	0	0	0	144,000
Telecommunications Backbone	CC	0	100,000	0	0	0	0	100,000
<i>Subtotal</i>		2,751,000	1,478,000	841,000	878,000	692,000	221,000	4,110,000
Total Portland Building		2,751,000	1,478,000	841,000	878,000	692,000	221,000	4,110,000
Fleet Services								
<u>Fleet Services</u>								
Kerby Garage - Replace Roof	N	0	445,000	0	0	0	0	445,000
Powell Garage - Replace Roof	SE	0	0	0	0	0	42,000	42,000
<i>Subtotal</i>		0	445,000	0	0	0	42,000	487,000
Total Fleet Services		0	445,000	0	0	0	42,000	487,000
Communications								
<u>Communications</u>								
Prune Hill 800 MHz Site	NE	0	762,000	0	0	0	0	762,000
Wide Area Network	All	0	500,000	500,000	500,000	0	0	1,500,000
Three Channel Simulcast Upgrade	All	0	140,000	250,000	0	0	0	390,000
Management Information System	All	0	100,000	0	0	0	0	100,000
<i>Subtotal</i>		0	1,502,000	750,000	500,000	0	0	2,752,000
Total Communications		0	1,502,000	750,000	500,000	0	0	2,752,000
Downtown Space								
Building for City Development Bureaus	CC	2,861,000	25,882,000	0	0	0	0	25,882,000
Remodel 12th Fl, Portland Bldg (OFA)	CC	0	290,000	0	0	0	0	290,000
Remodel 12th Fl, Portland Bldg (BGS)	CC	0	116,000	0	0	0	0	116,000
Move Accounting to on OFA Floor of Portla	CC	0	0	257,000	0	0	0	257,000
Remodel BIT in Portland Building	CC	0	207,000	0	0	0	0	207,000
<i>Subtotal</i>		2,861,000	26,495,000	257,000	0	0	0	26,752,000
Total Downtown Space		2,861,000	26,495,000	257,000	0	0	0	26,752,000

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Total Cost by Year (CB Table 1)**

Capital System - Legislative, Administrative & Support Svcs

Bureau of General Services Program / Subprogram / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Maintenance								
<u>Maintenance</u>								
Major Maintenance	SE	0	40,000	40,000	40,000	40,000	40,000	200,000
<i>Subtotal</i>		0	40,000	40,000	40,000	40,000	40,000	200,000
Total Maintenance		0	40,000	40,000	40,000	40,000	40,000	200,000
Debt								
<u>Debt</u>								
Prior Year Master Lease Payments	All	433,000	284,000	260,000	91,000	41,000	41,000	717,000
<i>Subtotal</i>		433,000	284,000	260,000	91,000	41,000	41,000	717,000
Total Debt		433,000	284,000	260,000	91,000	41,000	41,000	717,000
General Services/Auditor's Office								
Fire Protection Sprinkler System	N	0	200,000	0	0	0	0	200,000
<i>Subtotal</i>		0	200,000	0	0	0	0	200,000
Total General Services/Auditor's Office		0	200,000	0	0	0	0	200,000
Office of Finance & Administration								
Program / Project	Geo. Area	Est. Prior Years	Fiscal Year 98-99	Fiscal Year 99-00	Fiscal Year 00-01	Fiscal Year 01-02	Fiscal Year 02-03	5-Year Total
Computer Services								
Computer Services	CC	0	148,000	0	0	0	0	148,000
Total Computer Services		0	148,000	0	0	0	0	148,000

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

Capital System - Legislative, Administrative & Support Svcs

Bureau of General Services Program / Subprogram / Project	General Fund	BGS	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Portland Building							
<u>Portland Building</u>							
Access Card System	0	0	0	0	0	0	0
ADA Requirements	0	0	0	0	0	0	0
Carpet Replacement	0	0	129,000	0	0	129,000	0
Eliminate Exterior Wall Leaks	0	0	485,000	0	0	485,000	0
HVAC Improvements	0	0	0	0	0	0	0
Loggia Roofs Replacement	0	0	0	672,000	0	672,000	0
Paint Interiors	0	0	50,000	0	0	50,000	0
Renovate Chillers	0	0	0	0	0	0	0
Replace Main Roof	0	0	0	0	0	0	0
Restroom Renovations	0	0	42,000	0	0	42,000	0
Telecommunications Backbone	0	0	100,000	0	0	100,000	0
Upgrade Second Floor Meeting Rooms	0	0	0	0	0	0	0
<i>Subtotal</i>	0	0	806,000	672,000	0	1,478,000	0
Total Portland Building	0	0	806,000	672,000	0	1,478,000	0
Fleet Services							
<u>Fleet Services</u>							
Kerby Garage - Replace Roof	0	0	445,000	0	0	445,000	0
Powell Garage - Replace Roof	0	0	0	0	0	0	0
<i>Subtotal</i>	0	0	445,000	0	0	445,000	0
Total Fleet Services	0	0	445,000	0	0	445,000	0
Communications							
<u>Communications</u>							
Management Information System	0	0	100,000	0	0	100,000	0
Prune Hill 800 MHz Site	0	0	0	762,000	0	762,000	0
Three Channel Simulcast Upgrade	0	0	140,000	0	0	140,000	0
Wide Area Network	0	0	500,000	0	0	500,000	0
<i>Subtotal</i>	0	0	740,000	762,000	0	1,502,000	0
Total Communications	0	0	740,000	762,000	0	1,502,000	0
Downtown Space							
Building for City Development Bureaus	0	0	0	25,882,000	0	25,882,000	0
Move Accounting to on OFA Floor of Portland B	0	0	0	0	0	0	0
Move Energy, Cable and Risk to portland Bldg	0	0	0	0	0	0	0
Move Transportation to Portland Bldg	0	0	0	0	0	0	0
Remodel 12th Fl, Portland Bldg (BGS)	0	0	116,000	0	0	116,000	0
Remodel 12th Fl, Portland Bldg (OFA)	290,000	0	0	0	0	290,000	0
Remodel BIT in Portland Building	0	0	207,000	0	0	207,000	0
<i>Subtotal</i>	290,000	0	323,000	25,882,000	0	26,495,000	0
Total Downtown Space	290,000	0	323,000	25,882,000	0	26,495,000	0
Grand Total Bureau of General Services	837,000	1,601,000	2,917,000	27,316,000	88,000	32,759,000	0

City of Portland, Oregon - FY 1998-99 Adopted Budget

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Funding Sources (CB Table 2)**

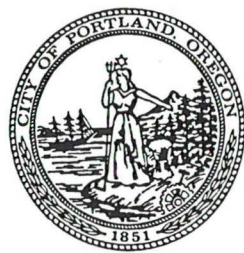
Capital System - Legislative, Administrative & Support Svcs

Bureau of General Services Program / Subprogram / Project	General Fund	BGS	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Maintenance							
<u>Maintenance</u>							
Major Maintenance	0	0	40,000	0	0	40,000	0
<u>Subtotal</u>	0	0	40,000	0	0	40,000	0
Total Maintenance	0	0	40,000	0	0	40,000	0
Debt							
Prior Year Master Lease Payments	0	0	284,000	0	0	284,000	0
<u>Subtotal</u>	0	0	284,000	0	0	284,000	0
Total Debt	0	0	284,000	0	0	284,000	0
General Services/Auditor's Office							
Fire Protection Sprinkler System	200,000	0	0	0	0	200,000	0
<u>Subtotal</u>	200,000	0	0	0	0	200,000	0
Total General Services/Auditor's Office	200,000	0	0	0	0	200,000	0
Office of Finance & Administration Program / Project	General Fund	COMP	Rate / Charges	Fed/State Local	Other	Total Budget	Non Budget
Computer Services							
Computer Services	0	148,000	0	0	0	148,000	0
Total Computer Services	0	148,000	0	0	0	148,000	0
<u>Grand Total Office of Finance & Administration</u>	0	148,000	0	0	0	148,000	0

**CAPITAL SYSTEM
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEAR 1998-1999 PROJECTS
Operating and Maintenance (CB Table 3)**

Capital System - Legislative, Administrative & Support Svcs

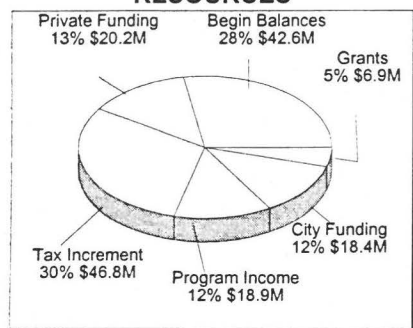
Bureau of General Services Program / Subprogram / Project	Five-Year Costs	Fiscal Year FY98-99	Five Year Costs/Savings			Net Finan. Impact
			Revenue Generated (-)	Oper / Maint Costs (+)	Oper / Maint Savings (-)	
General Services/Police						
<u>Police</u>						
Relocate Police Mounted Patrol Unit	1,134,000	1,134,000	0	16,000	0	16,000
<i>Subtotal</i>	1,134,000	1,134,000	0	16,000	0	16,000
Total General Services/Police	1,134,000	1,134,000	0	16,000	0	16,000
Portland Building						
<u>Portland Building</u>						
Access Card System	144,000	0	0	15,000	0	15,000
<i>Subtotal</i>	144,000	0	0	15,000	0	15,000
Total Portland Building	144,000	0	0	15,000	0	15,000
Downtown Space						
Building for City Development Bureaus	25,882,000	25,882,000	0	1,150,000	0	1,150,000
<i>Subtotal</i>	25,882,000	25,882,000	0	1,150,000	0	1,150,000
Total Downtown Space	25,882,000	25,882,000	0	1,150,000	0	1,150,000
<u>Grand Total Bureau of General Service</u>	27,160,000	27,016,000	0	1,181,000	0	1,181,000



Portland Development Commission (PDC) & Tax Increment Debt Funds

SERVICE AREA OVERVIEW

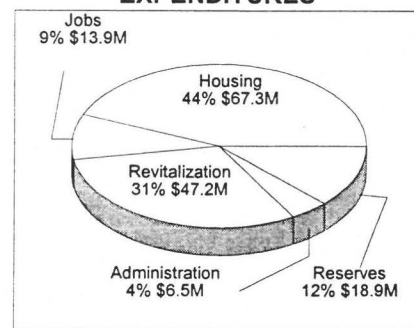
RESOURCES



BUDGET DATA

FY 1998-99 Budget:	\$153.8 M
Change from 97-98:	+ \$42.2 M
Change per Capita:	36.9%
FY 1998-99 Positions:	101
Change from 97-98:	1 FTE
Change per Thousand:	0.3%

EXPENDITURES



SIGNIFICANT BUDGET ISSUES

- ◆ This budget reflects PDC's role as the City's implementing agency for the 2040 regional plan. PDC has organized its budget around housing, jobs, and revitalization to illustrate its efforts towards meeting 2040 goals. PDC will intensify its efforts in emerging areas such as North Macadam, River District, and Outer Southeast (Lents area) and is currently undertaking feasibility studies to determine if new urban renewal areas are appropriate for each of these areas. PDC will move forward with the public discourse on the development of urban renewal plans during FY 1998-99 and FY 1999-2000.
- ◆ The FY 1998-99 PDC budget includes City General Fund support to ensure that projects in these areas move forward: \$74,700 in North Macadam, \$467,566 in OSE/Lents, and \$1,090,981 in River District. In addition, PDC is working jointly with the Bureau of Planning to begin community planning work and undertake storefront projects in Gateway, Hollywood, and St. Johns.
- ◆ PDC has been working with City Council to implement changes in urban renewal law related to Measure 50. These efforts affect the amount of tax increment funding PDC will receive to complete existing urban renewal plans.
- ◆ \$46.8 million of tax increment revenue is included in PDC's FY 1998-99 budget to continue and start many projects included in the existing urban renewal plans, including: multifamily housing, airport light rail infrastructure development, Airport Way land acquisition and development, Eastbank Park, PSU Public Plaza, Greenway Development, improvements to Martin Luther King, Jr. Boulevard, Chinatown parking, Convention Center public improvements, and the Chinese Classical Garden.
- ◆ The budget includes \$16.5 million from a major new partnership with Fannie Mae to provide funds to support home ownership and repair for Portland residents.
- ◆ PDC's staffing has increased by 1 FTE for FY 1998-99 after decreasing by 28 positions in the previous year. PDC will contract out for services when this is more cost effective than maintaining internal staff.
- ◆ PDC's workforce development staff and budget has been transferred to the newly formed Workforce Development Board.

**ADOPTED BUDGET
FISCAL YEAR 1998-99**

PDC

PORTLAND

DEVELOPMENT

COMMISSION

COMMISSIONERS

Carl B. Talton
Martin Brantley
Douglas C. Blomgren
Noell Webb
James Atkinson

EXECUTIVE DIRECTOR

Felicia L. Trader

JULY 1, 1998

Portland Development Commission

FY 1998-99 Adopted Budget

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Dear Members of the Portland Development Commission:

It is with great pleasure that I present you with the FY 1998-99 Adopted Budget for the Portland Development Commission. This next budget year provides us with an opportunity to aggressively pursue implementation of the City's share of the Region 2040 goals for housing, jobs, and revitalization. While this budget provides substantial additional resources to support our development efforts, we have provided for minimal increases in program and administrative staff support. We have also eliminated two departments, merging our administrative staff into two departments, and transferring our Workforce staff to the Workforce Development Board. The information contained in this document is designed to offer readers a complete picture of the financial structure and strategy of the organization. Our new computer system allows us to format the information in a manner compatible with City bureau presentations and in ways that correspond to prior years' requests for information.

We believe that completion of the projects included in our budget is essential to achieving the City Council's and Commission's goal of providing for increased housing, quality jobs, and a revitalized central city and neighborhoods. Our budget was based on the Five Year Plan adopted by the Commission in November 1996. Each budgeted project and program responds to critical City needs expressed in such documents as the Livable City Housing Initiative, Prosperous Portland, Future Focus, Metro's 2040 Plan, the Central City Plan, existing urban renewal plans, and other community plans such as the Albina Community, Outer Southeast, and River District plans.

Continuing Activities

This budget contains substantial funding for many projects that have long been in the City's capital planning program, including:

- Eastbank Riverfront Park
- Improvements to Martin Luther King, Jr. Boulevard
- Hamilton II replacement housing
- Classical Chinese Garden
- Completion of the Pioneer Place retail center

We are also budgeted to continue housing construction and rehabilitation activities funded by the remaining HIF funds, federal grants, and tax increment funds; provide retention, expansion, and recruitment services to businesses using tax increment, City General Fund, and other private and public resources; and offer lending and technical services to small businesses using federal grants and other program income.

Our revitalization agenda remains crowded with parking work, the storefront program, Waterfront park extension, streetscape improvements, and continued progress on the River District public improvements scheduled to move forward this year.

New Initiatives

We have also provided for several new initiatives such as:

- The Portland International Center project in partnership with the Port of Portland, Tri-Met, the State of Oregon, and a private development company. This development will bring needed jobs to City residents while providing for a light rail link between Gateway and the Airport.
- Construction of a public plaza in connection with PSU's University District development plan. This project will result in a public meeting place and serve as a hub to the PSU campus for public transportation connecting the proposed new Urban Studies Center with a planned housing, grocery, university facility. It is expected that this area enhancement and the retail opportunities that it will attract will act as a catalyst to further privately funded housing development.
- A major new partnership with Fannie Mae to provide funds to support home ownership and repair for Portland residents. Under this innovative project, PDC will achieve approval as a Fannie Mae seller-servicer allowing it to directly access the Fannie Mae secondary market for home ownership and rehabilitation.

As we move forward to further implement the 2040 plan, we will intensify our efforts in emerging areas such as North Macadam, River District, and Outer Southeast (Lents area). We are currently undertaking feasibility studies to determine if new urban renewal areas are appropriate for each of these areas and will move forward with the public discourse on the development of urban renewal plans during this and next fiscal years.

Linkages

As part of our planning process for FY 1998-99 and beyond, we have involved representatives from City bureaus that have served as key partners in the undertaking of our housing, jobs, and revitalization agenda; including the Office and Transportation, the Bureau of Housing and Community Development, the Planning Bureau, and the Office of Finance and Administration, among others. Continued and strengthened partnership with these bureaus is critical to the success of the City's efforts to maintain the advantages currently enjoyed by Portland residents and to extend these advantages to residents currently not able to access them. Portland's benefits include reduced urban sprawl, an enviable neighborhood and regional parks system, the nation's best transportation system,

housing in close proximity to jobs, low unemployment, and a strong sense of civic pride and foresight on the part of its leadership.

* * * * *

Over the past several years, we have made strong inroads in the production of affordable housing, continued our work in the single family and rental housing rehabilitation to strengthen Portland's neighborhoods, helped to recruit and retain major employers in the high technology, metals industry, and services in Portland, and made significant progress in the revitalization of Portland's Central City and Outer Southeast and Inner Northeast neighborhoods.

We welcome Portland citizens and our public and private partners to join us in preserving and maintaining Portland's natural and man-made advantages. We seek not to merely accommodate regional growth within our existing boundaries but manage this growth for the betterment of our community, and ensure that all Portland residents are able to take part in this City's economic vitality and renowned livability.

Sincerely,



Felicia Trader
Executive Director

A. PDC's Budget Document

The Portland Development Commission's (PDC) budget document is organized as follows: the introductory sections describe PDC as an organization, describe PDC's budget process and budget format; provide financial summaries and describe PDC's resources; and provide information on staffing. This information is followed by detail on PDC's departments along with descriptions of each department's major programs. PDC's fund detail is provided at the end of the budget document.

B. About PDC

The Portland Development Commission (PDC) was created as a City agency in 1958 by Portland voters to deliver projects and programs which achieve the city's housing, economic development and redevelopment priorities and link citizens to jobs. The governing body is a five-member Commission, appointed by the Mayor and approved by the City Council.

PDC is the City agency that helps provide sustained livability for our City and region.

Our mission is to bring together community resources to achieve Portland's vision of a vital economy with healthy neighborhoods and quality jobs for all citizens.

In carrying out City policy, PDC has developed and managed projects and programs which have played a major role in keeping Portland one of America's most livable cities. During the past 40 years, PDC has taken forward nine urban renewal plans, has worked extensively in Portland's neighborhoods to deliver a broad range of housing and neighborhood improvement programs and has carried out a comprehensive range of economic development programs aimed at creating jobs for City residents. It is the linkages among these efforts and the integration of services that sets PDC apart and assures true efficiencies are achieved.

Commission business is conducted at monthly public meetings and all PDC activities are guided by its Five Year Business Plan.

C. Budget Process

PDC has historically used the annual update to the Five Year Business Plan as a foundation for the next year's budget. The Five Year Business Plan is the Commission's multi-year resource allocation plan that allows PDC to prudently project revenues and expenditures for eight target areas and two program areas in Portland's business districts and neighborhoods. The plan is updated in conjunction with community partners and is adopted by the Commission each fall. This last year, however, the update of the plan was replaced with the work of allocating additional tax increment resources in urban renewal areas, a consequence of the implementation requirements of Measure 50. This urban renewal work involved the community, City Council, and other City bureaus and is incorporated in this document. PDC plans to update its Five Year Business Plan this summer and to continue to use this planning document as a basis for future budgets.

D. Basis of Budgeting/Budget Controls

Local Budget Law requires PDC to appropriate its budget by funding source and major line item category. Resources and requirements for each fund are balanced. The budget is appropriated by fund and fund detail is provided by the following categories: Personal Services, Materials and Services, Capital Outlay, Financial Assistance, Debt Service, Cash Transfers Out, Service Reimbursements, and Contingency.

After approval, the Adopted Budget is submitted to the Tax Supervising and Conservation Commission (TSCC) which reviews the budget and holds a public hearing with the PDC Board. Subsequent to TSCC certification, the Commission adopts the budget in late June.

Amendments to the Adopted Budget may be made during the fiscal year by action of the Commission. Amendments recognizing and appropriating additional revenues and amendments utilizing more than 15 percent of the Contingency require preparation of a supplemental budget. A supplemental budget requires a public notice and a hearing before the TSCC.

E. Description of PDC's Funds

PDC's budget is organized according to the funds under which it accounts for its activities. PDC has eleven active legal appropriation funds. Within each legal appropriation fund, PDC has sub-funds to account for specific programs that need to be tracked separately. Below is a brief description of each of PDC's legal appropriation funds.

- ◇ **General Fund**—The Urban Redevelopment Fund serves as PDC's General Fund. Administrative activities, including indirect are paid out of this fund. Also, certain programs and projects funded with City General Fund monies are budgeted in this fund. In addition, the South Auditorium fund balance was transferred to the Urban Redevelopment Fund in FY 1997-98 to create a sub-fund to be used for predevelopment activities associated with the creation of new urban renewal areas.
- ◇ **Capital Funds**—PDC's capital funds include: Airport Way, Central Eastside, Convention Center, South Park Urban Renewal, and Waterfront Renewal Bond Redevelopment. These funds are used to manage the finances of PDC's urban renewal areas. The primary source of capital funds is tax increment proceeds and program income derived from the investment of tax increment.
- ◇ **Grant Funds**—PDC's Grant Funds include: Enterprise Loan, Housing and Community Development Contract, HOME Contract, and Regional Strategies. The Grants Funds account for federal and state grant activities in the funds listed above.

The Housing and Community Development Fund provides for all Community Development Block Grant housing and economic development activities performed under contract with the Bureau of Housing and Community Development (BHCD). The HOME Grant Fund provides for all housing activities performed under the HOME contract which is also under contract with BHCD. The Enterprise Loan Fund accounts for two CDBG-funded housing revolving loan funds, the Private Lender Agreement Program, the Housing Investment Fund, economic development under the Northeast Business Assistance Fund; economic development lending under the EDA grant and other smaller grant-funded loan funds.

The Regional Strategies Fund accounts for PDC's management of the Regional Strategies state grant of lottery proceeds to Multnomah and Washington Counties for target industries, workforce and economic development.

The South Auditorium Grant Fund's balance has been transferred to the Urban Redevelopment Fund as mentioned above, but is included to show the historical revenues and expenditures.

- ◇ **Other Funds**—Other Funds include the Arena Fund and the Debt Service Funds. The Oregon Arena Fund was established to account for the activities performed under PDC's contract with the City of Portland to manage the public improvements constructed in conjunction with the Oregon Arena Project, including improvements to the Memorial Coliseum, road and street improvements and parking garage construction. The Debt Service Funds accounts for the repayment of debt service on Economic Development Revenue Bonds issued by the City. The Debt Funds are managed by the City's Debt Management Group.

Summary of Budgeted Revenues and Expenditures

PDC's total expenditure budget for FY 1998-99 is \$136,876,963 (\$153,810,227 including Contingency), an increase of \$52.6 million over the revised FY 1997-98 expenditure budget of \$84.2 million.

Expenditure Trends

The chart below shows PDC's Personal Services budget continuing to decrease as a percentage of the total PDC budget. Financial Assistance and Capital Outlay now make up over 87% of the total budget for FY 1998-99.

	% of Total	% of Total	% of Total	% of Total
Personal Services	23%	15%	8%	5%
Materials and Services	17%	13%	9%	7%
Capital Outlay	11%	10%	25%	42%
Financial Assistance	43%	58%	56%	45%
Debt Service	5%	4%	2%	1%
	100%	100%	100%	100%

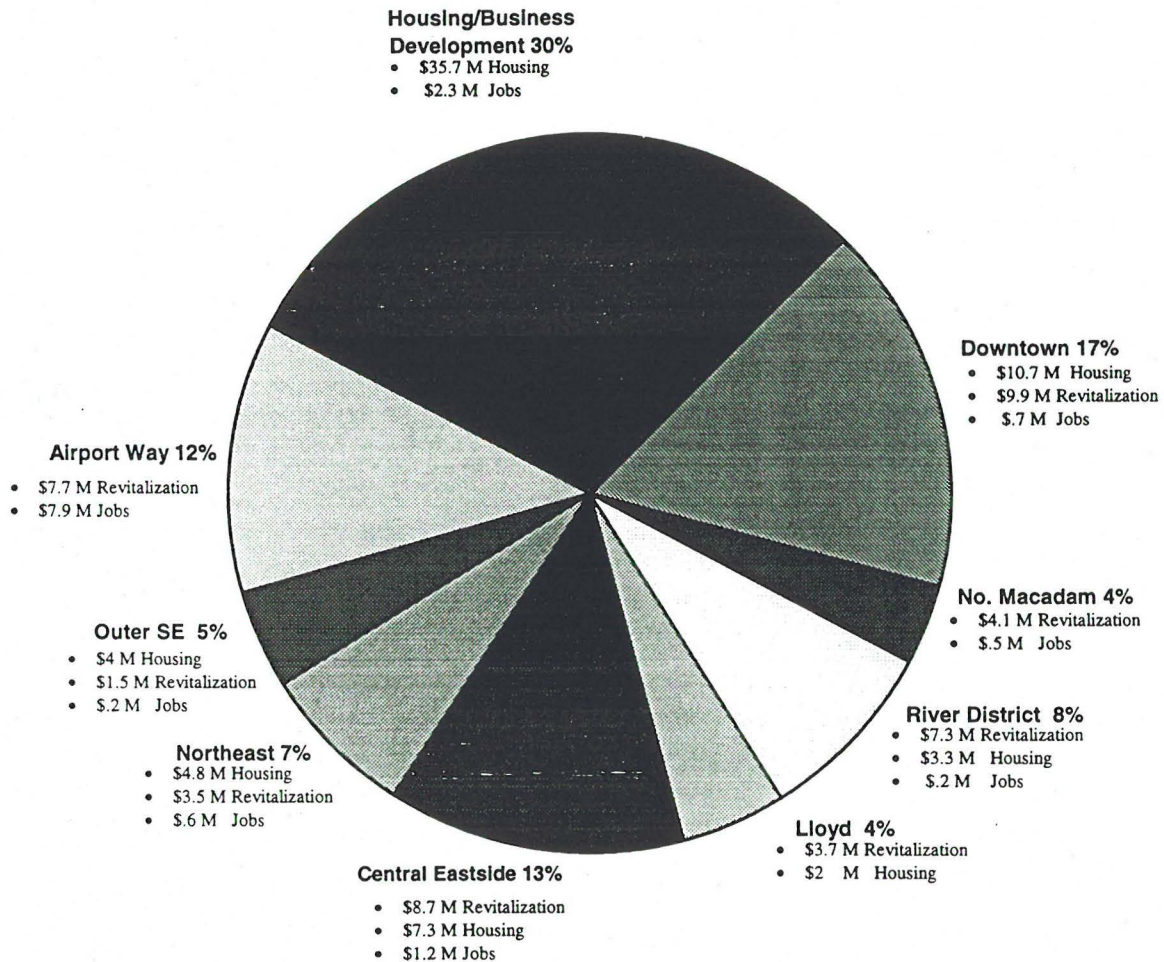
Distribution of Expenditures

The table on the next page provides a summary of PDC's revenue and breaks out the budget by major category: Personal Services, Materials and Services, Capital Outlay, Financial Assistance, and Debt Service. The table also shows the total budget by legal appropriation fund. PDC's Capital Outlay and Financial Assistance budgets have increased significantly due to additional tax increment and private lender funding. The table is followed on the next page by a pie chart that shows expenditures by geographic area. Amounts in the pie chart shown for Housing and the Business/Job program areas do not include expenditures for housing, jobs programs and projects occurring in the target areas.

Total PDC Budget by Funding Category

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
Revenue - All Funds						
Beginning Fund Balance	17,192,168	21,429,871	27,956,803	41,736,539	40,743,235	40,594,186
Cash Transfer In	4,381,498	10,000	1,092,247	2,000,000	2,000,000	2,000,000
City General Fund	0	4,798,159	4,859,305	6,778,639	8,506,052	8,359,162
Federal and Other Grants	9,506,674	8,887,893	12,644,793	7,086,183	6,853,558	6,898,558
Housing Investment Fund	0	8,161,322	1,198,180	2,200,000	9,096,877	10,096,877
Loans From Other Funds	4,381,498	6,188,477	1,806,979	0	0	0
Private Funding	1,849,300	3,354,085	2,645,719	20,099,200	20,174,200	20,174,200
Program Income	21,490,444	19,504,387	32,972,261	14,472,288	14,615,365	14,615,365
Service Reimbursement In	3,837,603	3,412,052	3,646,018	4,219,228	4,220,972	4,305,572
Tax Increment	0	0	0	60,893,468	0	0
Tax Increment Debt Proceeds	0	8,393,080	22,775,247	0	60,853,968	46,766,308
Total	\$ 62,639,186	\$ 84,139,326	\$ 111,597,552	\$ 159,485,545	\$ 167,064,227	\$ 153,810,228
Expenditures - By Expense Category						
Personal Services	6,565,432	6,940,096	6,601,343	7,032,305	7,032,305	7,123,060
Materials and Services	4,966,999	6,232,003	7,907,869	9,051,975	9,492,770	9,196,171
Capital Outlay	3,176,274	4,715,749	20,762,413	66,011,444	67,404,277	54,254,048
Financial Assistance	12,421,365	26,851,969	47,374,636	50,994,288	56,718,480	58,437,858
Debt Service	1,478,797	1,831,868	1,583,217	1,560,329	1,560,329	1,560,254
Cash Transfers Out	9,740,457	6,198,477	2,899,226	2,000,000	2,000,000	2,000,000
Indirect Allocation	2,860,142	3,412,052	3,598,186	4,219,228	4,258,924	4,305,572
Contingency	0	0	20,870,671	18,615,976	18,597,142	16,933,264
Total	\$ 41,209,467	\$ 56,182,213	\$ 111,597,561	\$ 159,485,544	\$ 167,064,226	\$ 153,810,227
Expenditures - By Fund						
Airport Way Urban Renewal	455,957	431,329	6,195,063	31,579,350	31,579,304	17,106,569
Arena	386,836	255,574	57,368	56,740	56,740	56,740
Central Eastside Urban Renewal	380,173	738,427	4,910,945	5,528,779	5,528,572	5,501,090
Convention Center Urban Renewal	4,485,146	6,448,064	6,250,862	16,920,306	16,919,946	17,421,599
Enterprise Loan	2,140,709	13,422,732	26,715,992	31,259,696	37,163,270	38,163,270
HOME Grant	4,024,687	5,243,485	5,315,460	2,935,000	2,935,000	2,935,000
Housing and Community Dev Contract	11,743,391	10,719,073	15,014,830	12,811,030	12,518,405	12,543,403
Regional Strategies	892,862	1,664,561	1,726,743	241,529	241,529	241,529
South Park Blocks Urban Renewal	79,343	82,949	14,400,253	17,896,993	17,880,850	17,832,298
St. Johns	983,263	0	0	0	0	0
Urban Redevelopment Fund	6,743,052	7,618,624	11,871,877	13,865,737	15,872,969	15,681,632
Waterfront Renewal Bond Redevelopm	8,894,046	9,557,395	19,138,168	26,390,385	26,367,641	26,327,097
Total	\$ 41,209,467	\$ 56,182,213	\$ 111,597,561	\$ 159,485,544	\$ 167,064,226	\$ 153,810,227

PDC's Budget by Target Area



PDC's Implementation of 2040

PDC is the City's implementing agency for meeting 2040 goals in the area of housing, jobs and revitalization. METRO's Regional Urban Growth Goals and Objectives (RUGGOS), amended and adopted in 1995, provide the context for PDC's role in implementing the 2040 Growth Concept. The recently adopted Regional Framework Plan provides more specific goal numbers as well as broad planning goals and objectives.

PDC's projects and programs in three areas, *housing, jobs and revitalization* support II.2 the "Built Environment" under Goal II, Urban Form in the RUGGOS. Specifically this goal calls for balancing the region's growth by:

- maintaining a compact urban form
- preserving existing stable and district neighborhoods by focusing commercial and residential growth in mixed use centers and corridors
- assuring affordability and maintaining a variety of housing choices with good access to jobs
- targeting public investment to reinforce a compact urban form

The following table organizes our approach to the implementation of the 2040 Framework Plan under housing, jobs and revitalization.

	Amount	2040 Goal
HOUSING		Provide a diverse range of housing types with specific goals for low- and moderate-income and market rate housing; and provide for housing densities and costs supportive of public policy for the development of the regional transportation system and designated centers and corridors. PDC efforts will focus on annual progress towards supporting the production of 55,000 housing units by 2014.
Continuing Programs		
<i>Housing Development Finance</i>	\$46,738,000	Includes FY 1997-98 carry-over funds totaling \$24.6 million.
Preservation housing		New commitments: 934 units
Eastside Permanent Housing		Committed 97-98: <u>1,050</u> units
Hamilton II replacement housing		Total: 1,984 units
Transit oriented housing (60th & Glisan)		
Union Station housing		
<i>Neighborhood Housing Preservation</i>	\$4,285,000	275 units of owner occupied housing
Home rehabilitation		
Home ownership programs		
New Initiatives		
<i>Fannie Mae home ownership and repair</i>	\$16,407,000	200 units of owner occupied housing

	Amount	2040 Goal
JOBS		Maintain a strong economic climate through encouraging the development of a diverse and sufficient supply of jobs, especially family wage jobs, in appropriate locations. Utilize a target industry approach focusing retention, recruitment and expansion in order to broaden and diversify the region's industrial base. Create 158,000 jobs within the City; 71,000 jobs in the Central City.
Continuing Programs		
<i>City wide business development</i>	\$661,000	Direct business support for creation/retention of 500 jobs within city; focus will be on "quality jobs" which provide at minimum 200% of minimum wage, health benefits and upward mobility for the employee. Central City will receive increased focus.
<i>Regional business development</i>	\$375,000	Direct business support for the creation of 300 "quality jobs". Focus is to assist companies to locate in the metropolitan area that will increase jobs and business opportunities for the City.
<i>Small business services</i> NE/OSE community business loans Technical assistance Small business loans	\$1,664,000	Supporting businesses in designated community development areas which contribute to preserving existing stable and diverse neighborhoods. Expected to create/retain 50 jobs.
<i>Targeted industries</i> Program Development Creative services incubator Biotech/science park Regional Strategies contracts	\$795,000	Strengthen the industry capacity, and the infrastructure and facilities necessary to support the growth of firms and jobs in targeted sectors.
<i>Commercial/Industrial projects</i> Trailways/Post Office block Older buildings seismic program Central Eastside redevelopment	\$1,252,000	Redevelopment and reuse of land for industrial and commercial purposes. 1-2 sites will be redeveloped in the Central Eastside creating/retaining 400 jobs.
New Initiatives		
<i>Development Opportunities Fund</i> Downtown Airport Way	\$934,000	Approximately 450 jobs will be created in Airport Way and the Downtown utilizing these funds to attract and retain companies.
<i>Airport Way land acquisition and devel.</i>	\$7,258,000	Land acquisition for location of companies creating 1,000 to 1,500 jobs over three years.
<i>Neighborhood Improvement District Prog.</i>	\$200,000	Assistance in developing business improvement districts outside Central City.

	Amount	2040 Goal
REVITALIZATION		
Continuing Programs		
<i>Commercial/Industrial</i>	\$2,883,000	Redevelopment and reuse of lands used in the past or already used for commercial and industrial purposes in support of the 2040 goals for ensuring that the prospect of living, working and doing business in those locations remains attractive to a wide range of households and employers.
Pioneer Place II		
Agricultural Center		
North Downtown storefront loans		
Old Town lighting enhancements		
Headquarters hotel		
511 Building		
<i>Neighborhood Commercial</i>	\$5,930,000	Facilitate the development and preservation of affordable mixed-income neighborhoods.
MLK Boulevard improvements		
MLK commercial site development		
Storefront programs		
Lents Development Fund		
NE/OSE development opport. strategies.		
<i>Parks and Open Space</i>	\$12,733,000	Recognition and protection of critical open spaces for use and enjoyment of City residents. Access to community trails and walkways, and other recreation and cultural areas and public facilities.
Eastbank Park		
Waterfront Park extension		
Classical Chinese Garden		
<i>Public Facilities</i>	\$4,624,000	See above.
Union Station site improvements		
Union Station property management		
<i>Redevelopment Area Planning</i>	\$1,299,000	Public policies that encourage diversity and excellence in the design and development of settlement patterns, landscapes and structures.
Urban renewal planning (OSE, No. Macadam, River District)		
Chinatown Development Plan		
Parking planning		
Predevelopment projects		
Gateway Planning		
<i>Transportation/Transit</i>	\$7,839,000	Creation of a balanced transportation system, less dependent on the private automobile.
Chinatown parking development		
Transit Mall rehabilitation		
Streetcar streetscape projects		
River Parkway realignment		
Broadway/Weidler LID		
Airport Way transportation		
SPB cultural center parking		
New Initiatives	\$12,426,000	See above goals regarding redevelopment of existing commercial and industrial areas.
PSU Urban Plaza		
Lloyd land acquis. & development		
Convention Center Area improvements		
Airport Way Light Rail		

Project Budgets by Revenue Type

The following four pages break out PDC's budget by project, by revenue type. Specifically, the table shows which projects are funded with new tax increment dollars, private funding, City General Fund, federal and other grants, the Housing Investment Fund, program income, Beginning Fund Balance, and service reimbursements (overhead reimbursements).

Projects by Revenue Type For FY 1998-99

Revenue Type	Project	Revenue Amount
Beginning Fund Balance	AW - Airport Light Rail Dev.	2,496,090
	AW - Land Acq. & Development	480,000
	AW - Transportation Improvemt.	800,000
	AW Develop. Opportunities Fund	323,501
	Central E.side Predevelopment	31,675
	Central Eastside Redevelopment	1,155,329
	CES - Water Avenue Phase 2 Lid	114,224
	CES Storefront	45,000
	China Town Development Plan	80,000
	Debt Management	935,681
	Eastbank Riverfront Park	745,568
	EDA Business Development Rlf	232,988
	EDA Real Estate Devel Rlf	90,655
	General Administration-Housing	4,413
	Home Ownership Program	245,000
	Home Rehab Loans City-Wide	312,201
	Loan Servicing Ec Dev	2,596
	Loan Servicing Housing	2,596
	MFH - 330 Oak Street	2,000,000
	MFH - Hamilton Replacement II	6,242,723
	MFH - Housing Redevelopment	794,424
	MFH - McDonald Center	200,000
	MFH - Rental Projects	4,572,614
	MFH - Residential Conversion	91,481
	MLK Street Improvements	354,581
	N/NE Bus Asst Fund Tech Asst	30,076
	N/NE Business Asst Fund Loans	349,942
	Neighborhood Business District	7,380
	North Macadam Predevelopment	76,450
	Old Town Lighting Enhancement	66,500
	Ose/Lents Development Fund	100,000
	PA - Mayor's Office Contract	2,184
	PSU Urban Plaza	2,648,479
	Regional Strategies	201,529
	RiverDistrict Land Acquisition	172,589
	SPB - Cultural Center Parking	18,418
	Streetcar Streetscape Improve.	134,678
	SWF Greenway Development	428,900
	Targeted Investment Program	368,502
	Transit Mall Rehab	400,000
	US - Public Site Improvements	3,000,653
	Walnut Park Retail	782
	Total for Beginning Fund Balance	30,360,402
Cash Transfer In		
	Ose/Lents Development Fund	732,434
	Total for Cash Transfer In	732,434

Projects by Revenue Type For FY 1998-99

Revenue Type	Project	Revenue Amount
City General Fund		
	Bus. Distr. Projects City Wide	49,370
	Business Development Citywide	382,164
	Hollywood Storefront	7,380
	MFH - Eastside Permanent Housi	6,000,000
	Neighborhood Business District	126,620
	North Macadam Predevelopment	74,700
	Ose/Lents Development Fund	467,566
	Reg. Bus Dev & Recruitment	50,000
	River District	121,431
	RiverDistrict Land Acquisition	810,173
	Target Industry Development	110,381
	US - Public Site Improvements	167,652
	Total for City General Fund	8,367,437
Federal and Other Grants		
	Budgeting & Financial Planning	2,573
	Economic Development Admin	36,819
	Gateway Pre-development	20,000
	General Administration-Housing	188,955
	Grant & Contract Accounting	11,712
	Home Ownership Program	414,810
	Loan Servicing Ec Dev	19,595
	Loan Servicing Housing	300,296
	Management Reporting	24,429
	MFH - Rental Projects	4,035,275
	MLK Dev Opp Strat Implement.	101,321
	N/NE Bus. Assistance Loans	135,687
	N/NE Storefront Program	73,740
	New TAD DOS/Loans	50,000
	New TAD Storefront Grants	75,000
	Non-profit Fac Rehab Citywide	251,930
	North Macadam Predevelopment	60,000
	OSE Dev. Opportunity Strategy	132,927
	OSE Small Bus Lending Program	193,782
	Outer SE Storefront Program	95,223
	Refinance City-Wide	4,481
	Reg. Bus Dev & Recruitment	205,000
	Regional Strategies	35,534
	SE Milwaukee Loans	25,000
	SWF Greenway Development	400,000
	Total for Federal and Other Grants	6,894,089
Housing Investment Fund		
	CHDI Prop Mgt Contract	6,830
	General Administration-Housing	91,903
	Home Ownership Program	46,861
	MFH - Rental Projects	9,201,283
	MFH - Rosemont Project	750,000

Projects by Revenue Type For FY 1998-99

Revenue Type	Project	Revenue Amount
Housing Investment Fund		
	Total for Housing Investment Fund	10,096,877
Private Funding		
	Fannie Mae - Ownership/Rehab	16,000,000
	Home Ownership Program	480,000
	Home Rehab Loans City-Wide	105,000
	MFH - Rental Projects	3,000,000
	North Macadam Predevelopment	75,000
	Refinance City-Wide	308,200
	Reg. Bus Dev & Recruitment	120,000
	Urban Homestead Program	86,000
	Total for Private Funding	20,174,200
Program Income		
	Budgeting & Financial Planning	29,151
	Debt Management	504,648
	EDA Real Estate Devel Rlf	139,730
	Fannie Mae - Ownership/Rehab	407,000
	Gateway Pre-development	42,160
	Hollywood Storefront	65,520
	Hollywood/St. Johns Pre-Develo	8,667
	Home Ownership Program	73,142
	Home Rehab Loans City-Wide	1,593,740
	LID Subsidy to Homeowners	99,862
	MFH - Rental Projects	3,413,989
	N/NE Bus. Assistance Loans	122,500
	NHP Program Delivery Costs	306,657
	Parking Group Contract Cctmp	15,000
	Refinance City-Wide	132,718
	St. Johns Storefront	26,730
	SWF Parcels 6,6c,4&5 Developm	512,424
	Urban Homestead Program	75,849
	US - Property Management	927,463
	Walnut Park Retail	5,644
	Total for Program Income	8,502,594
Service Reimbursement In		
	Accounting Admin	50,097
	Budgeting & Financial Planning	136,714
	Computer Services	570,968
	Const. Mgt and Engineering	11,078
	Contract Rules Management	155,397
	Debt Management	88,691
	Desktop Systems	192,359
	Executive Department Admin	361,927
	Facilities Management	1,127,725
	Finance Dept Admin	160,588
	Financial Accounting Systems	139,127
	Financial System Conversion	4,037

City of Portland, Oregon - FY 1998-99 Adopted Budget

Projects by Revenue Type For FY 1998-99

Revenue Type	Project	Revenue Amount
Service Reimbursement In		
	Five Year Business Plan	43,134
	Grant & Contract Accounting	3,586
	Human Resources	247,315
	Legal Section Administration	80,018
	Management Reporting	454,260
	Property Transactions Admin	22,045
	Public Affairs Administration	197,427
	Records Management	104,057
	Resource Development Core	20,000
	Risk Management	135,022
	Total for Service Reimbursement In	4,305,572
Tax Increment Debt Proceeds		
	Airport Way Predevelopment	15,853
	AW - Airport Light Rail Dev.	4,071,275
	AW - Land Acq. & Development	6,778,319
	AW - Transportation Improvemt.	176,169
	AW Develop. Opportunities Fund	303,808
	AW Finance And Comm. Outreac	88,863
	AWA Trail Development	80,944
	Biotech Target Industry Dev.	381,888
	Block 50 Development	53,370
	Broadway/Weidler Infrastructu	256,140
	Business Development	229,793
	CC - Headquarters Hotel Dev	93,781
	CC Finance and Comm. Outreac	171,988
	Central E.side Predevelopment	7,355
	CES Finance And Comm. Outrea	82,615
	CES Storefront	130,679
	China Town Development Plan	20,267
	Chinatown Parking/Develmt Site	2,077,288
	Classical Chinese Garden	1,047,193
	Comm. Park Blocks Street Impr.	256,184
	Convention Center Public Imps.	2,089,409
	Creative Serv. Target Ind. Dev	65,452
	Debt Management	89,994
	Destination Retail	28,430
	DT Developm. Opportunity Fund	306,321
	DTW Finance And Comm. Outre	131,949
	Eastbank Riverfront Park	7,153,192
	General Administration-Housing	13,401
	Horsebarn Site Redevelopment	335,003
	Lloyd Land Acquisition & Devel	1,110,104
	Loan Servicing Housing	1,298
	MFH - 330 Oak Street	64,952
	MFH - Chinatown	1,042,662
	MFH - Lloyd District	2,030,973
	MFH - McDonald Center	11,396
	MFH - MLK Rental Projects	789,828

City of Portland, Oregon - FY 1998-99 Adopted Budget

Projects by Revenue Type For FY 1998-99

Revenue Type	Project	Revenue Amount
Tax Increment Debt Proceeds	MFH - Rental Projects	1,232,837
	MFH - Residential Conversion	535,558
	MFH - Union Station Housing	579,434
	MLK Blvd Improvements	1,469,378
	MLK Blvd. Facade Program	214,550
	MLK Commercial Site Develop.	1,342,717
	MLK Predevelopment Asst	207,002
	MLK Street Improvements	251
	N. Downtown Facade Grants	101,043
	Neighborhood Business District	66,000
	Old Post Office Bldg (511)	79,938
	Old Town/CT Streetscape Impr.	458,677
	Older Building Seismic Program	43,346
	Park Block 5	32,695
	Parking Development Program	59,090
	Predevelopment Activity	83,212
	PSU Urban Plaza	11,099
	River Parkway Realignment	910,187
	Riverplace Parcel 6 Conf. Ctr	59,656
	SPB - Cultural Center Parking	647,464
	SPB - Facade Grants	123,033
	SPB - Mixed Use Site Acq.	156,404
	SPB - Simon Benson House	358,362
	SPB Finance And Comm. Outrea	52,473
	SPB Predevelopment	34,880
	SPB West End Retail Pub. Impr.	148,825
	Stormwater Policy	2,532
	Streetcar Streetscape Improve.	524,331
	SWF - Environ Site Prep	297,534
	SWF - R.Place Shore Restorati	248,472
	SWF Greenway Development	1,819,187
	SWF Harrison St Extension	230,214
	SWF Public Parking Developmen	357,868
	Tanner Creek Development	43,025
	Trailways/Post Office Block	84,739
	Transit Mall Rehab	442,299
	Union Station	13,391
	Union Station Restoration	262,453
	US - Agricultural Center	486,147
	Water Avenue Extension	34,916
	Total for Tax Increment Debt Proceeds	45,443,355
	Grand Total	134,876,960

Budgeted Resources

PDC's operating and capital expenditures are supported by resources derived from a variety of tax, enterprise, private, and grant sources. As shown on the table on the next page, total resources, including Beginning Fund Balance for FY 1998-99 are budgeted at \$153,810,228 (including \$4.3 million in fund service reimbursements for overhead costs). Below is a discussion of each of the primary resources supporting PDC activities.

Summary of Resources

The table on the next page summarizes PDC's resource types. Below is a description of each of PDC's major funding sources:

Fund Balance: Several of PDC's capital funds carry balances resulting from tax increment funded loan repayments, remaining tax increment bond proceeds, and program income receipts. These balances are programmed over the next five years to fund critical housing and redevelopment projects and provide reserves for loan accounts. Certain fund balances totaling \$8.4 million are federal grant funds and restricted in their use. The total budgeted Beginning Fund Balance for FY 1998-99 is approximately \$40.6 million. PDC has initiated a new fund reserve policy for FY 1998-99 which lowers capital fund balance requirements from 20% to 10%.

Tax Increment Debt Proceeds: The City collects tax increment property taxes in urban renewal areas and converts the revenue to debt proceeds for PDC use on eligible projects within designated urban renewal areas. In 1996, the City issued \$47 million in tax increment bonds to be drawn down over a five-year period. PDC budgeted tax increment debt proceeds for FY 1998-99 are approximately \$46.8 million. PDC anticipates bond issuances in certain urban renewal areas. The schedule and amount of bonds to be issued will be determined with the assistance of the City's Debt Management group. Budgeted tax increment debt proceeds are as follows for each of these Urban Renewal Areas: Airport Way \$11.9 million; Downtown Waterfront \$14 million, Convention Center \$15.8 million; South Park Blocks \$2.7 million, and Central Eastside \$2.4 million.

City of Portland General Fund: In recent years, PDC has relied on City General Fund allocations from the City of Portland to fund certain on-going program activities and special capital projects. Examples in this year's budget include business development, River District projects, Neighborhood Improvement District, North Macadam planning, and the Lents Development Fund. City General Fund proceeds also finance the Housing Investment Fund. Budgeted City General Fund allocations for FY 1998-99 are approximately \$2.4 million excluding the Eastside Permanent Housing Facility and Housing Investment Fund. PDC has budgeted \$6 million for the Eastside Permanent Housing Facility and \$1 million for a special appropriation for the Housing Investment Fund. In addition, the Housing Investment Fund includes \$9.1 million budgeted from the balance of funds approved by Council in FY 1997-98.

PDC Financial Summaries

Summary of Resources

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
Beginning Fund Balance	17,192,168	21,429,871	27,956,803	41,736,539	40,743,235	40,594,186
Cash Transfers In	4,381,498	10,000	1,092,247	2,000,000	2,000,000	2,000,000
City General Fund	0	4,798,159	4,859,305	6,778,639	8,506,052	8,359,162
<u>Federal and Other Grants</u>						
Grants - Except Hcd	4,035,603	4,424,790	3,602,911	3,335,000	3,335,000	3,335,000
Grants - State And Local	0	2,020,520	1,462,582	245,000	305,000	325,000
Grants - Hcd Contract	5,471,071	2,442,582	7,579,300	3,506,183	3,213,558	3,238,558
Total Federal and Other Grants	\$ 9,506,674	\$ 8,887,893	\$ 12,644,793	\$ 7,086,183	\$ 6,853,558	\$ 6,898,558
HIF Note Revenue	0	8,161,322	1,198,180	2,200,000	9,096,877	10,096,877
Loans From Other Funds	4,381,498	6,188,477	1,806,979	0	0	0
<u>Private Funding</u>						
Private Grants & Donations	22,250	33,065	261,947	120,000	195,000	195,000
Private Lender Agreements	1,827,050	3,321,020	2,383,772	19,979,200	19,979,200	19,979,200
Total Private Funding	\$ 1,849,300	\$ 3,354,085	\$ 2,645,719	\$ 20,099,200	\$ 20,174,200	\$ 20,174,200
<u>Program Income</u>						
Rent Income	1,467,879	1,486,201	1,413,150	582,394	582,394	582,394
Publications And Other Sales	1,456	589	0	0	0	0
Loan Fees	86,881	106,789	0	337,000	337,000	337,000
Loan Late Charges	20,018	22,312	0	4,000	4,000	4,000
Application Fee	0	29,625	0	59,000	59,000	59,000
Other Contracts	5,851,434	1,761,912	17,037,437	15,000	158,077	158,077
Loan Principal Collections	9,147,440	11,320,020	8,686,839	6,910,788	6,910,788	6,910,788
Loans - Interest Earned	2,213,892	2,502,839	1,826,428	1,817,200	1,817,200	1,817,200
Interest - City Investmt Pool	1,176,523	1,079,629	882,687	1,097,454	1,097,454	1,097,454
All Other Interest	26,127	27,031	0	0	0	0
Real Property Sales	1,123,702	369,606	2,751,067	1,500,000	1,500,000	1,500,000
Personal Property Sales	2,615	24,718	0	1,026,000	1,026,000	1,026,000
Reimbursements	727,516	588,264	374,653	966,452	966,452	966,452
Miscellaneous Income	300,088	184,852	0	157,000	157,000	157,000
Contra Program Income	-655,128	0	0	0	0	0
Equipment User Fees	0	0	0	0	0	0
Total Program Income	\$ 21,490,444	\$ 19,504,387	\$ 32,972,261	\$ 14,472,288	\$ 14,615,365	\$ 14,615,365
Ind Cost-admin Alloc-contra	3,837,603	3,412,052	3,646,018	4,219,228	4,220,972	4,305,572
Tax Increment Revenue	0	0	0	60,893,468	0	0
<u>Tax Increment Debt Proceeds</u>						
Tax Increment Debt Proceeds	0	8,375,580	22,775,247	0	60,853,968	46,766,308
Bond Sales	0	17,500	0	0	0	0
Total Tax Increment Debt Proceeds	\$ 0	\$ 8,393,080	\$ 22,775,247	\$ 0	\$ 60,853,968	\$ 46,766,308
Total Resources (including beginning fund balance)	\$ 62,639,186	\$ 84,139,326	\$ 111,597,552	\$ 159,485,545	\$ 167,064,227	\$ 153,810,228

Federal Grants:

Community Development Block Grant (CDBG): Administered and allocated through the Bureau of Housing and Community Development, the CDBG program funds PDC's housing rehabilitation and repair programs, and community business development. Funds are received through an annual allocation and from program income earned on a large CDBG loan portfolio. PDC's CDBG budget for FY 1998-99 is approximately \$6.9 million (which includes \$3.7million of program income). This figure excludes \$4 million in private lender funds which are described later. This figure also excludes \$1.6 million budgeted in two CDBG housing revolving loan funds.

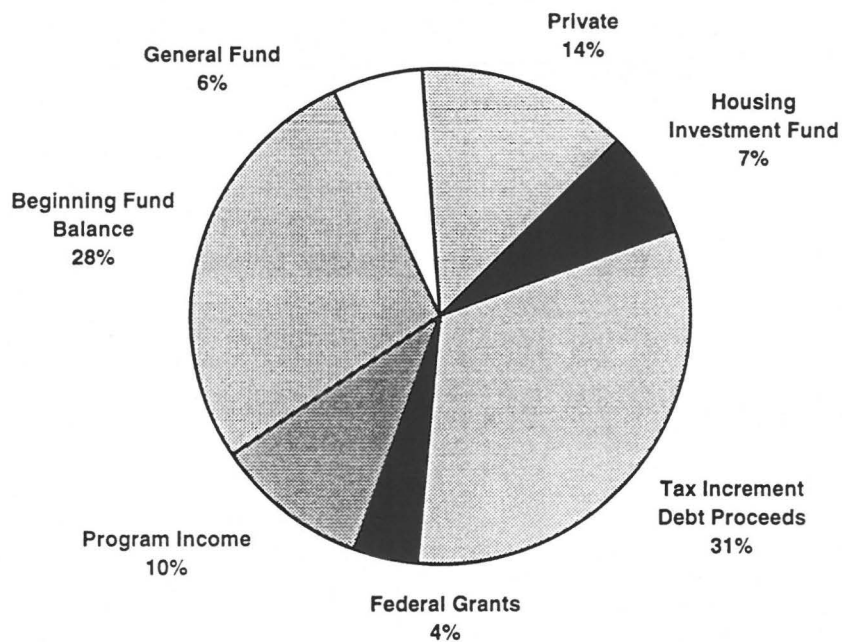
HOME Program: HOME funds, also administered by BHCD, are used to support new multi-family housing projects. The FY 1998-99 budget is \$2.9 million.

Other Grants: PDC is the administrator for the Regional Strategies money received by a consortium of Multnomah and Washington counties. This money is derived from lottery proceeds and is operated under State guidelines. A substantial portion of these funds are "passed through" to other organizations. The FY 1998-99 budget for Regional Strategies is approximately \$241,529.

Program Income: PDC receives program income from a variety of sources including rents, sale of assets, loan repayments, and interest income. These funds are used to support predevelopment efforts; to provide loans for capital projects; to fund program management in urban renewal areas; and other activities included in the Five-Year Business Plan. Program income received in urban renewal areas is retained within that urban renewal area and expended on projects in accordance with the City's adopted urban renewal plans. Certain program income is restricted in expenditure by law. The FY 1998-99 budget for these funds totals approximately \$10.5 million (excluding \$4 million in block grant program income discussed above).

Private Funding: PDC currently has agreements with several local banks whereby block grant funds and other funding sources are used together with bank funds to finance certain single and multi-family housing projects. We also have agreements with local banks to use bank funds to fund single family mortgage loans. A new program included in the FY 1998-99 budget at \$16 million is a program with Fannie Mae to augment funding for neighborhood housing. In addition, PDC receives funds from private businesses to support regional business development efforts. The total private funding budget for FY 1998-99 is about \$20 million.

Distribution of PDC Resources



As shown on the graph, PDC's resources are primarily distributed among tax increment, beginning fund balance, private funds, program income, City General Fund, and federal grants. PDC continues to strive towards the receipt of a balanced and diverse number of resources to guard against over reliance on a single source of income. In this next year and future years, we will continue to emphasize increasing our private funding resources.

Staffing

PDC's FTE position count has increased by a net 1.1 FTE, from a revised FY 1997-98 count of 99.5 to an Adopted FY 1998-99 count of 100.6. This net increase reflects the reduction of 9.5 Workforce and Target Industry staff and an increase of 10.6 FTE positions needed to meet PDC's significantly increased work plan throughout the City. The following table summarizes the change in FTE position by department.

<u>Department</u>	<u>Actual</u> <u>FY 1996-97</u>	<u>Revised</u> <u>FY 1997-98</u>	<u>Adopted</u> <u>FY 1998-99</u>
Housing	35.3	29.0	31.0
Development	18.9	18.0	23.0
Economic Development	16.5	13.0	15.0
Workforce and Target Industries	12.6	9.5	0.0
Professional Services	12.6	1.0	0.0
Finance and Information Systems	17.8	17.9	19.0
Executive	<u>13.3</u>	<u>11.1</u>	<u>12.6</u>
Total	<u>127.0</u>	<u>99.5</u>	<u>100.6</u>

Salary Schedule - The following schedule lists all of PDC's positions and budgeted salaries. The FY 1998-99 budget assumes a 6% merit increase to each position's salary, however, the actual raise will depend on each individual's work performance and position on the salary range. Actual salary increases are applied to a positions range mid-point.

Organization Chart - PDC's Adopted organization chart follows the salary schedule.

PORTLAND DEVELOPMENT COMMISSION

PDC FULL-TIME POSITIONS

POSITION TITLE	Actual FY 1995-96	Actual FY 1996-97	Revised FY 1997-98		Approved FY 1998-99		Adopted FY 1998-99	
	No.	No.	No.	Amount	No.	Amount	No.	Amount
Accounting Manager	1	1	1	61,182	1	64,843	1	64,843
Accounting Technician	0	0	1	28,560	1	27,825	1	27,825
Acquisition/Appraisal Specialist	0	0.5	0	0	0	0	0	0
Administrative Budget Coordinator	1.9	3.9	0	0	0	0	0	0
Administrative Coordinator	1	0	1	33,109	1	32,852	1	32,852
Administrative Specialist I	1	1	1	20,195	2	47,337	2	49,784
Administrative Specialist II	11	12.8	6.5	174,820	7	201,850	7	197,705
Administrative Specialist III	3.6	4.6	2	64,116	2	67,974	2	67,974
Appraisal/Acquisition Specialist	1	1	0	0	0	0	0	0
Associate Accountant	3	3	0.3	9,497	0	0	0	0
Attorney	2	2	2	153,206	2	162,405	2	162,405
Budget Analyst	0	0	2	86,095	2	87,972	2	87,972
Budget Officer	1	1	1	61,182	1	64,843	1	64,843
Business Finance Specialist	1	1	0	0	0	0	0	0
City Business Development Mgr.	1	0	0	1	0	0	0	0
Commission Receptionist	2	2	1	23,500	1	24,914	1	24,914
Commission Secretary	1	1	1	44,823	1	47,513	1	47,513
Communications/Contract Coordinator	0	0.9	1	49,796	1	47,505	1	47,505
Const. Mgmt. Services Manager	1	1	0	0	0	0	0	0
Construction Coordinator	0	0	5	263,556	2	118,287	2	118,287
Deputy Housing Director	0	0	1	79,295	1	84,047	1	84,047
Development Director	1	1	1	90,151	1	95,556	1	100,693
Development Manager	3	3	5	379,772	6	475,113	5	402,553
Economic Development Director	1	1	1	80,526	1	85,348	1	85,348
Emergency Repair Loan Officer	1	1	0	0	0	0	0	0
Environmental Coordinator	1	1	1	53,039	1	56,222	1	56,222
Executive Director	1	1	1	101,860	1	102,810	1	102,810
Finance Assistant	0	0	1	30,331	1	29,809	1	29,809
Finance Director	0	0	1	85,048	1	90,154	1	90,154
Financial Analyst	1	1	0	0	0	0	0	0
Financial Services Manager	1	1	0	0	0	0	0	0
Graphic Designer	1	1	0	0	0.5	18,575	0.5	18,575
HDF Technician	0	2	0	0	0	0	0	0
Hsg. Construction Management Coordinator	1	0.8	0	0	0	0	0	0
Housing Construction Specialist	2	2	1	55,039	1	58,339	1	58,339
Housing Development Finance Manager	0	0	1	63,390	1	67,202	1	67,202
Housing Director	1	0.8	1	89,000	1	94,343	1	94,343
Housing Finance Advisor I	2.5	2	0	0	0	0	0	0
Housing Finance Coordinator	0	0	3	154,617	3	165,079	3	165,079
Housing Finance Specialist	0	0	1	47,000	1	49,828	1	49,828
Housing Initiatives Coordinator	0	0	1	47,792	1	50,666	1	50,666
Housing Resource Coordinator	0	0	1	48,848	1	51,769	1	51,769
Housing Specialist	5.5	5	0	0	3	154,204	3	154,204
Human Resources Manager	1	1	1	62,137	1	65,857	1	65,857
Human Resources Technician	0.6	0.8	0.6	18,994	0.6	18,123	0.6	18,123
Information Program Specialist	0	0	1	36,037	1	38,209	1	38,209
Information Systems Manager	0	1	1	60,064	1	63,675	1	63,675
JobNet Program Assistant	1	1	1	39,189	0	0	0	0
Legal Assistant	1	1	1	39,541	1	41,913	1	41,913
Loan Closing Technician	1	1	0	0	0	0	0	0
Loan Collection Specialist	1	1	1	37,435	1	39,686	1	39,686
Loan Officer II	1	2	0	0	0	0	0	0
Loan Originator/Processor	0	1	3	104,447	3	110,724	3	110,724
Loan Processor/Closer	0	0	3	104,012	3	114,429	3	114,429
Loan Servicing Representative	1	1	1	41,228	0	0	0	0
Loan Servicing Supervisor	1	1	1	52,999	1	56,178	1	56,178
Loan Underwriter	1	2	2	92,750	2	96,041	2	96,041
NHP Program Manager	0	1	1	58,397	1	61,911	1	61,911
Outsource Contract Manager	0	0	1	55,000	1	58,295	1	58,295
PC Systems Analyst I	0	0	0	0	1	33,910	1	33,910

PORTLAND DEVELOPMENT COMMISSION

PDC FULL-TIME POSITIONS

POSITION TITLE	Actual FY 1995-96	Actual FY 1996-97	Revised FY 1997-98		Approved FY 1998-99		Approved FY 1998-99	
	No.	No.	No.	Amount	No.	Amount	No.	Amount
PC Systems Analyst II	1	1	1	31,985	1	41,538	1	41,538
Professional Services Director	1	1	1	80,998	0	0	0	0
Program Development Assistant	0	0	2	73,006	1	40,238	2	75,846
Program Development Specialist	1	0	0	0	0	0	4	131,406
Program Development Technician	2	2	4	123,953	4	131,406	0	0
Program/Project Manager	1	0	0	0	0	0	0	0
Project Coordinator I	4	9.6	3	140,820	1	55,539	2	102,391
Project Coordinator II	15	15	8	424,595	9	503,776	10	557,463
Project Manager	5	11	8	506,696	8	507,367	8	507,367
Property Maintenance Supervisor	1	1	0.5	19,595	0.5	29,500	0.5	29,500
Property Mgmt. /Relocation Specialist	1	1	0	0	0	0	0	0
Property Transactions Manager	1	1	0	0	0	0	0	0
Public Affairs Coordinator	0.9	0	0	0	0	0	0	0
Manager, Public Affairs	1	1	0	0	0	0	0	0
Records Management Coordinator	0.8	0	0	0	0	0	0	0
Records Specialist	0	0.8	0.6	41,482	1	43,964	1	43,964
Regional Marketing & Recruitment Mgr.	1	0	0	0	0	0	0	0
Research Specialist	1	1.5	1	46,437	1	49,233	1	49,233
Senior Accountant	1	1	1	39,228	2	76,594	2	76,594
Special Assistant to the Executive Director	0	0	1	76,062	1	80,630	1	80,630
Special Projects Manager	1	1	0	0	0	0	0	0
Systems Analyst/Programmer III	1	1	1	47,306	1	50,137	1	50,137
Technical Support Services Manager	1	0	0	0	0	0	0	0
Underwriter/Income Property	1	0	0	0	0	0	0	0
VAX System/Programmer III	1	1	1	52,398	1	55,539	1	55,539
Workforce and Target Industries Director	1	1	1	80,998	0	0	0	0
TOTAL	109.80	126.00	99.50	5,067,136	98.60	5,189,596	100.60	5,256,622

PDC

PORTLAND

DEVELOPMENT

COMMISSION

EXECUTIVE (12.60)

EXECUTIVE

Admin Specialist II - Exec
Exec. Asst/Comm Secretary
Executive Director
Special Asst. to Exec Director

HUMAN RESOURCES

Human Resources Manager
Human Resources Technician (.60)

LEGAL

Attorney (2.00)
Legal Assistant

OFFICE MANAGEMENT

Commission Receptionist
Facilities Coordinator
Prop Maintenance Supervisor (.50)

PUBLIC AFFAIRS

Communications/Contract Coord.
Graphics Specialist (.50)

ECONOMIC DEVELOPMENT (15.00)

ECONOMIC DEVELOPMENT

Admin. Specialist II - Ec Dev (2.00)
Admin. Specialist III - Ec Dev
Economic Development Director (1.00)
Information Program Specialist
Project/Program Coord I-Ec Dev
Project/Program Coord II-Ec De (3.00)
Project/Program Mgr - Ec Dev (5.00)
Research Specialist - Ec Dev

HOUSING (31.00)

HOUSING

Admin Specialist II-HSG Admin (2.00)
Construction Advisor (3.00)
Construction Coordinator - HDF (2.00)
Construction Specialist - HDF
Deputy Housing Director
Development Manager - HDF
Finance Coordinator - HDF (3.00)
Finance Specialist - HDF
Housing Director
Housing Initiatives Coordinator (1.00)
Loan Processor/Closer - HDF (3.00)
Originator/Processor - NHP (3.00)
Program Development Tech - HDF (1.00)
Program Development Tech - Hsg
Project Manager - Housing Dev
Project/Program Manager - Hsg (2.00)
Team Manager - NHP (1.00)
Team Resource Coordinator
Underwriter/Closer - NHP (2.00)

DEVELOPMENT (23.00)

DEVELOPMENT

Admin Specialist II - Dev (2.00)
Admin Specialist II-Construct
Development Director
Development Manager (4.00)
Environmental Coordinator (1.00)
Outsourcing Manager
Program Development Asst - Dev (2.00)
Program Development Tech - Dev (2.00)
Project/Program Coord I - Dev
Project/Program Coord II - Dev (7.00)
Project/Program Manager - Dev

FINANCE & INFORMATION SYSTEMS(19.00)

FINANCE

Accounting Manager
Accounting Technician
Admin Specialist I - Finance
Budget Analyst (2.00)
Budget Officer (1.00)
Finance Assistant
Finance Director (1.00)
Loan Collection Specialist
Loan Servicing Supervisor
Program Dev Tech - Finance
Senior Accountant (2.00)

INFORMATIONS SYSTEMS

Information Services Manager
PC System Analyst II
PC Systems Analyst I
Records Specialist
System Analyst/Vax Programmer
Vax System/Programmer III

Total FTE: 100.60

PDC's Housing Department

General Background

PDC is the City of Portland's lead agency for housing development services and financing. PDC administers an assortment of public and private financial resources to support the development of affordable housing and implementation of the Livable City Housing Initiative to build 55,000 new housing units over the next 20 years.

Housing Programs: Multifamily Housing/Housing Development Finance

Over the past 20 years, PDC has provided financing to private and nonprofit developers for the construction and rehabilitation of rental housing units in the city. PDC serves as a centralized clearing house and administrator for a variety of public housing finance and development products designed to encourage and facilitate increased production of a full range of rental housing units throughout the city. Programs include:

Rental Housing Loans— low-interest loans for use in property acquisition refinancing, rehabilitation and new construction of rental housing units. Loans may be used for gap financing, and/or for bridging the temporary financial need between acquisition, construction, permanent loans and equity to fund total development costs. Loan funds administered through PDC include:

- Federal Programs: HOME, Community Development Block Grant (CDBG)
- City of Portland Programs: Housing Investment Fund (HIF), Tax Increment Financing (TIF)

Other tools PDC offers to encourage affordable rental housing development include:

Equity Gap Investment (EGI)

Permit and Fee Waivers

Predevelopment Loans

Bond Allocation

Credit Enhancement

Property Tax Exemption

Rental housing/new construction

Rental housing/nonprofit developers

Rental housing/rehabilitation

Transit Oriented Development

Single-family housing/new construction

Single-family housing/rehabilitation

The purpose of this program is to encourage the new construction of low, moderate, and middle-income rental housing. The program is available in the central city where the price of land is prohibitively expensive for new housing production and in designated urban renewal districts where, as a matter of city policy, the city is trying to encourage general redevelopment.

The exemption is for the improvement value only. Property owners continue to pay taxes on the value of the land. The exemption is limited to ten years. (The program is administered through the Bureau of Planning Housing Section.)

Housing Revenue Bond Program

Through the City of Portland's authority to issue municipal bonds, PDC offers the option of revenue bond financing for housing projects with associated public benefits that are located within the Portland city limits. While these bonds are not backed or guaranteed by the city in any way, the availability of tax-exempt financing can significantly enhance the feasibility of eligible projects.

Housing Programs: Owner Occupied Housing

In the past 20 years, PDC has provided financing to low-income homeowners for home repairs, such as roofing, plumbing, electrical, heating, structural systems and for security needs. In addition, many families have realized a dream of home ownership through various rehabilitation and purchase financing programs. Programs include:

Homeowner Repair

Homeowner Repair / Refinance Loans

The budget includes a major new partnership with Fannie Mae to provide funds to support home ownership and repair for Portland residents at 80 to 120% of median family income. Under this innovative project, PDC will operate as a Fannie Mae seller-servicer allowing it to directly access the Fannie Mae secondary market for home ownership and rehabilitation.

Deferred Payment Loans

Low-Interest Loans

First Time Home Buyers

At the present time the Portland Development Commission does not offer any direct financing assistance to persons purchasing a home. PDC has provided financing to developers of single family homes to be sold to first time home buyers who meet income guidelines. A pilot program, a Buyer Initiated Community Land Trust, may be available in FY 1998-99.

Property Tax Exemption

Single-family housing/new construction

Single family housing/rehabilitation

Major Changes in the Housing Department budget

The Housing Department budget has increased slightly from FY 1997-98. The large infusion of City General Fund HIF funding has been replaced by an increase in tax increment and private lender funds. The budget includes \$1 million in new HIF funding for FY 1998-99. HIF carryover projects are budgeted at \$9.1 million while neighborhood housing is increased by \$16 million for Financial Assistance for the Fannie Mae program.

The Housing budget also include \$6 million in City General Fund monies for the Eastside Permanent Housing project.

HOUSING DEPARTMENT

Commissioner-In-Charge: Mayor Vera Katz

SUMMARY OF DEPARTMENT EXPENSE

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
Expenditures						
Personal Services	1,889,660	2,041,533	2,257,102	2,414,679	2,412,932	2,416,028
Materials and Services	612,005	1,367,067	1,186,670	944,239	908,183	915,053
Capital Outlay	253,953	2,316,895	3,044,041	5,702,500	7,085,992	7,831,885
Financial Assistance	10,797,077	21,861,619	41,596,262	47,276,330	53,045,799	54,756,780
Indirect Allocation	23,539	1,065,193	1,960,018	1,711,677	1,772,645	1,911,805
Contingency	0	0	1,378,288	0	0	0
Total:	\$ 13,576,234	\$ 28,652,307	\$ 51,422,381	\$ 58,049,424	\$ 65,225,551	\$ 67,831,551

Authorized Full Time Positions

Total:	31.00	35.30	29.00	31.00	31.00	31.00
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SOURCE OF FUNDING

Beginning Fund Balance	-205,282	2,124,890	2,274,189	15,422,141	14,462,856	14,462,856
Federal and Other Grants	9,768,914	7,877,234	9,916,648	4,884,575	4,895,453	4,895,451
City General Fund	0	941,911	1,741,179	4,615,829	6,000,000	6,000,000
Housing Investment Fund	0	8,161,322	1,198,180	2,193,014	9,090,047	10,090,047
Loans From Other Funds	0	1,299,448	0	0	0	0
Private Funding	191,700	0	2,383,772	19,979,200	19,979,200	19,979,200
Program Income	8,658,470	9,661,766	22,622,818	6,225,457	6,102,957	6,102,957
Tax Increment	0	0	0	4,729,055	0	0
Tax Increment Debt Proceeds	0	17,500	0	0	4,695,038	6,301,041
Total Resources:	\$ 18,413,803	\$ 30,084,071	\$ 40,136,786	\$ 58,049,271	\$ 65,225,551	\$ 67,831,552

PROGRAMS

	0	0	0	0	0	0
Positions:				0.00	0.00	0.00
Business Services/Finance	0	0	0	0	0	0
Positions:				0.15	0.15	0.15
General Administration	162,669	264,141	480,354	298,668	298,672	298,672
Positions:				3.03	3.03	3.03
Multi Family Housing	8,632,877	21,477,252	42,541,578	36,695,682	43,983,426	46,589,429
Positions:				15.75	15.75	15.75
Neighborhood Commercial	0	0	0	0	0	0
Positions:				0.25	0.25	0.25
Neighborhood Hsg Preservation	4,319,422	6,737,147	8,050,154	20,803,145	20,691,523	20,691,521
Positions:				11.72	11.72	11.72
Public Facilities	461,266	173,767	350,295	251,930	251,930	251,930
Positions:				0.10	0.10	0.10
Total Programs:	\$ 13,576,234	\$ 28,652,307	\$ 51,422,381	\$ 58,049,424	\$ 65,225,551	\$ 67,831,551
Positions:				31.00	31.00	31.00

Note: In years prior to FY 1998-99, expenditures and resources will not match by department, however, they do match by fund. The FY 1998-99 budget directly ties department resources to the actual expenditures. Also, FTE's were not assigned to programs prior to FY 1998-99.

HOUSING DEPARTMENT

Commissioner-In-Charge: Mayor Vera Katz

SUMMARY OF DEPARTMENT EXPENSE

	Actual FY 1995-96	Actual FY 1996-97	Revised FY 1997-98	Proposed FY 1998-99	Approved FY 1998-99	Adopted FY 1998-99
<u>Personal Services</u>						
4115 Payroll	0	0	0	0	0	1,784,229
4115 Payroll Incl Taxes & Benefits	1,237,499	1,410,082	2,243,377	1,783,232	1,781,941	0
4165 Health & Dental - Retirees	9,420	12,706	13,725	0	0	0
4175 Health & Dental Insurance	0	0	0	631,447	630,991	0
4175 Taxes, Health/Dental Insurance	0	0	0	0	0	631,799
4177 Unemployment Costs	0	36	0	0	0	0
4179 Benefits Allocated To Project	467,005	409,079	0	0	0	0
4198 Leave Allocated To Project	175,736	209,631	0	0	0	0
Total: Personal Services	\$ 1,889,660	\$ 2,041,533	\$ 2,257,102	\$ 2,414,679	\$ 2,412,932	\$ 2,416,028
<u>Materials and Services</u>						
5110 Prof. Service Contracts	116,614	806,743	850,129	248,589	225,350	233,866
5120 Other Service Contracts	40	113,586	61,750	130,354	129,947	129,947
5130 Legal	98,852	115,121	12,318	91,566	90,789	89,636
5150 Temporary Services	36,837	68,912	23,000	54,591	54,591	54,591
5160 Printing And Graphics	12,572	9,322	15,300	21,914	21,414	21,413
5210 General Office Expense	16,780	15,971	16,866	22,789	19,211	19,211
5220 Postage And Delivery	4,186	6,376	5,900	5,765	5,265	5,265
5230 Advertising And Publ. Notices	9,441	19,240	15,300	27,090	27,090	27,090
5260 Meeting Costs	5,167	8,673	200	3,683	3,683	3,683
5270 Publications And Dues	4,032	691	1,500	18,290	18,290	18,290
5280 Software Applications	3,499	434	8,500	6,698	6,698	6,698
5290 Special Events Costs	9,736	11,875	7,000	20,824	19,824	19,824
5310 Education	9,996	12,350	30,000	30,930	30,430	30,430
5320 Out Of Town Travel	0	97	6,000	9,159	8,659	8,659
5330 Mileage Reimbursement	5,448	4,816	6,265	5,938	5,938	5,938
5340 Parking	8,862	7,828	10,718	9,440	9,440	9,440
5410 Occupancy Costs	100,483	28,773	0	0	0	0
5430 Telephone Services	37,376	31,052	0	0	0	0
5510 Equipment Repairs & Maint.	7,247	52	0	0	0	0
5520 Equipment Lease & Rentals	0	52	0	0	0	0
5610 Property Taxes	0	0	3,975	0	0	0
5710 Loan Documents	39,602	59,091	50,402	87,987	82,932	82,440
5720 Appraisals	23,777	34,252	58,747	131,632	131,632	131,632
5730 Loan Foreclosure Costs	10,520	70	0	10,000	10,000	10,000
5740 Bank Fees	0	7,500	0	0	0	0
5810 Miscellaneous	50,938	4,190	0	1,000	1,000	1,000
5820 Insurance	0	0	2,800	6,000	6,000	6,000
Total: Materials and Services	\$ 612,005	\$ 1,367,067	\$ 1,186,670	\$ 944,239	\$ 908,183	\$ 915,053
<u>Capital Outlay</u>						
6110 PA - Prof. & Tech. Services	4,530	527,059	671,179	200,000	200,000	200,000
6120 PA - Acquisition	176,000	1,597,621	300,000	1,202,000	1,202,000	1,952,000
6130 PA - Closing Costs	1,293	1,775	1,000	0	0	0
6140 PA - Property Taxes	1,637	0	0	0	0	0
6150 PA - Repairs And Maintenance	71	0	500	500	500	500
6160 PA - Utilities	720	3,603	500	0	0	0
6170 PA - Demolition & Site Prep.	20,748	0	400,000	0	0	0
6210 Pd - Prof. & Tech. Services	0	12,680	100,000	0	0	0
6220 Pd - Review Fees	17,341	0	0	0	0	0
6310 PC - Prof. & Tech. Services	225	2,500	0	0	0	0

Note: In years prior to FY 1998-99, expenditures and resources will not match by department, however, they do match by fund. The FY 1998-99 budget directly ties department resources to the actual expenditures. Also, FTE's were not assigned to programs prior to FY 1998-99.

City of Portland, Oregon - FY 1998-99 Adopted Budget

HOUSING DEPARTMENT
Commissioner-in-Charge: Mayor Vera Katz
SUMMARY OF DEPARTMENT EXPENSE

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
6320 PC - Permits, Review	0	100	0	0	.0	0
6330 PC - Testing & Inspection	204	0	20,000	0	0	0
6340 PC - Charges And Fees	2	584	0	0	0	0
6360 PC - Construction Contracts	191	43,453	1,300,000	4,300,000	5,683,492	5,679,385
6380 PC - Printing, Photos & Advert	5	82	0	0	0	0
6410 Furniture & Equipment	12,047	27,360	250,862	0	0	0
6510 Lid Special Assessments	11,673	15,899	0	0	0	0
6610 Relocation	7,265	84,178	0	0	0	0
Total: Capital Outlay	\$ 253,953	\$ 2,316,895	\$ 3,044,041	\$ 5,702,500	\$ 7,085,992	\$ 7,831,885
<u>Financial Assistance</u>						
7810 Loans To Borrowers	8,314,961	17,651,606	38,532,321	42,844,629	49,066,598	50,777,580
7811 Loans To Borrowers - PLPA	1,827,050	3,321,020	2,931,827	3,979,200	3,979,200	3,979,200
7820 Grants	655,067	888,993	132,114	452,500	0	0
Total: Financial Assistance	\$ 10,797,077	\$ 21,861,619	\$ 41,596,262	\$ 47,276,330	\$ 53,045,799	\$ 54,756,780
<u>Indirect Allocation</u>						
9910 Indirect Cost-admin Allocation	539	1,065,193	1,960,018	1,711,677	1,772,645	1,911,805
9930 Equipment Recovery	23,000	0	0	0	0	0
Total: Indirect Allocation	\$ 23,539	\$ 1,065,193	\$ 1,960,018	\$ 1,711,677	\$ 1,772,645	\$ 1,911,805
<u>Contingency</u>						
9110 Contingency	0	0	1,378,288	0	0	0
Total: Contingency	\$ 0	\$ 0	\$ 1,378,288	\$ 0	\$ 0	\$ 0
Total Operating Budget:	\$ 13,576,234	\$ 28,652,307	\$ 51,422,381	\$ 58,049,424	\$ 65,225,551	\$ 67,831,551

Note: In years prior to FY 1998-99, expenditures and resources will not match by department, however, they do match by fund. The FY 1998-99 budget directly ties department resources to the actual expenditures. Also, FTE's were not assigned to programs prior to FY 1998-99.

City of Portland, Oregon - FY 1998-99 Adopted Budget

Development Department

General Background

PDC develops housing, retail, office and other projects in support of regional and local policy guidelines. This includes carrying out the goals of urban renewal plans, principally in the Central City, and assisting in the planning and development of target areas outside of urban renewal districts. This real estate development function is generally the responsibility of the Development Department. We help bring together the public and private partners needed to accomplish projects as well as help find the necessary financial resources. Real estate development programs and services provided by the department are highlighted below.

Programs and Services

PDC's Development Department provides:

District and Strategic Planning & Implementation—Planning for comprehensive downtown and neighborhood revitalization programs and projects to redevelop project areas which reflect the public interest. Historically these plans have included urban renewal plans and other Central City efforts like the River District Plan, Central City Plan and Central City 2000, but increasingly are including efforts like Transit Oriented Development and Metro 2040 Plan target areas. Beyond the preparation of land use plans, project feasibility and market studies are generated in an effort to move plans into implementation. Developing strategic action plans that account for market forces and the targeted implementation of public resources have been a key part of the departments' role in the preparation of area plans.

Land Acquisition for New Development—The acquisition of blighted properties that are unsafe, underutilized, or necessary to aggregate sufficiently sized redevelopment parcels necessary to carry out public objectives. Many familiar projects got their start with this activity of the Development Department.

- ◆ 60th and Glisan Housing
- ◆ Oregon Convention Center
- ◆ Pioneer Place
- ◆ Pioneer Courthouse Square
- ◆ RiverPlace
- ◆ SE MLK Blvd. and Belmont/Main Street
- ◆ South Park Blocks Housing
- ◆ Union Station and Yards

Land Marketing & Development Negotiations—PDC has an inventory of properties that are marketed for specific purposes in support of housing, employment, and revitalization purposes. Development staff typically disposes of property by determining the appropriate reuse of a site, soliciting a developer, and

negotiating development agreements assuring that public goals are met. The department also frequently provides this service to other public agencies. Examples include:

- ◆ Housing: Yards at Union Station
- ◆ Retail: Pioneer Place, Walnut Park
- ◆ Office: Pacific Gas Transmission
- ◆ Flex Office space: SE MLK Blvd.
- ◆ Entertainment: Rose Garden Arena
- ◆ Mixed Use: Belmont Dairy
- ◆ Neighborhoods: RiverPlace, River District, Walnut Park

Design & Construction of Public Facilities—In support of housing, livability goals, and employment growth needs, many public facilities are constructed. These include, or have included:

- ◆ Chinatown Gate
- ◆ Classical Chinese Garden
- ◆ Eastbank Park
- ◆ Smart Park garages
- ◆ Pioneer Courthouse Square
- ◆ Transit Mall
- ◆ South and North Park Blocks restoration
- ◆ Tom McCall Waterfront Park

Predevelopment Assistance — Regardless of the project type (housing, office, hotel, retail, etc.), Development staff provides predevelopment assistance as a service to private and non-profit developers and property owners. With many years of experience in the planning, land use approval, and permitting stages of Portland's development process, Development staff provides valuable advice and assistance in moving projects forward.

Policy Development and Public Information—Public policy is the driving force in the determination of which projects and programs get implemented. Consequently, the department is frequently called upon to draft or respond to proposed policy initiatives. Similarly, the department frequently responds to public information requests, and maintains an active outreach program to our stakeholders.

Financial Incentives

Tax Increment Financing—This, the principal source of revenue for development projects, is derived from the five urban renewal districts in the City - Airport Way, Convention Center, Central Eastside, South Park Blocks, and Downtown

Waterfront. Each urban renewal plan establishes goals and objectives for the use of tax increment funds within each district. These include:

- ◆ Public Infrastructure and Facilities
- ◆ Parks, Streetscape, Parking, Street, Pedestrian, and Transit improvements
- ◆ Land Acquisition
- ◆ Housing loans and grants
- ◆ Employment
- ◆ Neighborhood Commercial Redevelopment loans and grants
- ◆ Predevelopment Assistance

General Fund, Intergovernmental Agreements, and Grant Programs

Comprise a portion of budgeted activities that occur outside of urban renewal districts, such as the River District, Gateway, or North Macadam.

Major Changes in the Development Department budget

The large increases in the Development Department include an increase of approximately \$5 million for the Eastbank Park, \$2 million for Convention Center area public site improvements, \$2.5 million for the Portland State Urban Plaza, \$1.5 million for the Waterfront Park extension, \$2 million for the Chinatown replacement parking and development, \$1.5 million for Lloyd/MLK rental housing, \$1 million for Central Eastside block redevelopment and Streetscape improvements in the urban renewal districts.

DEVELOPMENT DEPARTMENT

Commissioner-In-Charge: Mayor Vera Katz

SUMMARY OF DEPARTMENT EXPENSE

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
Expenditures						
Personal Services	880,223	890,032	916,170	1,383,273	1,383,271	1,492,627
Materials and Services	554,899	676,258	2,004,641	3,375,251	3,711,356	3,567,629
Capital Outlay	2,698,873	1,793,257	11,223,121	31,735,600	31,744,941	29,773,423
Financial Assistance	210,489	75,510	399,449	623,600	687,301	686,918
Debt Service	33,216	33,216	33,217	142,000	142,000	141,925
Cash Transfers Out	9,740,457	6,198,477	2,222,901	0	0	0
Indirect Allocation	682,573	968,600	668,805	1,382,827	1,376,005	1,454,625
Contingency	0	0	11,401,350	0	0	0
Total:	\$ 14,800,730	\$ 10,635,351	\$ 28,869,654	\$ 38,642,551	\$ 39,044,874	\$ 37,117,147

Authorized Full Time Positions

Total:	14.90	18.90	18.00	21.00	21.00	23.00
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SOURCE OF FUNDING

Beginning Fund Balance	9,446,859	9,972,981	16,437,461	10,437,141	10,436,185	10,273,044
Cash Transfer In	4,381,498	10,000	415,922	0	0	0
Federal and Other Grants	155,000	8,295	120,000	400,000	460,000	480,000
City General Fund	0	2,554,504	1,198,188	1,090,981	1,253,951	1,181,336
Loans From Other Funds	4,381,498	4,599,510	1,806,979	0	0	0
Private Funding	22,250	0	0	0	75,000	75,000
Program Income	5,480,961	3,942,204	5,832,093	1,453,612	1,596,689	1,597,964
Tax Increment	0	0	0	25,260,820	0	0
Tax Increment Debt Proceeds	0	8,375,580	17,217,000	0	25,223,049	23,509,803
Total Resources:	\$ 23,868,066	\$ 29,463,073	\$ 43,027,643	\$ 38,642,554	\$ 39,044,874	\$ 37,117,147

PROGRAMS

Business Development	0	0	0	0	0	0
<i>Positions:</i>				<i>0.15</i>	<i>0.15</i>	<i>0.17</i>
Commercial/Industrial	805,077	787,500	1,369,756	5,812,546	5,807,755	4,134,580
<i>Positions:</i>				<i>4.01</i>	<i>3.90</i>	<i>3.70</i>
General Administration	75,035	63,131	17,876	0	0	0
<i>Positions:</i>				<i>1.90</i>	<i>1.90</i>	<i>1.90</i>
Multi Family Housing	35,169	16,463	9,048,071	150,679	150,679	148,825
<i>Positions:</i>				<i>1.18</i>	<i>1.13</i>	<i>1.12</i>
Neighborhood Commercial	65,497	47,939	695,677	1,344,107	1,443,738	1,946,489
<i>Positions:</i>				<i>3.66</i>	<i>3.77</i>	<i>3.58</i>
Parks And Open Space	331,911	370,495	5,238,512	12,723,220	12,713,109	12,733,467
<i>Positions:</i>				<i>1.82</i>	<i>1.82</i>	<i>2.22</i>
Public Facilities	1,502,352	1,435,490	3,901,709	9,140,237	9,127,243	9,120,598
<i>Positions:</i>				<i>1.65</i>	<i>1.65</i>	<i>1.68</i>
Redevelopment Area Planning	29,520	99,639	269,268	241,536	292,363	347,525
<i>Positions:</i>				<i>1.35</i>	<i>1.52</i>	<i>2.19</i>
Redevelopment Project Mgmt	10,725,564	7,332,197	5,972,558	588,723	878,357	846,606
<i>Positions:</i>				<i>3.29</i>	<i>3.17</i>	<i>4.33</i>
Targeted Industries Dev	0	0	0	0	0	0
<i>Positions:</i>				<i>0.15</i>	<i>0.15</i>	<i>0.08</i>
Transportation/Transit	1,230,604	482,498	2,356,227	8,641,505	8,631,630	7,839,057
<i>Positions:</i>				<i>1.84</i>	<i>1.84</i>	<i>2.03</i>
Total Programs:	\$ 14,800,730	\$ 10,635,351	\$ 28,869,654	\$ 38,642,551	\$ 39,044,874	\$ 37,117,147
<i>Positions:</i>				<i>21.00</i>	<i>21.00</i>	<i>23.00</i>

Note: In years prior to FY 1998-99, expenditures and resources will not match by department, however, they do match by fund. The FY 1998-99 budget directly ties department resources to the actual expenditures. Also, FTE's were not assigned to programs prior to FY 1998-99.

City of Portland, Oregon - FY 1998-99 Adopted Budget

DEVELOPMENT DEPARTMENT

Commissioner-In-Charge: Mayor Vera Katz

SUMMARY OF DEPARTMENT EXPENSE

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
Personal Services						
4115 Payroll	0	0	0	0	0	1,102,291
4115 Payroll Incl Taxes & Benefits	580,887	625,789	916,170	1,021,527	1,021,527	0
4174 PERS- Employer Pickup	2,109	-22,176	0	0	0	0
4175 Health & Dental Insurance	0	0	0	361,746	361,744	0
4175 Taxes, Health/Dental Insurance	0	0	0	0	0	390,336
4177 Unemployment Costs	3,265	2,394	0	0	0	0
4178 Tri-met Payroll Tax	-2,109	0	0	0	0	0
4179 Benefits Allocated To Project	210,659	204,664	0	0	0	0
4198 Leave Allocated To Project	85,412	79,361	0	0	0	0
Total: Personal Services	\$ 880,223	\$ 890,032	\$ 916,170	\$ 1,383,273	\$ 1,383,271	\$ 1,492,627
Materials and Services						
5110 Prof. Service Contracts	266,874	395,538	1,036,736	2,268,386	2,576,962	2,429,809
5120 Other Service Contracts	25,820	71	7,550	11,000	11,000	12,155
5130 Legal	29,514	63,559	62,400	113,000	116,846	116,700
5150 Temporary Services	9,908	38,611	1,000	4,500	4,500	4,500
5160 Printing And Graphics	14,405	19,406	11,100	39,700	46,823	42,000
5170 Technical Assistance Contracts	67,479	36,957	732,000	815,000	815,000	817,000
5190 Underwriter Fees	0	779	0	0	0	0
5210 General Office Expense	8,895	3,130	13,800	3,780	3,780	3,800
5220 Postage And Delivery	2,030	2,179	4,850	10,165	11,743	12,619
5230 Advertising And Publ. Notices	5,626	3,729	5,400	10,000	10,231	8,899
5260 Meeting Costs	1,920	1,237	900	4,950	16,026	16,985
5270 Publications And Dues	1,799	826	400	220	220	220
5280 Software Applications	353	1,012	0	400	400	400
5290 Special Events Costs	11,389	1,670	2,500	2,700	2,700	2,700
5310 Education	10,169	6,839	18,000	23,300	23,300	23,106
5320 Out Of Town Travel	4,148	5,144	4,000	14,500	14,694	14,500
5330 Mileage Reimbursement	542	432	275	1,250	1,603	1,838
5340 Parking	1,038	923	325	1,400	1,500	1,633
5410 Occupancy Costs	67,018	79,415	0	0	0	0
5430 Telephone Services	12,848	10,512	0	0	0	0
5510 Equipment Repairs & Maint.	9,259	49	6,000	0	0	0
5610 Property Taxes	0	0	97,405	6,000	6,000	6,000
5630 Vehicle Maintenance	0	15	0	0	0	0
5710 Loan Documents	344	482	0	0	0	0
5720 Appraisals	3,516	3,603	0	45,000	48,028	51,500
5810 Miscellaneous	6	141	0	0	0	1,265
Total: Materials and Services	\$ 554,899	\$ 676,258	\$ 2,004,641	\$ 3,375,251	\$ 3,711,356	\$ 3,567,629
Capital Outlay						
6110 PA - Prof. & Tech. Services	857,994	841,996	810,000	580,000	583,210	580,000
6120 PA - Acquisition	137,951	41,236	1,161,210	5,725,000	5,725,000	4,575,000
6130 PA - Closing Costs	175,000	46	0	20,000	20,000	20,000
6140 PA - Property Taxes	96,802	95,586	0	17,000	17,000	17,000
6150 PA - Repairs And Maintenance	6,893	0	30,400	2,000	2,000	2,000
6160 PA - Utilities	8,075	960	15,300	1,100	1,100	1,100
6170 PA - Demolition & Site Prep.	3,263	175	100,000	110,000	110,000	110,000
6210 Pd - Prof. & Tech. Services	335,447	505,484	1,180,000	1,225,000	1,226,727	1,224,603
6220 Pd - Review Fees	3,093	2,758	0	0	0	0
6310 PC - Prof. & Tech. Services	93,438	20,646	150,000	35,000	35,000	35,000

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City of Portland, Oregon - FY 1998-99 Adopted Budget

DEVELOPMENT DEPARTMENT

Commissioner-in-Charge: Mayor Vera Katz

SUMMARY OF DEPARTMENT EXPENSE

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
6320 PC - Permits, Review	1,538	678	77,500	55,000	55,000	55,000
6330 PC - Testing & Inspection	483	50	0	0	0	0
6340 PC - Charges And Fees	8,217	7,921	16,000	0	0	0
6350 PC - Site Costs	4,266	250	270,175	730,000	730,000	730,000
6360 PC - Construction Contracts	914,896	255,633	7,385,186	23,226,000	23,230,404	22,414,220
6370 PC - Furn., Fixtures & Arts	13,300	0	0	0	0	0
6380 PC - Printing, Photos & Advert	546	0	0	0	0	0
6410 Furniture & Equipment	17,070	525	0	0	0	0
6510 Lid Special Assessments	19,301	19,314	27,350	9,500	9,500	9,500
6610 Relocation	1,300	0	0	0	0	0
Total: Capital Outlay	\$ 2,698,873	\$ 1,793,257	\$ 11,223,121	\$ 31,735,600	\$ 31,744,941	\$ 29,773,423
<u>Financial Assistance</u>						
7810 Loans To Borrowers	-26,250	0	0	0	0	0
7820 Grants	236,739	75,510	399,449	623,600	687,301	686,918
Total: Financial Assistance	\$ 210,489	\$ 75,510	\$ 399,449	\$ 623,600	\$ 687,301	\$ 686,918
<u>Debt Service</u>						
8310 Debt Service - Principal	12,127	12,915	13,755	122,000	122,000	121,925
8320 Debt Service - Interest	21,089	20,301	19,462	20,000	20,000	20,000
Total: Debt Service	\$ 33,216	\$ 33,216	\$ 33,217	\$ 142,000	\$ 142,000	\$ 141,925
<u>Cash Transfers Out</u>						
9990 Cash Transfers Out	9,740,457	6,198,477	2,222,901	0	0	0
Total: Cash Transfers Out	\$ 9,740,457	\$ 6,198,477	\$ 2,222,901	\$ 0	\$ 0	\$ 0
<u>Indirect Allocation</u>						
9910 Indirect Cost-admin Allocation	674,173	968,600	668,805	1,382,827	1,376,005	1,454,625
9930 Equipment Recovery	8,400	0	0	0	0	0
Total: Indirect Allocation	\$ 682,573	\$ 968,600	\$ 668,805	\$ 1,382,827	\$ 1,376,005	\$ 1,454,625
<u>Contingency</u>						
9110 Contingency	0	0	11,401,350	0	0	0
Total: Contingency	\$ 0	\$ 0	\$ 11,401,350	\$ 0	\$ 0	\$ 0
Total Operating Budget:	\$ 14,800,730	\$ 10,635,351	\$ 28,869,654	\$ 38,642,551	\$ 39,044,874	\$ 37,117,147

Note: In years prior to FY 1998-99, expenditures and resources will not match by department, however, they do match by fund. The FY 1998-99 budget directly ties department resources to the actual expenditures. Also, FTE's were not assigned to programs prior to FY 1998-99.

City of Portland, Oregon - FY 1998-99 Adopted Budget

Economic Development Department

General Background

The primary goal of the department's activities is to connect the opportunities and growing prosperity of the regional economy to the city of Portland and its target communities and industries.

Specifically, the Economic Development Department's goals are to work within the context of the regional economy to:

- ◆ Create job opportunities for city residents
- ◆ Revitalize and create community wealth in target areas, specifically Northeast, Outer Southeast, and the Central City
- ◆ Maintain and expand the city's economic base

The health of the regional and city economy will have a direct impact on the development and revitalization efforts in targeted neighborhoods. To this end, the department seeks to connect neighborhoods to broader opportunities through an integrated strategy that couples regional and city economic development trends with community-based activities. The Economic Development Department sees itself as one of many public and private partners with a common goal of community livability and development.

During the 1980s significant economic restructuring took place regionally, a shift in which non-resource based industries began to provide the primary source for new jobs and economic investment. Regional economic restructuring was followed by unprecedented economic growth in the late eighties and nineties. Taken together these dynamics provide the opportunity to shape the local economic landscape in a manner consistent with community and regional goals.

Currently, we have the ability to plan for and respond to the type of business development that can best benefit the city and make connections that allow target neighborhoods to benefit from the region's economic prosperity. This approach to both target industries and target neighborhoods has produced a more focused response to economic development.

Programs and Services

PDC's Economic Development Department provides:

Business Assistance—A primary activity area of the department is to assist businesses to: 1) stay or expand in the city, 2) focus business growth in target

neighborhoods, and 3) capture opportunities provided by businesses locating in the metropolitan area that can increase investment and employment possibilities for Portland. Business assistance concentrates on meeting the needs of companies in the site selection and development process, assessing business site and infrastructure needs, and making connections to financing and workforce resources. A strategy for business assistance is to focus on target industries. The goals of these activities are to provide quality jobs, build community wealth and personal income, and increase investment to ensure the tax base can support community needs.

PDC also coordinates a private sector program established in 1982 which (1) provides members with continuing education and information on local issues and trends, networking opportunities, professional development and special events; and (2) provides critical financial and human support to regional economic development and civic promotion agendas. This is the only organization of its kind in the metro area.

Community and Target Area Development—The other primary activity area is providing business development and technical assistance to the target neighborhoods in Northeast, Outer Southeast, Airport Way and Central City target areas. The goals are to increase economic activity, revitalize commercial areas, create jobs and business ownership and increase community wealth and personal income.

Policy and Information Development— To support business and target neighborhood development, good data and information is needed. The department uses data and information to focus resources on economic strategies with the greatest benefit to Portland; to assist businesses in making decisions on staying, expanding or locating in Portland; to provide information to target neighborhoods and community organizations; and to assess policies which promote a sustained and healthy business climate. Furthermore, the information is critical in identifying trends and developing strategies that will tap the growth of regional industry clusters to benefit Portland residents and businesses.

Economic Development Loan Programs, Grants and Financial Incentives

The North/Northeast Portland Enterprise Zone Program—PDC administers this program for the city which offers three to five years of property tax abatements for qualified businesses expanding or relocating within the zone.

PDC Business Loan Program—PDC makes loans and provides technical assistance to businesses in Northeast and Outer Southeast to stimulate business ownership, community revitalization and to provide goods and services to the

community. Additionally, PDC can provide financial assistance to companies city wide to support job creation and the development of target industries.

Predevelopment/Development Assistance—PDC provides property owners and businesses in Northeast and Outer Southeast to facilitate commercial revitalization. Funds are available for site planning, design assistance, environmental testing and other predevelopment activities. Development assistance may also be available as well as support for site and area improvement projects.

Major Changes in the Economic Development Department budget

The large increases in the Economic Development Department include an increase of \$3.5 million for Airport Light Rail (for a total of \$6 million in the budget), \$5.2 million for property acquisition in Airport Way, and approximately \$1 million in development opportunities funding in Downtown and Airport Way. Also, the Economic Development Department budget now includes approximately \$1 million for Regional Strategies pass through contracts that were part of the Workforce and Target Industries Department work plan prior year to FY 1997-98.

ECONOMIC DEVELOPMENT DEPARTMENT
Commissioner-In-Charge: Mayor Vera Katz

SUMMARY OF DEPARTMENT EXPENSE

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
Expenditures						
Personal Services	1,433,573	1,574,780	1,471,359	1,324,297	1,324,298	1,302,601
Materials and Services	1,665,046	1,816,823	2,271,002	2,105,953	2,241,506	1,997,163
Capital Outlay	94,227	191,164	6,145,610	28,380,644	28,380,644	16,456,040
Financial Assistance	1,413,799	4,914,839	5,101,690	3,094,358	2,985,380	2,994,160
Debt Service	0	11,833	0	0	0	0
Cash Transfers Out	0	0	676,325	0	0	0
Indirect Allocation	222,642	689,278	797,740	970,206	960,949	939,141
Contingency	0	0	1,047,330	0	0	0
Total:	\$ 4,829,287	\$ 9,198,716	\$ 17,511,056	\$ 35,875,458	\$ 35,892,777	\$ 23,689,105

Authorized Full Time Positions

Total:	14.60	16.50	13.00	15.00	15.00	15.00
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SOURCE OF FUNDING

Beginning Fund Balance	1,499,661	2,825,476	2,339,738	4,824,008	4,831,445	4,681,445
Cash Transfer In	0	0	676,325	732,434	732,434	732,434
Federal and Other Grants	1,562,774	5,285,838	2,906,086	1,438,536	1,135,036	1,160,033
City General Fund	0	1,191,850	1,825,175	1,059,481	1,252,101	1,186,101
Loans From Other Funds	0	289,519	0	0	0	0
Private Funding	0	33,065	261,947	120,000	120,000	120,000
Program Income	3,986,987	2,286,940	1,986,999	145,374	267,874	267,874
Service Reimbursement In	0	3	0	0	0	0
Tax Increment	0	0	0	27,555,625	0	0
Tax Increment Debt Proceeds	0	0	5,558,247	0	27,553,892	15,541,219
Total Resources:	\$ 7,049,422	\$ 11,912,690	\$ 15,554,517	\$ 35,875,458	\$ 35,892,782	\$ 23,689,106

PROGRAMS

Business Development	914,700	1,440,938	2,218,343	11,711,844	11,706,580	8,294,646
<i>Positions:</i>				7.17	7.42	7.42
Business Services/Finance	1,827,619	4,258,908	4,868,849	1,684,862	1,663,861	1,663,863
<i>Positions:</i>				2.22	2.22	2.22
Commercial/Industrial	26,916	14,045	668,247	935,457	949,456	933,631
<i>Positions:</i>				0.50	0.50	0.50
General Administration	58,502	55,312	27,521	36,822	36,822	36,819
<i>Positions:</i>				0.25	0.25	0.25
Neighborhood Commercial	622,312	1,202,939	4,005,962	5,377,776	5,417,829	5,293,283
<i>Positions:</i>				2.69	2.69	2.69
Neighborhood Hsg Preservation	87,754	-974	0	0	0	0
<i>Positions:</i>				0.00	0.00	0.00
Redevelopment Area Planning	0	0	0	15,796	15,789	15,853
<i>Positions:</i>				0.42	0.42	0.42
Redevelopment Project Mgmt	181,494	115,301	70,441	88,501	88,501	88,863
<i>Positions:</i>				0.40	0.40	0.40
Regional Strategies	171,000	632,392	225,951	0	0	0
<i>Positions:</i>				0.00	0.00	0.00
Targeted Industries Dev	874,080	1,380,144	2,091,597	802,791	799,643	794,783
<i>Positions:</i>				0.90	0.65	0.65
Transportation/Transit	0	4,158	3,169,274	15,221,609	15,214,296	6,567,365
<i>Positions:</i>				0.45	0.45	0.45

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City of Portland, Oregon - FY 1998-99 Adopted Budget

ECONOMIC DEVELOPMENT DEPARTMENT

Commissioner-In-Charge: Mayor Vera Katz

SUMMARY OF DEPARTMENT EXPENSE

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
Workforce Development	64,909	95,553	164,871	0	0	0
<i>Positions:</i>				<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
Total Programs:	\$ 4,829,287	\$ 9,198,716	\$ 17,511,056	\$ 35,875,458	\$ 35,892,777	\$ 23,689,105
<i>Positions:</i>				<i>15.00</i>	<i>15.00</i>	<i>15.00</i>

Note: In years prior to FY 1998-99, expenditures and resources will not match by department, however, they do match by fund. The FY 1998-99 budget directly ties department resources to the actual expenditures. Also, FTE's were not assigned to programs prior to FY 1998-99.

City of Portland, Oregon - FY 1998-99 Adopted Budget

ECONOMIC DEVELOPMENT DEPARTMENT
Commissioner-In-Charge: Mayor Vera Katz

SUMMARY OF DEPARTMENT EXPENSE

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
<u>Personal Services</u>						
4115 Payroll	0	0	0	0	0	961,961
4115 Payroll Incl Taxes & Benefits	943,704	1,066,705	1,469,964	977,982	977,982	0
4165 Health & Dental - Retirees	2,294	2,068	1,395	0	0	0
4174 PERS- Employer Pickup	0	-29,663	0	0	0	0
4175 Health & Dental Insurance	0	0	0	346,315	346,316	0
4175 Taxes, Health/Dental Insurance	0	0	0	0	0	340,640
4177 Unemployment Costs	1,633	0	0	0	0	0
4179 Benefits Allocated To Project	347,201	373,402	0	0	0	0
4198 Leave Allocated To Project	138,740	162,268	0	0	0	0
Total: Personal Services	\$ 1,433,573	\$ 1,574,780	\$ 1,471,359	\$ 1,324,297	\$ 1,324,298	\$ 1,302,601
<u>Materials and Services</u>						
5110 Prof. Service Contracts	387,232	574,036	1,586,443	1,219,821	1,397,961	1,362,341
5120 Other Service Contracts	10,410	6,933	21,013	537,500	497,500	320,950
5130 Legal	3,578	12,652	516	5,300	6,199	5,872
5150 Temporary Services	49,943	66,963	15,030	14,763	14,763	14,614
5160 Printing And Graphics	38,014	39,978	54,712	62,000	59,890	61,287
5170 Technical Assistance Contracts	960,141	872,194	431,018	25,000	25,000	25,000
5190 Underwriter Fees	41	180	40	0	0	0
5210 General Office Expense	7,812	10,071	2,630	5,600	6,056	6,678
5220 Postage And Delivery	4,221	7,381	8,445	11,200	11,200	11,200
5230 Advertising And Publ. Notices	19,986	8,963	19,758	14,650	14,650	14,650
5260 Meeting Costs	12,773	16,416	11,175	12,090	12,667	12,074
5270 Publications And Dues	6,951	11,838	2,625	3,800	3,800	3,800
5280 Software Applications	1,414	5,469	475	1,000	1,000	1,000
5290 Special Events Costs	59,295	90,927	72,200	66,500	63,500	33,500
5310 Education	5,487	13,458	4,950	11,531	11,798	9,407
5320 Out Of Town Travel	22,110	8,455	8,380	26,100	26,100	26,100
5330 Mileage Reimbursement	3,498	2,695	3,717	3,423	3,728	3,531
5340 Parking	293	898	675	1,882	1,882	1,881
5410 Occupancy Costs	34,082	22,396	0	0	0	0
5430 Telephone Services	22,082	19,917	0	1,000	1,000	1,000
5440 Building Reps/improvements	0	2,972	0	0	0	0
5510 Equipment Repairs & Maint.	3,036	0	300	0	0	0
5520 Equipment Lease & Rentals	3	0	0	0	0	0
5630 Vehicle Maintenance	23	0	0	0	0	0
5710 Loan Documents	1,732	1,972	5,150	5,843	6,165	5,957
5720 Appraisals	0	3,237	13,000	66,800	65,800	66,306
5730 Loan Foreclosure Costs	10,566	11,088	8,750	10,000	10,697	9,865
5740 Bank Fees	0	5,625	0	0	0	0
5810 Miscellaneous	324	108	0	150	150	150
Total: Materials and Services	\$ 1,665,046	\$ 1,816,823	\$ 2,271,002	\$ 2,105,953	\$ 2,241,506	\$ 1,997,163
<u>Capital Outlay</u>						
6110 PA - Prof. & Tech. Services	2,865	2,169	0	0	0	0
6120 PA - Acquisition	0	132,679	2,390,000	11,500,000	11,500,000	8,232,922
6130 PA - Closing Costs	0	596	0	0	0	0
6160 PA - Utilities	0	16	0	0	0	0
6170 PA - Demolition & Site Prep.	215	0	298,977	0	0	0
6210 Pd - Prof. & Tech. Services	0	62	0	0	0	0
6310 PC - Prof. & Tech. Services	0	0	0	25,000	25,000	25,000

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City of Portland, Oregon - FY 1998-99 Adopted Budget

ECONOMIC DEVELOPMENT DEPARTMENT

Commissioner-In-Charge: Mayor Vera Katz

SUMMARY OF DEPARTMENT EXPENSE

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
6330 PC - Testing & Inspection	90	0	0	0	0	0
6350 PC - Site Costs	22,360	0	150,000	100,000	100,000	100,000
6360 PC - Construction Contracts	62,184	50,197	3,081,670	16,600,000	16,600,000	7,943,000
6380 PC - Printing, Photos & Advert	549	0	0	0	0	0
6410 Furniture & Equipment	5,963	4,619	450	0	0	0
6450 Capital Leases	0	826	24,513	5,644	5,644	5,118
6510 Lid Special Assessments	0	0	200,000	150,000	150,000	150,000
Total: Capital Outlay	\$ 94,228	\$ 191,164	\$ 6,145,610	\$ 28,380,644	\$ 28,380,644	\$ 16,456,040
<u>Financial Assistance</u>						
7810 Loans To Borrowers	1,197,662	3,481,400	1,990,218	1,321,300	1,325,407	1,348,000
7820 Grants	216,137	1,433,439	3,111,472	1,773,058	1,659,973	1,646,160
Total: Financial Assistance	\$ 1,413,799	\$ 4,914,839	\$ 5,101,690	\$ 3,094,358	\$ 2,985,380	\$ 2,994,160
<u>Debt Service</u>						
8310 Debt Service - Principal	0	10,786	0	0	0	0
8320 Debt Service - Interest	0	1,047	0	0	0	0
Total: Debt Service	\$ 0	\$ 11,833	\$ 0	\$ 0	\$ 0	\$ 0
<u>Cash Transfers Out</u>						
9990 Cash Transfers Out	0	0	676,325	0	0	0
Total: Cash Transfers Out	\$ 0	\$ 0	\$ 676,325	\$ 0	\$ 0	\$ 0
<u>Indirect Allocation</u>						
9910 Indirect Cost-admin Allocation	215,092	689,278	797,740	970,206	960,949	939,141
9930 Equipment Recovery	7,550	0	0	0	0	0
Total: Indirect Allocation	\$ 222,642	\$ 689,278	\$ 797,740	\$ 970,206	\$ 960,949	\$ 939,141
<u>Contingency</u>						
9110 Contingency	0	0	1,047,330	0	0	0
Total: Contingency	\$ 0	\$ 0	\$ 1,047,330	\$ 0	\$ 0	\$ 0
Total Operating Budget:	\$ 4,829,287	\$ 9,198,716	\$ 17,511,056	\$ 35,875,458	\$ 35,892,777	\$ 23,689,105

Note: In years prior to FY 1998-99, expenditures and resources will not match by department, however, they do match by fund. The FY 1998-99 budget directly ties department resources to the actual expenditures. Also, FTE's were not assigned to programs prior to FY 1998-99.

City of Portland, Oregon - FY 1998-99 Adopted Budget

Administration

The administration section contains two administrative departments, Executive and Finance and Information Systems. This section also contains worksheets showing amounts not allocable to departments called Fund Level Requirements Not Allocated to Departments.

Executive Department

General Description

PDC's Executive functions include Executive staff, Human Resources, Legal Services, and Public Affairs. These internal sections provide support services to each of the Departments.

Programs and Services

Executive Director and Commission Secretary: overall agency administration, Commissioner support and staffing.

Human Resources: staffing, benefits administration, compensation, training.

Legal Services: real estate transactions, contract negotiation, personnel issues, claims, loan foreclosures, ethics, public meeting and public records oversight, urban renewal matters, fair contracting regulation.

Public Affairs: strategic communications planning, media relations, publication writing, graphics and production, speech writing, internal communications, event planning, marketing communications, community involvement, issue management.

Finance and Information Systems Department

General Description

PDC's Finance functions include Budget, Accounting, and Information Services. These support services are provided to each of the Departments. The Finance and Information Systems Department is currently undergoing a financial system conversion, which includes these new systems: general ledger, budget, payroll, loan origination, accounts payable and accounts receivable. The loan servicing system will be outsourced to an outside provider.

Programs and Services

Information Services: systems management, records/archiving, equipment maintenance.

Finance: budget planning and analysis, accounts payable/receivable, payroll, loan serving support, resource development, reporting, strategic planning.

Fund Level Requirements Not Allocated to Departments.

This display was added to the FY 1998-99 budget to show budgeted expenditures for fund level requirements that are not allocated to specific departments, including Contingency and debt service. This allows the department budgets to more accurately reflect revenue and expenditures attributable to their programs.

EXECUTIVE DEPARTMENT

Commissioner-In-Charge: Mayor Vera Katz

SUMMARY OF DEPARTMENT EXPENSE

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
Expenditures						
Personal Services	1,055,405	985,616	656,243	758,160	759,908	759,908
Materials and Services	822,110	1,114,758	1,401,334	1,502,460	1,502,460	1,567,060
Capital Outlay	38,022	31,148	41,500	20,000	20,000	20,000
Indirect Allocation	1,200,999	468,201	0	0	0	0
Contingency	0	0	5,919,886	0	0	0
Total:	\$ 3,116,537	\$ 2,599,723	\$ 8,018,963	\$ 2,280,620	\$ 2,282,368	\$ 2,346,968

Authorized Full Time Positions

Total:	9.50	13.30	11.10	12.60	12.60	12.60
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SOURCE OF FUNDING

Beginning Fund Balance	4,079,887	3,436,396	1,763,448	2,184	2,184	2,184
Federal and Other Grants	-72,556	16,982	-900	0	0	0
Housing Investment Fund	0	0	0	6,830	6,830	6,830
Program Income	309,691	378,967	100,784	0	0	0
Service Reimbursement In	3,837,603	3,412,049	3,646,018	2,271,606	2,273,354	2,337,954
Total Resources:	\$ 8,154,625	\$ 7,244,394	\$ 5,509,350	\$ 2,280,620	\$ 2,282,368	\$ 2,346,968

PROGRAMS

Business Development	0	0	0	0	0	0
<i>Positions:</i>				<i>0.09</i>	<i>0.09</i>	<i>0.09</i>
Business Services/Finance	0	0	0	0	0	0
<i>Positions:</i>				<i>0.08</i>	<i>0.08</i>	<i>0.08</i>
Commercial/Industrial	0	0	0	0	0	0
<i>Positions:</i>				<i>0.41</i>	<i>0.41</i>	<i>0.41</i>
Finance and Information	0	0	0	0	0	0
<i>Positions:</i>				<i>0.07</i>	<i>0.07</i>	<i>0.07</i>
General Administration	3,116,537	2,599,723	8,018,963	2,280,620	2,282,368	2,346,968
<i>Positions:</i>				<i>9.86</i>	<i>9.87</i>	<i>9.87</i>
Multi Family Housing	0	0	0	0	0	0
<i>Positions:</i>				<i>0.93</i>	<i>0.92</i>	<i>0.92</i>
Neighborhood Commercial	0	0	0	0	0	0
<i>Positions:</i>				<i>0.26</i>	<i>0.26</i>	<i>0.26</i>
Neighborhood Hsg Preservation	0	0	0	0	0	0
<i>Positions:</i>				<i>0.35</i>	<i>0.35</i>	<i>0.35</i>
Parks And Open Space	0	0	0	0	0	0
<i>Positions:</i>				<i>0.10</i>	<i>0.10</i>	<i>0.10</i>
Public Facilities	0	0	0	0	0	0
<i>Positions:</i>				<i>0.24</i>	<i>0.24</i>	<i>0.24</i>
Redevelopment Project Mgmt	0	0	0	0	0	0
<i>Positions:</i>				<i>0.12</i>	<i>0.12</i>	<i>0.12</i>
Transportation/Transit	0	0	0	0	0	0
<i>Positions:</i>				<i>0.09</i>	<i>0.09</i>	<i>0.09</i>
Total Programs:	\$ 3,116,537	\$ 2,599,723	\$ 8,018,963	\$ 2,280,620	\$ 2,282,368	\$ 2,346,968
<i>Positions:</i>				<i>12.60</i>	<i>12.60</i>	<i>12.60</i>

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City of Portland, Oregon - FY 1998-99 Adopted Budget

EXECUTIVE DEPARTMENT

Commissioner-In-Charge: Mayor Vera Katz

SUMMARY OF DEPARTMENT EXPENSE

	Actual FY 1995-96	Actual FY 1996-97	Revised FY 1997-98	Proposed FY 1998-99	Approved FY 1998-99	Adopted FY 1998-99
<u>Personal Services</u>						
4111 Full-time Employees	3,751,976	4,238,500	0	0	0	0
4112 Part-time Employees	437,506	498,141	0	0	0	0
4115 Payroll	0	0	0	0	0	562,499
4115 Payroll Incl Taxes & Benefits	-3,576,784	-4,054,909	646,487	561,208	562,499	0
4165 Health & Dental - Retirees	14,119	12,369	9,756	0	0	0
4166 Bus Pass Reimbursement	9,520	11,370	0	0	0	0
4171 FICA	357,817	374,987	0	0	0	0
4172 SAIF	25,194	21,529	0	0	0	0
4173 PERS-Employer	424,943	536,568	0	0	0	0
4174 PERS- Employer Pickup	288,169	-550	0	0	0	0
4175 Health & Dental Insurance	478,795	502,039	0	196,952	197,409	0
4175 Taxes, Health/Dental Insurance	0	0	0	0	0	197,409
4176 Life Insurance	17,221	13,699	0	0	0	0
4177 Unemployment Costs	7,912	0	0	0	0	0
4178 Tri-met Payroll Tax	28,108	33,228	0	0	0	0
4179 Benefits Allocated To Project	-1,353,908	-1,302,607	0	0	0	0
4180 Oregon Workers Comp	2,891	2,440	0	0	0	0
4191 Vacation	353,648	346,773	0	0	0	0
4192 National Holiday	167,191	172,904	0	0	0	0
4193 Sick Leave	168,137	177,641	0	0	0	0
4194 Death Leave	5,990	4,193	0	0	0	0
4195 Jury Duty	2,496	5,821	0	0	0	0
4196 Military Leave	61	0	0	0	0	0
4198 Leave Allocated To Project	-555,597	-608,521	0	0	0	0
Total: Personal Services	\$ 1,055,405	\$ 985,616	\$ 656,243	\$ 758,160	\$ 759,908	\$ 759,908
<u>Materials and Services</u>						
5110 Prof. Service Contracts	78,242	99,182	109,500	117,000	117,000	117,000
5120 Other Service Contracts	7,743	6,971	10,750	104,500	104,500	104,500
5130 Legal	18,639	40,482	25,000	25,000	25,000	85,000
5140 COP Overhead Charges	137,863	103,868	39,870	81,785	81,785	81,785
5150 Temporary Services	34,898	60,175	17,900	13,500	13,500	14,500
5160 Printing And Graphics	22,123	34,942	55,700	23,450	23,450	23,450
5210 General Office Expense	48,377	65,062	56,250	85,550	85,550	85,550
5220 Postage And Delivery	38,777	31,020	33,700	32,800	32,800	32,900
5230 Advertising And Publ. Notices	9,592	9,680	15,700	14,700	14,700	14,700
5260 Meeting Costs	6,885	12,197	6,600	8,250	8,250	8,250
5270 Publications And Dues	9,478	6,503	8,995	7,050	7,050	8,050
5280 Software Applications	1,831	4,105	500	3,500	3,500	3,500
5290 Special Events Costs	1,554	2,130	1,900	1,700	1,700	1,700
5310 Education	26,586	65,289	27,780	24,800	24,800	27,300
5320 Out Of Town Travel	14,502	6,878	10,000	13,500	13,500	13,500
5330 Mileage Reimbursement	285	299	250	250	250	250
5340 Parking	8,896	14,447	46,340	15,495	15,495	15,495
5410 Occupancy Costs	210,178	394,281	657,420	647,200	647,200	647,200
5430 Telephone Services	39,904	59,488	147,153	146,000	146,000	146,000
5440 Building Reps/improvements	4	0	0	0	0	0
5510 Equipment Repairs & Maint.	22,458	3,416	4,600	6,100	6,100	6,100
5520 Equipment Lease & Rentals	0	152	500	2,000	2,000	2,000
5610 Property Taxes	0	0	5,926	5,830	5,830	5,830

Note: In years prior to FY 1998-99, expenditures and resources will not match by department, however, they do match by fund. The FY 1998-99 budget directly ties department resources to the actual expenditures. Also, FTE's were not assigned to programs prior to FY 1998-99.

City of Portland, Oregon - FY 1998-99 Adopted Budget

EXECUTIVE DEPARTMENT

Commissioner-In-Charge: Mayor Vera Katz

SUMMARY OF DEPARTMENT EXPENSE

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
5620 Utilities	0	0	0	800	800	800
5630 Vehicle Maintenance	5,556	4,695	9,000	3,500	3,500	3,500
5640 Repairs & Maintenance	0	0	0	1,000	1,000	1,000
5710 Loan Documents	10	200	0	0	0	0
5720 Appraisals	127	298	0	0	0	0
5730 Loan Foreclosure Costs	0	0	0	1,000	1,000	1,000
5810 Miscellaneous	-5,147	8,137	0	200	200	200
5820 Insurance	82,748	80,863	110,000	116,000	116,000	116,000
Total: Materials and Services	\$ 822,110	\$ 1,114,758	\$ 1,401,334	\$ 1,502,460	\$ 1,502,460	\$ 1,567,060
<u>Capital Outlay</u>						
6140 PA - Property Taxes	1,818	1,781	0	0	0	0
6150 PA - Repairs And Maintenance	120	0	1,000	0	0	0
6160 PA - Utilities	298	63	5,500	0	0	0
6210 Pd - Prof. & Tech. Services	0	10,000	0	0	0	0
6330 PC - Testing & Inspection	425	0	0	0	0	0
6410 Furniture & Equipment	35,361	19,279	35,000	20,000	20,000	20,000
6610 Relocation	0	25	0	0	0	0
Total: Capital Outlay	\$ 38,022	\$ 31,148	\$ 41,500	\$ 20,000	\$ 20,000	\$ 20,000
<u>Indirect Allocation</u>						
9910 Indirect Cost-admin Allocation	1,200,999	468,201	0	0	0	0
Total: Indirect Allocation	\$ 1,200,999	\$ 468,201	\$ 0	\$ 0	\$ 0	\$ 0
<u>Contingency</u>						
9110 Contingency	0	0	5,919,886	0	0	0
Total: Contingency	\$ 0	\$ 0	\$ 5,919,886	\$ 0	\$ 0	\$ 0
Total Operating Budget:	\$ 3,116,537	\$ 2,599,723	\$ 8,018,963	\$ 2,280,620	\$ 2,282,368	\$ 2,346,968

Note: In years prior to FY 1998-99, expenditures and resources will not match by department, however, they do match by fund. The FY 1998-99 budget directly ties department resources to the actual expenditures. Also, FTE's were not assigned to programs prior to FY 1998-99.

FINANCE & INFORMATION SYSTEMS DEPARTMENT

Commissioner-In-Charge: Mayor Vera Katz

SUMMARY OF DEPARTMENT EXPENSE

	<i>Actual</i> <i>FY 1995-96</i>	<i>Actual</i> <i>FY 1996-97</i>	<i>Revised</i> <i>FY 1997-98</i>	<i>Proposed</i> <i>FY 1998-99</i>	<i>Approved</i> <i>FY 1998-99</i>	<i>Adopted</i> <i>FY 1998-99</i>
Expenditures						
Personal Services	909,671	1,049,614	1,007,412	1,151,896	1,151,896	1,151,896
Materials and Services	558,965	920,286	823,437	928,581	928,581	948,581
Capital Outlay	91,198	264,378	308,141	172,700	172,700	172,700
Debt Service	1,445,581	1,786,818	1,550,000	0	0	0
Indirect Allocation	730,388	103,597	36,877	0	0	0
Contingency	0	0	1,123,817	0	0	0
Total:	\$ 3,735,804	\$ 4,124,694	\$ 4,849,684	\$ 2,253,177	\$ 2,253,177	\$ 2,273,177

Authorized Full Time Positions

Total:	14.60	17.80	17.90	19.00	19.00	19.00
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SOURCE OF FUNDING

Beginning Fund Balance	2,330,810	3,012,591	5,141,967	5,192	5,192	5,192
Federal and Other Grants	-2,361,979	-4,844,388	-1,161,700	358,603	358,605	358,605
Private Funding	1,635,350	3,321,020	0	0	0	0
Program Income	2,854,266	2,799,034	2,393,567	29,151	29,151	29,151
Service Reimbursement In	0	0	0	1,858,931	1,858,927	1,878,927
Tax Increment	0	0	0	1,298	0	0
Tax Increment Debt Proceeds	0	0	0	0	1,298	1,298
Total Resources:	\$ 4,458,447	\$ 4,288,257	\$ 6,373,834	\$ 2,253,175	\$ 2,253,173	\$ 2,273,173

PROGRAMS

Business Development	0	0	0	0	0	0
<i>Positions:</i>				<i>0.05</i>	<i>0.05</i>	<i>0.05</i>
Debt Management	2,349,932	1,969,141	2,779,687	0	0	0
<i>Positions:</i>				<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
Finance and Information	763,101	1,260,275	719,692	1,251,766	1,251,766	1,251,767
<i>Positions:</i>				<i>14.05</i>	<i>14.05</i>	<i>14.05</i>
General Administration	622,771	895,278	1,350,305	1,001,411	1,001,411	1,021,410
<i>Positions:</i>				<i>3.36</i>	<i>3.36</i>	<i>3.36</i>
Multi Family Housing	0	0	0	0	0	0
<i>Positions:</i>				<i>0.75</i>	<i>0.75</i>	<i>0.75</i>
Neighborhood Commercial	0	0	0	0	0	0
<i>Positions:</i>				<i>0.05</i>	<i>0.05</i>	<i>0.05</i>
Neighborhood Hsg Preservation	0	0	0	0	0	0
<i>Positions:</i>				<i>0.45</i>	<i>0.45</i>	<i>0.45</i>
Redevelopment Project Mgmt	0	0	0	0	0	0
<i>Positions:</i>				<i>0.27</i>	<i>0.27</i>	<i>0.27</i>
Transportation/Transit	0	0	0	0	0	0
<i>Positions:</i>				<i>0.02</i>	<i>0.02</i>	<i>0.02</i>
Total Programs:	\$ 3,735,804	\$ 4,124,694	\$ 4,849,684	\$ 2,253,177	\$ 2,253,177	\$ 2,273,177
<i>Positions:</i>				<i>19.00</i>	<i>19.00</i>	<i>19.00</i>

Note: In years prior to FY 1998-99, expenditures and resources will not match by department, however, they do match by fund. The FY 1998-99 budget directly ties department resources to the actual expenditures. Also, FTE's were not assigned to programs prior to FY 1998-99.

FINANCE & INFORMATION SYSTEMS DEPARTMENT
Commissioner-in-Charge: Mayor Vera Katz
SUMMARY OF DEPARTMENT EXPENSE

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
<u>Personal Services</u>						
4115 Payroll	0	0	0	0	0	850,667
4115 Payroll Incl Taxes & Benefits	575,947	683,577	1,000,328	850,667	850,667	0
4165 Health & Dental - Retirees	7,126	6,326	7,084	0	0	0
4174 PERS- Employer Pickup	0	12,541	0	0	0	0
4175 Health & Dental Insurance	0	0	0	301,229	301,229	0
4175 Taxes, Health/Dental Insurance	0	0	0	0	0	301,229
4177 Unemployment Costs	0	4,447	0	0	0	0
4179 Benefits Allocated To Project	222,531	231,540	0	0	0	0
4198 Leave Allocated To Project	104,068	111,185	0	0	0	0
Total: Personal Services	\$ 909,671	\$ 1,049,614	\$ 1,007,412	\$ 1,151,896	\$ 1,151,896	\$ 1,151,896
<u>Materials and Services</u>						
5110 Prof. Service Contracts	35,898	201,049	337,322	429,827	429,827	449,827
5120 Other Service Contracts	16,080	16,038	49,800	3,000	3,000	3,000
5130 Legal	13,695	62,369	8,956	21,670	21,670	21,670
5140 COP Overhead Charges	107,409	189,095	23,273	62,351	62,351	62,352
5150 Temporary Services	62,424	89,387	60,100	47,500	47,500	47,500
5160 Printing And Graphics	14,324	3,009	5,350	7,500	7,500	7,500
5170 Technical Assistance Contracts	100	0	0	0	0	0
5210 General Office Expense	18,442	36,985	30,820	47,499	47,499	47,499
5220 Postage And Delivery	324	1,055	1,118	900	900	900
5230 Advertising And Publ. Notices	5,061	5,331	3,350	2,500	2,500	2,500
5260 Meeting Costs	174	1,196	490	893	893	893
5270 Publications And Dues	2,264	9,664	7,713	7,240	7,240	7,240
5280 Software Applications	20,675	44,004	84,450	133,500	133,500	133,500
5290 Special Events Costs	10	0	0	0	0	0
5310 Education	11,472	10,606	71,200	94,400	94,400	94,400
5320 Out Of Town Travel	695	5,448	6,000	7,000	7,000	7,000
5330 Mileage Reimbursement	12	121	0	0	0	0
5340 Parking	72	97	0	0	0	0
5410 Occupancy Costs	141,132	114,414	17,495	0	0	0
5430 Telephone Services	25,615	24,025	0	0	0	0
5510 Equipment Repairs & Maint.	67,167	98,172	99,560	42,600	42,600	42,600
5520 Equipment Lease & Rentals	0	0	11,440	20,200	20,200	20,200
5710 Loan Documents	9,341	6,314	4,000	0	0	0
5720 Appraisals	32	0	0	0	0	0
5730 Loan Foreclosure Costs	6,386	1,786	1,000	0	0	0
5810 Miscellaneous	162	124	0	0	0	0
Total: Materials and Services	\$ 558,965	\$ 920,286	\$ 823,437	\$ 928,581	\$ 928,581	\$ 948,581
<u>Capital Outlay</u>						
6130 PA - Closing Costs	0	1,944	0	0	0	0
6160 PA - Utilities	0	81	0	0	0	0
6410 Furniture & Equipment	91,198	262,353	308,141	172,700	172,700	172,700
Total: Capital Outlay	\$ 91,198	\$ 264,378	\$ 308,141	\$ 172,700	\$ 172,700	\$ 172,700
<u>Debt Service</u>						
8310 Debt Service - Principal	857,553	1,049,862	850,000	0	0	0
8320 Debt Service - Interest	588,027	736,956	700,000	0	0	0
Total: Debt Service	\$ 1,445,581	\$ 1,786,818	\$ 1,550,000	\$ 0	\$ 0	\$ 0

Note: In years prior to FY 1998-99, expenditures and resources will not match by department, however, they do match by fund. The FY 1998-99 budget directly ties department resources to the actual expenditures. Also, FTE's were not assigned to programs prior to FY 1998-99.

City of Portland, Oregon - FY 1998-99 Adopted Budget

FINANCE & INFORMATION SYSTEMS DEPARTMENT

Commissioner-In-Charge: Mayor Vera Katz

SUMMARY OF DEPARTMENT EXPENSE

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
<u>Indirect Allocation</u>						
9910 Indirect Cost-admin Allocation	730,388	103,597	36,877	0	0	0
Total: Indirect Allocation	\$ 730,388	\$ 103,597	\$ 36,877	\$ 0	\$ 0	\$ 0
<u>Contingency</u>						
9110 Contingency	0	0	1,123,817	0	0	0
Total: Contingency	\$ 0	\$ 0	\$ 1,123,817	\$ 0	\$ 0	\$ 0
Total Operating Budget:	\$ 3,735,804	\$ 4,124,694	\$ 4,849,684	\$ 2,253,177	\$ 2,253,177	\$ 2,273,177

Note: In years prior to FY 1998-99, expenditures and resources will not match by department, however, they do match by fund. The FY 1998-99 budget directly ties department resources to the actual expenditures. Also, FTE's were not assigned to programs prior to FY 1998-99.

FUND LEVEL REQS NOT IN DEPTS

Commissioner-in-Charge: Mayor Vera Katz

SUMMARY OF DEPARTMENT EXPENSE

	Actual FY 1995-96	Actual FY 1996-97	Revised FY 1997-98	Proposed FY 1998-99	Approved FY 1998-99	Adopted FY 1998-99
Expenditures						
Personal Services	795	2,773	0	0	0	0
Materials and Services	505,383	122,334	77,397	195,491	200,684	200,685
Capital Outlay	0	118,907	0	0	0	0
Debt Service	0	0	0	1,418,329	1,418,329	1,418,329
Cash Transfers Out	0	0	0	2,000,000	2,000,000	2,000,000
Indirect Allocation	0	4,777	0	154,518	149,325	0
Contingency	0	0	0	18,615,976	18,597,142	16,933,264
Total:	\$ 506,178	\$ 248,791	\$ 77,397	\$ 22,384,314	\$ 22,365,480	\$ 20,552,278

Authorized Full Time Positions

SOURCE OF FUNDING

Beginning Fund Balance	0	0	0	11,024,207	11,005,371	11,161,188
Cash Transfer In	0	0	0	1,267,566	1,267,566	1,267,566
Federal and Other Grants	-42,710	-61,594	-36,000	4,466	4,466	4,466
Program Income	42,755	216,103	36,000	6,618,694	6,618,694	6,618,472
Service Reimbursement In	0	0	0	88,691	88,691	88,691
Tax Increment	0	0	0	3,380,692	0	0
Tax Increment Debt Proceeds	0	0	0	0	3,380,692	1,411,895
Total Resources:	\$ 45	\$ 154,508	\$ 0	\$ 22,384,316	\$ 22,365,480	\$ 20,552,278

PROGRAMS

	572	139,955	0	0	0	0
Positions:				0.00	0.00	0.00
Debt Management	505,606	108,835	77,397	1,768,338	1,768,338	1,619,014
Positions:				0.00	0.00	0.00
General Administration	0	0	0	20,615,976	20,597,142	18,933,264
Positions:				0.00	0.00	0.00
Total Programs:	\$ 506,178	\$ 248,791	\$ 77,397	\$ 22,384,314	\$ 22,365,480	\$ 20,552,278
Positions:				0.00	0.00	0.00

Note: In years prior to FY 1998-99, expenditures and resources will not match by department, however, they do match by fund. The FY 1998-99 budget directly ties department resources to the actual expenditures. Also, FTE's were not assigned to programs prior to FY 1998-99.

FUND LEVEL REQS NOT IN DEPTS

Commissioner-In-Charge: Mayor Vera Katz

SUMMARY OF DEPARTMENT EXPENSE

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
Personal Services						
4115 Payroll Incl Taxes & Benefits	651	2,053	0	0	0	0
4179 Benefits Allocated To Project	144	720	0	0	0	0
Total: Personal Services	\$ 795	\$ 2,773	\$ 0	\$ 0	\$ 0	\$ 0
Materials and Services						
5110 Prof. Service Contracts	7,262	74,227	74,197	93,891	99,084	99,085
5130 Legal	4,468	403	1,500	50,000	50,000	50,000
5150 Temporary Services	0	896	0	0	0	0
5160 Printing And Graphics	10,963	0	0	0	0	0
5170 Technical Assistance Contracts	9,425	0	0	0	0	0
5190 Underwriter Fees	0	46,760	0	50,000	50,000	50,000
5210 General Office Expense	37	0	100	0	0	0
5220 Postage And Delivery	6	8	0	0	0	0
5230 Advertising And Publ. Notices	253	0	300	300	300	300
5260 Meeting Costs	0	44	0	0	0	0
5270 Publications And Dues	0	0	200	200	200	200
5310 Education	0	0	1,100	1,100	1,100	1,100
5340 Parking	0	2	0	0	0	0
5710 Loan Documents	30	0	0	0	0	0
5730 Loan Foreclosure Costs	15	-5	0	0	0	0
5810 Miscellaneous	472,925	0	0	0	0	0
Total: Materials and Services	\$ 505,383	\$ 122,334	\$ 77,397	\$ 195,491	\$ 200,684	\$ 200,685
Capital Outlay						
6110 PA - Prof. & Tech. Services	0	15,999	0	0	0	0
6230 Pd - Advertising	0	847	0	0	0	0
6320 PC - Permits, Review	0	2,695	0	0	0	0
6340 PC - Charges And Fees	0	250	0	0	0	0
6360 PC - Construction Contracts	0	99,116	0	0	0	0
Total: Capital Outlay	\$ 0	\$ 118,907	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service						
8310 Debt Service - Principal	0	0	0	450,000	450,000	450,000
8320 Debt Service - Interest	0	0	0	968,329	968,329	968,329
Total: Debt Service	\$ 0	\$ 0	\$ 0	\$ 1,418,329	\$ 1,418,329	\$ 1,418,329
Cash Transfers Out						
9990 Cash Transfers Out	0	0	0	2,000,000	2,000,000	2,000,000
Total: Cash Transfers Out	\$ 0	\$ 0	\$ 0	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Indirect Allocation						
9910 Indirect Cost-admin Allocation	0	4,777	0	154,518	149,325	0
Total: Indirect Allocation	\$ 0	\$ 4,777	\$ 0	\$ 154,518	\$ 149,325	\$ 0
Contingency						
9110 Contingency	0	0	0	18,615,976	18,597,142	16,933,264
Total: Contingency	\$ 0	\$ 0	\$ 0	\$ 18,615,976	\$ 18,597,142	\$ 16,933,264
Total Operating Budget:	\$ 506,178	\$ 248,791	\$ 77,397	\$ 22,384,314	\$ 22,365,480	\$ 20,552,278

Note: In years prior to FY 1998-99, expenditures and resources will not match by department, however, they do match by fund. The FY 1998-99 budget directly ties department resources to the actual expenditures. Also, FTE's were not assigned to programs prior to FY 1998-99.

City of Portland, Oregon - FY 1998-99 Adopted Budget

Summary of PDC Budget

General Description

The following tables summarize the department pages, showing the total PDC budget.

Portland Development Commission
Commissioner-In-Charge: Mayor Vera Katz

SUMMARY OF COMMISSION EXPENSE

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
Expenditures						
Personal Services	6,565,432	6,940,096	6,601,343	7,032,305	7,032,305	7,123,060
Materials and Services	4,966,999	6,232,003	7,907,869	9,051,975	9,492,770	9,196,171
Capital Outlay	3,176,274	4,715,749	20,762,413	66,011,444	67,404,277	54,254,048
Financial Assistance	12,421,365	26,851,969	47,374,636	50,994,288	56,718,480	58,437,858
Debt Service	1,478,797	1,831,868	1,583,217	1,560,329	1,560,329	1,560,254
Cash Transfers Out	9,740,457	6,198,477	2,899,226	2,000,000	2,000,000	2,000,000
Indirect Allocation	2,860,142	3,412,052	3,598,186	4,219,228	4,258,924	4,305,572
Contingency	0	0	20,870,671	18,615,976	18,597,142	16,933,264
Total:	\$ 41,209,467	\$ 56,182,213	\$ 111,597,561	\$ 159,485,544	\$ 167,064,226	\$ 153,810,227

Authorized Full Time Positions

Total:	117.20	127.00	99.50	98.60	98.60	100.60
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SOURCE OF FUNDING

Beginning Fund Balance	17,192,168	21,429,719	27,956,803	41,714,873	40,743,233	40,585,909
Cash Transfer In	4,381,498	10,000	1,092,247	2,000,000	2,000,000	2,000,000
Federal and Other Grants	9,506,674	8,887,657	12,644,793	7,086,180	6,853,560	6,898,555
City General Fund	0	4,798,159	4,859,305	6,766,291	8,506,052	8,367,437
Housing Investment Fund	0	8,161,322	1,198,180	2,199,844	9,096,877	10,096,877
Loans From Other Funds	4,381,498	6,188,477	1,806,979	0	0	0
Private Funding	1,849,300	3,354,085	2,645,719	20,099,200	20,174,200	20,174,200
Program Income	21,490,444	19,291,970	32,972,261	14,472,288	14,615,365	14,616,418
Service Reimbursement In	3,837,603	3,412,052	3,646,018	4,219,228	4,220,972	4,305,572
Tax Increment	0	0	0	60,927,490	0	0
Tax Increment Debt Proceeds	0	8,393,080	22,775,247	0	60,853,969	46,765,256
Total Resources:	\$ 62,639,186	\$ 83,926,522	\$ 111,597,552	\$ 159,485,394	\$ 167,064,228	\$ 153,810,224

PROGRAMS

	572	139,955	0	0	0	0
<i>Positions:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
Business Development	1,053,624	1,550,876	2,313,106	11,711,844	11,706,580	8,294,646
<i>Positions:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>7.46</i>	<i>7.71</i>	<i>7.72</i>
Business Services/Finance	1,832,733	4,266,196	4,871,853	1,684,862	1,663,861	1,663,863
<i>Positions:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>2.45</i>	<i>2.45</i>	<i>2.45</i>
Commercial/Industrial	831,994	801,545	2,038,003	6,748,003	6,757,211	5,068,210
<i>Positions:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>4.92</i>	<i>4.81</i>	<i>4.61</i>
Debt Management	2,855,538	2,077,977	2,857,084	1,768,338	1,768,338	1,619,014
<i>Positions:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
Finance and Information	763,101	1,260,275	719,692	1,251,766	1,251,766	1,251,767
<i>Positions:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>14.12</i>	<i>14.12</i>	<i>14.12</i>
General Administration	4,035,514	3,877,584	9,895,019	24,233,497	24,216,415	22,637,132
<i>Positions:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>18.40</i>	<i>18.41</i>	<i>18.41</i>
Multi Family Housing	8,668,046	21,493,715	51,589,649	36,846,360	44,134,105	46,738,254
<i>Positions:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>18.61</i>	<i>18.55</i>	<i>18.54</i>
Neighborhood Commercial	687,809	1,250,878	4,701,639	6,721,883	6,861,566	7,239,772
<i>Positions:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>6.91</i>	<i>7.02</i>	<i>6.83</i>
Neighborhood Hsg Preservation	4,407,177	6,736,173	8,050,154	20,803,145	20,691,523	20,691,521
<i>Positions:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>12.52</i>	<i>12.52</i>	<i>12.52</i>

Note: In years prior to FY 1998-99, expenditures and resources will not match by department, however, they do match by fund. The FY 1998-99 budget directly ties department resources to the actual expenditures. Also, FTE's were not assigned to programs prior to FY 1998-99.

Portland Development Commission
Commissioner-In-Charge: Mayor Vera Katz

SUMMARY OF COMMISSION EXPENSE

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
Parks And Open Space	331,911	370,495	5,238,512	12,723,220	12,713,109	12,733,467
<i>Positions:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>1.92</i>	<i>1.92</i>	<i>2.32</i>
Public Facilities	1,963,618	1,609,256	4,252,004	9,392,167	9,379,173	9,372,528
<i>Positions:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>2.00</i>	<i>2.00</i>	<i>2.03</i>
Redevelopment Area Planning	29,520	99,639	269,268	257,333	308,152	363,378
<i>Positions:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>1.77</i>	<i>1.94</i>	<i>2.61</i>
Redevelopment Project Mgmt	10,907,058	7,447,498	6,042,999	677,223	966,858	935,469
<i>Positions:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>4.07</i>	<i>3.96</i>	<i>5.12</i>
Regional Strategies	171,000	632,392	225,951	0	0	0
<i>Positions:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
Targeted Industries Dev	874,080	1,380,144	2,091,597	802,791	799,643	794,783
<i>Positions:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>1.05</i>	<i>0.80</i>	<i>0.73</i>
Transportation/Transit	1,230,604	486,656	5,525,501	23,863,114	23,845,926	14,406,422
<i>Positions:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>2.40</i>	<i>2.40</i>	<i>2.59</i>
Workforce Development	565,568	700,958	915,530	0	0	0
<i>Positions:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
Total Programs:	\$ 41,209,467	\$ 56,182,213	\$ 111,597,561	\$ 159,485,544	\$ 167,064,226	\$ 153,810,227
<i>Positions:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>98.60</i>	<i>98.60</i>	<i>100.60</i>

Note: In years prior to FY 1998-99, expenditures and resources will not match by department, however, they do match by fund. The FY 1998-99 budget directly ties department resources to the actual expenditures. Also, FTE's were not assigned to programs prior to FY 1998-99.

Portland Development Commission
Commissioner-In-Charge: Mayor Vera Katz

SUMMARY OF COMMISSION EXPENSE

	Actual FY 1995-96	Actual FY 1996-97	Revised FY 1997-98	Proposed FY 1998-99	Approved FY 1998-99	Adopted FY 1998-99
4110						
4111 Full-time Employees	3,751,976	4,238,500	0	0	0	0
4112 Part-time Employees	437,506	498,141	0	0	0	0
4115 Payroll	0	0	0	0	0	5,261,647
4115 Payroll Incl Taxes & Benefits	0	-236	6,569,383	5,194,616	5,194,616	0
4165 Health & Dental - Retirees	32,959	33,469	31,960	0	0	0
4166 Bus Pass Reimbursement	9,520	11,370	0	0	0	0
4171 FICA	357,817	374,987	0	0	0	0
4172 SAIF	25,194	21,529	0	0	0	0
4173 PERS-Employer	424,943	536,568	0	0	0	0
4174 PERS- Employer Pickup	290,278	-39,847	0	0	0	0
4175 Health & Dental Insurance	478,795	502,039	0	1,837,689	1,837,689	0
4175 Taxes, Health/Dental Insurance	0	0	0	0	0	1,861,413
4176 Life Insurance	17,221	13,699	0	0	0	0
4177 Unemployment Costs	12,810	6,877	0	0	0	0
4178 Tri-met Payroll Tax	25,999	33,228	0	0	0	0
4179 Benefits Allocated To Project	0	0	0	0	0	0
4180 Oregon Workers Comp	2,891	2,440	0	0	0	0
4191 Vacation	353,648	346,773	0	0	0	0
4192 National Holiday	167,191	172,904	0	0	0	0
4193 Sick Leave	168,137	177,641	0	0	0	0
4194 Death Leave	5,990	4,193	0	0	0	0
4195 Jury Duty	2,496	5,821	0	0	0	0
4196 Military Leave	61	0	0	0	0	0
4198 Leave Allocated To Project	0	0	0	0	0	0
Total: Personal Services	\$ 6,565,432	\$ 6,940,096	\$ 6,601,343	\$ 7,032,305	\$ 7,032,305	\$ 7,123,060
4120						
5110 Prof. Service Contracts	942,164	2,196,828	4,105,726	4,377,514	4,846,184	4,691,928
5120 Other Service Contracts	60,093	144,093	150,863	786,354	745,947	570,552
5130 Legal	168,746	294,587	110,690	306,536	310,504	368,878
5140 COP Overhead Charges	245,272	292,963	63,143	144,136	144,136	144,137
5150 Temporary Services	204,104	325,784	118,530	134,854	134,854	135,705
5160 Printing And Graphics	121,388	109,465	149,312	154,564	159,077	155,650
5170 Technical Assistance Contracts	1,171,666	1,039,053	1,163,677	840,000	840,000	842,000
5190 Underwriter Fees	41	47,719	40	50,000	50,000	50,000
5210 General Office Expense	104,219	132,534	121,616	165,218	162,096	162,738
5220 Postage And Delivery	57,922	53,316	61,133	60,830	61,908	62,884
5230 Advertising And Publ. Notices	50,186	47,789	60,283	69,240	69,471	68,139
5260 Meeting Costs	27,434	42,485	20,165	29,866	41,519	41,885
5270 Publications And Dues	25,185	29,729	22,083	36,800	36,800	37,800
5280 Software Applications	28,746	55,683	94,935	145,098	145,098	145,098
5290 Special Events Costs	82,264	106,631	83,700	91,724	87,724	57,724
5310 Education	69,021	113,218	158,330	186,061	185,828	185,743
5320 Out Of Town Travel	43,988	28,607	39,930	70,259	69,953	69,759
5330 Mileage Reimbursement	10,330	9,593	10,957	10,861	11,519	11,557
5340 Parking	19,184	24,311	58,133	28,217	28,317	28,449
5410 Occupancy Costs	552,894	639,278	674,915	647,200	647,200	647,200
5430 Telephone Services	159,403	158,512	147,153	147,000	147,000	147,000
5440 Building Reps/improvements	4	2,972	0	0	0	0
5510 Equipment Repairs & Maint.	109,167	101,689	110,460	48,700	48,700	48,700

Note: In years prior to FY 1998-99, expenditures and resources will not match by department, however, they do match by fund. The FY 1998-99 budget directly ties department resources to the actual expenditures. Also, FTE's were not assigned to programs prior to FY 1998-99.

Portland Development Commission
Commissioner-In-Charge: Mayor Vera Katz

SUMMARY OF COMMISSION EXPENSE

	<i>Actual</i> <i>FY 1995-96</i>	<i>Actual</i> <i>FY 1996-97</i>	<i>Revised</i> <i>FY 1997-98</i>	<i>Proposed</i> <i>FY 1998-99</i>	<i>Approved</i> <i>FY 1998-99</i>	<i>Adopted</i> <i>FY 1998-99</i>
5520 Equipment Lease & Rentals	3	203	11,940	22,200	22,200	22,200
5610 Property Taxes	0	0	107,306	11,830	11,830	11,830
5620 Utilities	0	0	0	800	800	800
5630 Vehicle Maintenance	5,579	4,710	9,000	3,500	3,500	3,500
5640 Repairs & Maintenance	0	0	0	1,000	1,000	1,000
5710 Loan Documents	51,060	68,058	59,552	93,830	89,097	88,397
5720 Appraisals	27,452	41,390	71,747	243,432	245,460	249,438
5730 Loan Foreclosure Costs	27,513	14,115	9,750	21,000	21,697	20,865
5740 Bank Fees	0	13,125	0	0	0	0
5810 Miscellaneous	519,225	12,700	0	1,350	1,350	2,615
5820 Insurance	82,748	80,863	112,800	122,000	122,000	122,000
Total: Materials and Services	\$ 4,966,999	\$ 6,232,003	\$ 7,907,869	\$ 9,051,975	\$ 9,492,770	\$ 9,196,171

4130

6110 PA - Prof. & Tech. Services	865,390	1,387,223	1,481,179	780,000	783,210	780,000
6120 PA - Acquisition	313,951	1,771,537	3,851,210	18,427,000	18,427,000	14,759,922
6130 PA - Closing Costs	176,293	4,361	1,000	20,000	20,000	20,000
6140 PA - Property Taxes	100,256	97,367	0	17,000	17,000	17,000
6150 PA - Repairs And Maintenance	7,085	0	31,900	2,500	2,500	2,500
6160 PA - Utilities	9,094	4,723	21,300	1,100	1,100	1,100
6170 PA - Demolition & Site Prep.	24,226	175	798,977	110,000	110,000	110,000
6210 Pd - Prof. & Tech. Services	335,447	528,226	1,280,000	1,225,000	1,226,727	1,224,603
6220 Pd - Review Fees	20,434	2,758	0	0	0	0
6230 Pd - Advertising	0	847	0	0	0	0
6310 PC - Prof. & Tech. Services	93,663	23,146	150,000	60,000	60,000	60,000
6320 PC - Permits, Review	1,538	3,473	77,500	55,000	55,000	55,000
6330 PC - Testing & Inspection	1,203	50	20,000	0	0	0
6340 PC - Charges And Fees	8,219	8,755	16,000	0	0	0
6350 PC - Site Costs	26,627	250	420,175	830,000	830,000	830,000
6360 PC - Construction Contracts	977,272	448,399	11,766,856	44,126,000	45,513,896	36,036,605
6370 PC - Furn., Fixtures & Arts	13,300	0	0	0	0	0
6380 PC - Printing, Photos & Advert	1,100	82	0	0	0	0
6410 Furniture & Equipment	161,639	314,136	594,453	192,700	192,700	192,700
6450 Capital Leases	0	826	24,513	5,644	5,644	5,118
6510 Lid Special Assessments	30,974	35,213	227,350	159,500	159,500	159,500
6610 Relocation	8,565	84,203	0	0	0	0
Total: Capital Outlay	\$ 3,176,274	\$ 4,715,749	\$ 20,762,413	\$ 66,011,444	\$ 67,404,277	\$ 54,254,048

4140

7810 Loans To Borrowers	9,486,372	21,133,006	40,522,539	44,165,929	50,392,005	52,125,580
7811 Loans To Borrowers - PLPA	1,827,050	3,321,020	2,931,827	3,979,200	3,979,200	3,979,200
7820 Grants	1,107,943	2,397,942	3,920,270	2,849,158	2,347,274	2,333,078
Total: Financial Assistance	\$ 12,421,365	\$ 26,851,969	\$ 47,374,636	\$ 50,994,288	\$ 56,718,480	\$ 58,437,858

4150

8310 Debt Service - Principal	869,680	1,073,564	863,755	572,000	572,000	571,925
8320 Debt Service - Interest	609,117	758,304	719,462	988,329	988,329	988,329
Total: Debt Service	\$ 1,478,797	\$ 1,831,868	\$ 1,583,217	\$ 1,560,329	\$ 1,560,329	\$ 1,560,254

5110

9990 Cash Transfers Out	9,740,457	6,198,477	2,899,226	2,000,000	2,000,000	2,000,000
Total: Cash Transfers Out	\$ 9,740,457	\$ 6,198,477	\$ 2,899,226	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000

Note: In years prior to FY 1998-99, expenditures and resources will not match by department, however, they do match by fund. The FY 1998-99 budget directly ties department resources to the actual expenditures. Also, FTE's were not assigned to programs prior to FY 1998-99.

Portland Development Commission
Commissioner-In-Charge: Mayor Vera Katz

SUMMARY OF COMMISSION EXPENSE

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
5120						
9910 Indirect Cost-admin Allocation	2,821,192	3,412,052	3,598,186	4,219,228	4,258,924	4,305,572
9930 Equipment Recovery	38,950	0	0	0	0	0
Total: Indirect Allocation	\$ 2,860,142	\$ 3,412,052	\$ 3,598,186	\$ 4,219,228	\$ 4,258,924	\$ 4,305,572
6110						
9110 Contingency	0	0	20,870,671	18,615,976	18,597,142	16,933,264
Total: Contingency	\$ 0	\$ 0	\$ 20,870,671	\$ 18,615,976	\$ 18,597,142	\$ 16,933,264
Total Operating Budget:	\$ 41,209,467	\$ 56,182,213	\$ 111,597,561	\$ 159,485,544	\$ 167,064,226	\$ 153,810,227

Note: In years prior to FY 1998-99, expenditures and resources will not match by department, however, they do match by fund. The FY 1998-99 budget directly ties department resources to the actual expenditures. Also, FTE's were not assigned to programs prior to FY 1998-99.

General Fund

Urban Redevelopment Fund

PDC's Urban Redevelopment Fund functions as its general fund. Administrative activities, including indirect costs are paid out of the Urban Redevelopment Fund. In addition, certain programs and projects funded with City General Fund moneys are budgeted out of the Urban Redevelopment Fund.

Projects and programs funded from the Urban Redevelopment Fund for FY 1998-99 include:

- Business Development
- Targeted Industry Development
- Lents Development Fund
- North Macadam Redevelopment Planning
- Eastside Permanent Housing Facility

PORTLAND DEVELOPMENT COMMISSION
Urban Redevelopment Fund

FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
RESOURCES						
Beginning Fund Balance	1,626,867	1,733,320	3,142,863	1,568,595	1,568,595	1,419,546
Cash Transfers In	0	10,000	0	2,000,000	2,000,000	2,000,000
City General Fund	0	2,243,655	3,661,117	5,687,658	7,415,071	7,268,181
<u>Federal and Other Grants</u>						
Grants - Except Hcd	138,520	0	0	0	0	0
Grants - State And Local	0	551,774	346,701	205,000	265,000	285,000
Grants - Hcd Contract	3,896	0	0	0	0	0
Total Federal and Other Grants	142,416	551,774	346,701	205,000	265,000	285,000
Private Grants & Donations	20,000	33,065	261,947	120,000	195,000	195,000
<u>Program Income</u>						
Rent Income	0	2,765	150,000	0	0	0
Publications And Other Sales	570	430	0	0	0	0
Loan Fees	47,222	38,226	0	0	0	0
Application Fee	0	29,625	0	0	0	0
Other Contracts	2,562,037	567,200	519,208	15,000	158,077	158,077
Loans - Interest Earned	0	56	0	0	0	0
Interest - City Investmt Pool	85,296	178,852	79,360	44,612	44,612	44,612
All Other Interest	4,840	8,181	0	0	0	0
Real Property Sales	0	44,339	0	0	0	0
Personal Property Sales	2,615	23,518	0	0	0	0
Reimbursements	79,244	226,301	64,653	5,644	5,644	5,644
Miscellaneous Income	67,663	38,416	0	0	0	0
Equipment User Fees	0	0	0	0	0	0
Total Program Income	2,849,487	1,157,908	813,221	65,256	208,333	208,333
Ind Cost-admin Alloc-contra	3,837,603	3,412,052	3,646,018	4,219,228	4,220,972	4,305,572
Bond Sales	0	17,500	0	0	0	0
Total Resources	\$ 8,476,373	\$ 9,159,274	\$ 11,871,867	\$ 13,865,737	\$ 15,872,971	\$ 15,681,632

REQUIREMENTS

Capital Outlay	356,574	1,069,432	2,897,019	5,599,844	6,983,336	6,911,625
Cash Transfers Out	0	0	1,092,247	0	0	0
Contingency	0	0	1,961,383	2,508,169	2,489,336	2,478,428
Debt Service	0	11,833	0	0	0	0
Financial Assistance	419,431	85,834	496,735	308,169	319,385	314,678
Indirect Allocation	1,196,894	927,117	373,106	337,044	473,195	435,586
Materials and Services	1,951,171	2,629,430	2,758,913	2,796,605	3,229,130	3,068,209
Personal Services	2,818,983	2,894,979	2,292,474	2,315,906	2,378,587	2,473,106
Total Requirements	\$ 6,743,053	\$ 7,618,624	\$ 11,871,877	\$ 13,865,737	\$ 15,872,969	\$ 15,681,632
Unappropriated Ending Balance	1,733,320	1,540,650	-10	0	2	0
Total Requirements	\$ 8,476,373	\$ 9,159,274	\$ 11,871,867	\$ 13,865,737	\$ 15,872,971	\$ 15,681,632

FTE POSITIONS

	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>
Accounting Manager					0.85	55,117	0.85	55,117	0.85	55,117
Accounting Technician					1.00	27,825	1.00	27,825	1.00	27,825
Admin Specialist I - Finance					1.00	25,928	1.00	25,928	1.00	25,928
Admin Specialist II - Dev					0.03	715	0.09	2,147	0.01	239
Admin Specialist II - Exec					1.00	28,001	1.00	28,001	1.00	28,001
Admin Specialist II-Construct					0.97	26,220	0.97	26,220	0.97	26,220
Admin. Specialist II - Ec Dev					0.85	25,989	1.00	30,589	1.00	30,589

City of Portland, Oregon - FY 1998-99 Adopted Budget

PORTLAND DEVELOPMENT COMMISSION
Urban Redevelopment Fund

FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
Admin. Specialist III - Ec Dev			0.22	7,882	0.22	7,882
Attorney			0.25	20,739	0.27	22,030
Budget Analyst			1.08	47,505	1.08	47,505
Budget Officer			0.80	51,874	0.80	51,874
Commission Receptionist			1.00	24,914	1.00	24,914
Communications/Contract Coord.			0.90	42,755	0.90	42,755
Construction Coordinator - HDF			0.15	9,667	0.15	9,667
Development Director					0.43	43,298
Development Manager			0.01	871	0.16	11,610
Development Manager - HDF			0.30	24,824	0.30	24,824
Economic Development Director			0.38	32,432	0.48	40,967
Environmental Coordinator			0.03	1,687	0.03	1,687
Exec. Asst/Comm Secretary			1.00	47,513	1.00	47,513
Executive Director			1.00	102,810	1.00	102,810
Facilities Coordinator			1.00	32,852	1.00	32,852
Finance Assistant			1.00	29,809	1.00	29,809
Finance Coordinator - HDF			0.15	7,908	0.15	7,908
Finance Director			0.95	85,646	0.95	85,646
Graphics Specialist			0.50	9,288	0.50	9,288
Human Resources Manager			1.00	65,857	1.00	65,857
Human Resources Technican			0.60	10,874	0.60	10,874
Information Program Specialist					0.05	1,910
Information Services Manager			1.00	63,675	1.00	63,675
Legal Assistant			0.25	10,478	0.25	10,478
Loan Processor/Closer - HDF			0.15	5,262	0.15	5,262
Outsourcing Manager			0.93	54,214	0.93	54,214
PC System Analyst II			1.00	33,910	1.00	33,910
PC Systems Analyst I			1.00	41,538	1.00	41,538
Program Dev Tech - Finance			0.05	1,678	0.05	1,678
Program Development Asst - Dev			0.10	4,024	0.17	6,840
Program Development Tech - Dev			0.04	1,278	0.11	3,553
Project/Program Coord I - Dev						0.43
Project/Program Coord I-Ec Dev			1.00	55,539	1.00	55,539
Project/Program Coord II - Dev			0.06	3,631	0.06	3,631
Project/Program Mgr - Ec Dev			3.15	199,529	3.30	209,510
Prop Maintenance Supervisor			0.20	5,900	0.20	5,900
Records Specialist			1.00	43,964	1.00	43,964
Research Specialist - Ec Dev			0.55	27,078	0.60	29,540
Senior Accountant			1.85	70,849	1.85	70,849
Special Asst. to Exec Director			0.89	72,083	0.89	72,083
System Analyst/Vax Programmer			1.00	50,137	1.00	50,137
Vax System/Programmer III			1.00	55,539	1.00	55,539
Total FTE			3.24	1,647,809	4.11	1,693,850
					5.74	1,800,235

Salary and FTE information prior to FY 1998-99 are not available by individual position by Lag Fund.

PORTLAND DEVELOPMENT COMMISSION

Urban Redevelopment Fund

FUND SUMMARY

	Actual FY 1995-96	Actual FY 1996-97	Revised FY 1997-98	Proposed FY 1998-99	Approved FY 1998-99	Adopted FY 1998-99
<u>Capital Outlay</u>						
PA - Closing Costs	175,000	0	0	0	0	0
PA - Acquisition	25,000	596,070	800,000	500,000	500,000	432,922
PA - Repairs And Maintenance	0	0	500	0	0	0
PA - Utilities	0	-1,977	5,500	0	0	0
PA - Demolition & Site Prep.	0	0	298,977	0	0	0
Pd - Prof. & Tech. Services	24,966	18,179	100,000	0	0	0
PC - Testing & Inspection	515	0	0	0	0	0
PC - Charges And Fees	2	0	0	0	0	0
PC - Construction Contracts	191	96,050	1,300,000	4,550,000	5,933,492	5,929,385
Capital Leases	0	826	24,513	5,644	5,644	5,118
Lid Special Assessments	0	0	200,000	151,500	151,500	151,500
Relocation	0	73,843	0	0	0	0
PA - Prof. & Tech. Services	400	190	41,179	200,000	200,000	200,000
Furniture & Equipment	130,500	286,251	126,350	192,700	192,700	192,700
Total Capital Outlay	356,574	1,069,432	2,897,019	5,599,844	6,983,336	6,911,625
Cash Transfers Out	0	0	1,092,247	0	0	0
Contingency	0	0	1,961,383	2,508,169	2,489,336	2,478,428
<u>Debt Service</u>						
Debt Service - Principal	0	10,786	0	0	0	0
Debt Service - Interest	0	1,047	0	0	0	0
Total Debt Service	0	11,833	0	0	0	0
Grants	419,431	85,834	496,735	308,169	319,385	314,678
Indirect Cost-admin Allocation	1,196,894	927,117	373,106	337,044	473,195	435,586
<u>Materials and Services</u>						
General Office Expense	81,643	112,422	109,200	121,900	121,900	121,900
Publications And Dues	17,338	26,737	17,143	16,990	16,990	17,990
Meeting Costs	15,744	24,513	11,015	13,693	13,943	14,847
Other Service Contracts	26,753	78,160	42,933	110,000	110,000	111,155
Advertising And Publ. Notices	20,646	16,206	20,975	19,000	19,000	19,000
Postage And Delivery	43,656	40,200	37,925	37,200	37,200	37,800
Special Events Costs	72,432	87,911	74,200	62,700	62,700	32,700
Underwriter Fees	41	959	40	0	0	0
Technical Assistance Contracts	266,350	287,996	306,145	0	0	0
Printing And Graphics	84,138	57,311	85,962	41,650	41,650	43,650
Temporary Services	118,278	156,705	86,530	69,363	69,363	70,214
Legal	131,428	122,665	26,300	25,800	25,800	85,800
Prof. Service Contracts	329,212	573,669	586,635	792,320	1,224,295	1,022,811
Out Of Town Travel	33,318	21,286	22,150	41,500	41,500	41,500
Education	44,180	80,016	101,930	122,550	122,550	125,050
COP Overhead Charges	153,720	162,717	41,014	124,344	124,344	124,344
Loan Foreclosure Costs	155	70	0	1,000	1,000	1,000
Software Applications	24,544	53,681	85,635	138,000	138,000	138,000
Mileage Reimbursement	3,828	2,815	2,117	2,400	2,600	2,888
Insurance	82,748	80,863	110,000	116,000	116,000	116,000
Bank Fees	0	5,625	0	0	0	0
Appraisals	3,412	15,498	0	55,000	55,000	55,000
Loan Documents	4,176	1,148	0	0	0	0
Vehicle Maintenance	5,579	4,695	9,000	3,500	3,500	3,500
Utilities	0	0	0	800	800	800

PORTLAND DEVELOPMENT COMMISSION
Urban Redevelopment Fund
FUND SUMMARY

	<i>Actual</i> <i>FY 1995-96</i>	<i>Actual</i> <i>FY 1996-97</i>	<i>Revised</i> <i>FY 1997-98</i>	<i>Proposed</i> <i>FY 1998-99</i>	<i>Approved</i> <i>FY 1998-99</i>	<i>Adopted</i> <i>FY 1998-99</i>
Occupancy Costs	204,653	398,982	657,420	647,200	647,200	647,200
Equipment Lease & Rentals	3	152	11,940	22,200	22,200	22,200
Equipment Repairs & Maint.	101,267	101,588	110,160	48,700	48,700	48,700
Building Reps/improvements	4	2,950	0	0	0	0
Telephone Services	71,997	92,229	147,153	146,500	146,500	146,500
Property Taxes	0	0	8,901	0	0	0
Miscellaneous	369	4,297	0	200	200	1,465
Parking	9,558	15,365	46,490	16,095	16,195	16,195
Total Materials and Services	1,951,171	2,629,430	2,758,913	2,796,605	3,229,130	3,068,209
 <u>Personal Services</u>						
Health & Dental Insurance	478,795	502,039	0	604,310	620,700	0
PERS- Employer Pickup	290,278	-39,847	0	0	0	0
PERS-Employer	424,943	536,568	0	0	0	0
SAIF	25,194	21,529	0	0	0	0
FICA	357,817	374,987	0	0	0	0
Bus Pass Reimbursement	9,520	11,370	0	0	0	0
Payroll Incl Taxes & Benefits	-2,449,620	-2,776,301	2,280,573	1,711,596	1,757,887	0
Payroll	0	0	0	0	0	1,827,687
Part-time Employees	437,506	498,141	0	0	0	0
Taxes, Health/Dental Insurance	0	0	0	0	0	645,419
Jury Duty	2,496	5,821	0	0	0	0
Health & Dental - Retirees	16,302	14,223	11,901	0	0	0
Life Insurance	17,221	13,699	0	0	0	0
Unemployment Costs	12,810	6,841	0	0	0	0
Tri-met Payroll Tax	25,999	33,228	0	0	0	0
Benefits Allocated To Project	-917,259	-826,006	0	0	0	0
Oregon Workers Comp	2,891	2,440	0	0	0	0
Vacation	353,648	346,773	0	0	0	0
National Holiday	167,191	172,904	0	0	0	0
Death Leave	5,990	4,193	0	0	0	0
Military Leave	61	0	0	0	0	0
Leave Allocated To Project	-362,913	-423,764	0	0	0	0
Full-time Employees	3,751,976	4,238,500	0	0	0	0
Sick Leave	168,137	177,641	0	0	0	0
Total Personal Services	2,818,983	2,894,979	2,292,474	2,315,906	2,378,587	2,473,106
Total Requirements	\$ 6,743,052	\$ 7,618,624	\$ 11,871,877	\$ 13,865,737	\$ 15,872,969	\$ 15,681,632

Note:

Personal Services will not match the Comprehensive Annual Financial Reports for prior years due to change in the way the staff costs are accounted for across funds. In prior years, Personal Services was accounted for in the Urban Redevelopment Fund and shown as an Operating Transfer Out in other funds. Now, however, Personal Services is accounted for in each fund having staff time allocated to projects funded in each given fund.

Capital Funds

Airport Way Urban Renewal

Central Eastside Urban Renewal

Convention Center Urban Renewal

South Park Blocks Urban Renewal

Waterfront Renewal Bond Redevelopment

St. Johns Capital (closed)

The capital funds are used to manage the finances of PDC's urban renewal areas. The primary funding source for Capital Funds has been tax increment proceeds and program income derived from the investment of tax increment.

Projects and programs funded in the Capital Funds for FY 1998-99 include:

- Airport Way Light Rail
- Chinese Classical Garden
- Pioneer Place II
- OSU Food Innovation Center
- PSU Area Improvements
- Business Development in the Central City
- Eastbank Park
- Multifamily Housing
- Central Eastside Redevelopment
- Storefront Program
- MLK/Grand/Burnside Revitalization
- MLK Commercial Site Development
- Union Station Housing
- Union Station Pedestrian Improvements
- River District Infrastructure Improvements
- Waterfront Park Extension
- Biotech/Health Services and Creative Services Predevelopment
- Older Building Preservation

PORTLAND DEVELOPMENT COMMISSION
Airport Way Urban Renewal

FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
RESOURCES						
Beginning Fund Balance	688,143	445,662	162,304	5,033,792	5,033,792	5,033,792
<u>Program Income</u>						
Rent Income	22,000	22,000	0	0	0	0
Publications And Other Sales	60	0	0	0	0	0
Other Contracts	97,183	115,046	471,773	0	0	0
Interest - City Investmt Pool	32,147	10,431	2,739	143,211	143,211	143,211
All Other Interest	19,198	0	0	0	0	0
Real Property Sales	39,049	0	0	0	0	0
Reimbursements	3,839	495	0	0	0	0
Total Program Income	213,475	147,972	474,512	143,211	143,211	143,211
Tax Increment Revenue	0	0	0	26,402,347	0	0
Tax Increment Debt Proceeds	0	0	5,558,247	0	26,402,301	11,929,566
Total Resources	\$ 901,618	\$ 593,633	\$ 6,195,063	\$ 31,579,350	\$ 31,579,304	\$ 17,106,569

REQUIREMENTS

Capital Outlay	100,099	36,431	4,794,990	26,700,000	26,700,000	14,093,000
Contingency	0	0	56,546	3,125,594	3,125,594	1,480,000
Financial Assistance	0	0	633,501	570,167	584,465	575,000
Indirect Allocation	136,038	135,644	32,042	276,885	261,953	205,012
Materials and Services	62,289	68,953	624,873	737,250	737,838	586,289
Personal Services	157,531	190,300	53,111	169,454	169,454	167,268
Total Requirements	\$ 455,957	\$ 431,329	\$ 6,195,063	\$ 31,579,350	\$ 31,579,304	\$ 17,106,569
Unappropriated Ending Balance	445,662	162,304	0	0	0	0
Total Requirements	\$ 901,618	\$ 593,633	\$ 6,195,063	\$ 31,579,350	\$ 31,579,304	\$ 17,106,569

FTE POSITIONS

	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>
Admin. Specialist II - Ec Dev					0.25	7,634	0.25	7,634	0.25	7,634		
Admin. Specialist III - Ec Dev					0.05	1,791	0.05	1,791	0.05	1,791		
Attorney					0.10	8,608	0.10	8,608	0.10	8,608		
Budget Analyst					0.05	2,199	0.05	2,199	0.05	2,199		
Development Director									0.02	2,014		
Economic Development Director					0.20	17,070	0.20	17,070	0.20	17,070		
Finance Director					0.02	1,803	0.02	1,803	0.02	1,803		
Information Program Specialist					0.15	5,731	0.15	5,731	0.15	5,731		
Project/Program Coord II - Dev					0.05	3,026	0.05	3,026	0.05	3,026		
Project/Program Coord II-Ec De					1.00	57,678	1.00	57,678	1.00	57,678		
Project/Program Mgr - Ec Dev					0.05	3,420	0.05	3,420	0.05	3,420		
Research Specialist - Ec Dev					0.25	12,308	0.25	12,308	0.25	12,308		
Special Asst. to Exec Director						242		242		242		
Total FTE					2.17	121,510	2.17	121,510	2.19	123,524		

Salary and FTE information prior to FY 1998-99 are not available by individual position by Lag Fund.

PORTLAND DEVELOPMENT COMMISSION
Airport Way Urban Renewal
FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
<u>Capital Outlay</u>						
PA - Property Taxes	4,978	5,388	0	0	0	0
PA - Acquisition	0	0	980,000	10,000,000	10,000,000	6,800,000
PA - Repairs And Maintenance	180	0	500	0	0	0
PA - Utilities	7,282	47	15,000	0	0	0
Pd - Prof. & Tech. Services	58,551	16,095	5,000	0	0	0
Pd - Review Fees	0	1,130	0	0	0	0
PC - Prof. & Tech. Services	907	0	0	0	0	0
PC - Charges And Fees	0	20	0	0	0	0
PC - Construction Contracts	27,748	7,600	3,794,490	16,700,000	16,700,000	7,293,000
PC - Permits, Review	452	677	0	0	0	0
PA - Prof. & Tech. Services	0	5,475	0	0	0	0
Total Capital Outlay	100,099	36,431	4,794,990	26,700,000	26,700,000	14,093,000
Contingency	0	0	56,546	3,125,594	3,125,594	1,480,000
Grants	0	0	633,501	570,167	584,465	575,000
<u>Indirect Allocation</u>						
Indirect Cost-admin Allocation	134,338	135,644	32,042	276,885	261,953	205,012
Equipment Recovery	1,700	0	0	0	0	0
Total Indirect Allocation	136,038	135,644	32,042	276,885	261,953	205,012
<u>Materials and Services</u>						
Prof. Service Contracts	23,576	26,440	606,673	211,200	211,745	236,746
Meeting Costs	3,070	739	0	1,500	1,543	1,543
Advertising And Publ. Notices	11,848	716	0	2,250	2,250	2,250
Postage And Delivery	264	68	200	450	450	450
General Office Expense	288	79	0	250	250	250
Printing And Graphics	3,014	11,935	200	8,000	8,000	8,000
Temporary Services	1,372	6,969	0	0	0	0
Other Service Contracts	0	0	7,000	495,000	495,000	318,450
Publications And Dues	896	0	0	0	0	0
Parking	28	22	50	350	350	350
Legal	0	484	0	10,300	10,300	10,300
Loan Documents	0	0	0	2,000	2,000	2,000
Out Of Town Travel	989	0	0	4,000	4,000	4,000
Appraisals	5	3,000	5,000	0	0	0
Software Applications	0	104	0	0	0	0
Property Taxes	0	0	5,700	0	0	0
Telephone Services	3,726	1,965	0	0	0	0
Occupancy Costs	12,925	15,723	0	0	0	0
Mileage Reimbursement	62	61	50	300	300	300
Education	225	609	0	1,000	1,000	1,000
Special Events Costs	0	40	0	500	500	500
Miscellaneous	0	0	0	150	150	150
Total Materials and Services	62,289	68,953	624,873	737,250	737,838	586,289
<u>Personal Services</u>						
Payroll	0	0	0	0	0	123,525
Leave Allocated To Project	15,572	16,843	0	0	0	0
Benefits Allocated To Project	36,508	40,704	0	0	0	0
Taxes, Health/Dental Insurance	0	0	0	0	0	43,743
Health & Dental Insurance	0	0	0	44,315	44,315	0

PORTLAND DEVELOPMENT COMMISSION

Airport Way Urban Renewal

FUND SUMMARY

	<i>Actual</i> <i>FY 1995-96</i>	<i>Actual</i> <i>FY 1996-97</i>	<i>Revised</i> <i>FY 1997-98</i>	<i>Proposed</i> <i>FY 1998-99</i>	<i>Approved</i> <i>FY 1998-99</i>	<i>Adopted</i> <i>FY 1998-99</i>
Health & Dental - Retirees	2,294	2,068	1,395	0	0	0
Payroll Incl Taxes & Benefits	103,158	130,685	51,716	125,139	125,139	0
Total Personal Services	157,531	190,300	53,111	169,454	169,454	167,268
Total Requirements	\$ 455,957	\$ 431,329	\$ 6,195,063	\$ 31,579,350	\$ 31,579,304	\$ 17,106,569

CITY OF PORTLAND
Airport Way Debt Fund (307)

FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised Budget FY 1997-98</i>	<i>Yr End Estimate FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Adopted FY 1998-99</i>
RESOURCES						
External Revenues						
Property Taxes						
Current Year	\$0	\$1,449,577	\$1,639,330	\$7,222,791	\$6,154,200	\$5,841,756
Prior Year	1,845	1,485	1,500	18,500	164,104	164,104
Total Property Taxes	1,845	1,451,062	1,640,830	7,241,291	6,318,304	6,005,860
Miscellaneous Revenue						
Interest on Investment	77,907	72,991	20,000	80,000	20,000	20,000
Interest - other	0	59	0	0		
Other Miscellaneous Revenues	0	20,754	0	0	0	0
Total Miscellaneous Revenue	77,907	93,804	20,000	80,000	20,000	20,000
Total External Revenues	79,752	1,544,866	1,660,830	7,321,291	6,338,304	6,025,860
Other Financing Sources						
Cash Transfers from Other Funds						
General Fund	1,527,336	0	0	0	0	0
Beginning Fund Balance	940,528	858,913	537,956	715,676	519,408	519,408
TOTAL RESOURCES	\$2,547,616	\$2,403,779	\$2,198,786	\$8,036,967	\$6,857,712	\$6,545,268
REQUIREMENTS						
Bureau Expenses						
External Materials & Services	\$0	\$0	\$0	\$20,000	\$0	\$0
Total Bureau Expenses	0	0	0	20,000	0	0
Other Requirements						
Debt Retirement						
Tax Exempt Indebtedness						
Principal	680,000	710,000	735,000	735,000	775,000	775,000
Interest	1,008,703	978,103	944,378	944,378	907,628	907,628
Taxable Indebtedness						
Principal	0	0	0	5,816,681	4,654,676	4,342,232
Interest	0	0	0	1,500	1,000	1,000
Total Other Requirements	1,688,703	1,688,103	1,679,378	7,497,559	6,338,304	6,025,860
Ending Fund Balance						
Unappropriated	858,913	196,268	0	0	0	0
Unexpendable Reserve	0	519,408	519,408	519,408	519,408	519,408
Total Ending Fund Balance	858,913	715,676	519,408	519,408	519,408	519,408
TOTAL REQUIREMENTS	\$2,547,616	\$2,403,779	\$2,198,786	\$8,036,967	\$6,857,712	\$6,545,268

GENERAL DESCRIPTION and CHANGES FROM PRIOR YEAR

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Airport Way Urban Renewal District. Specifically, this fund accounts for resources and the allocation thereof to pay principal and interest on tax increment bonded indebtedness associated with financing and refinancing of improvements in this district.

The Portland Development Commission (PDC) serves as the City's agency for developing and managing urban renewal plans that have played a major role in keeping Portland one of America's most livable and vital cities. The primary funding source for improvements to urban renewal areas are tax increment proceeds and program income derived from the investment of tax increment.

CITY OF PORTLAND
Airport Way Debt Fund (307)

DEBT REDEMPTION SCHEDULE

This fund accounts for principal and interest on tax increment bond indebtedness issued to finance public improvements in the Airport Way Urban Renewal District. Debt service is paid from tax revenues attributable to an increase in assessed valuation of taxable properties within this district.

This schedule shows the remaining payments for principal and interest that the City owes to holders of these bonds.

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
Series 1994 C	\$17,805,000	1998/99	\$775,000	5.200%	\$907,628	\$1,682,628
Tax Increment		1999/00	815,000	5.300%	867,328	1,682,328
05/01/94		2000/01	860,000	5.400%	824,133	1,684,133
Due 6/1		2001/02	905,000	5.500%	777,693	1,682,693
		2002/03	955,000	5.600%	727,918	1,682,918
		2003/04	1,005,000	5.700%	674,438	1,679,438
		2004/05	1,065,000	5.800%	617,153	1,682,153
		2005/06	1,630,000	5.900%	555,383	2,185,383
		2006/07	1,725,000	6.000%	459,213	2,184,213
		2007/08	1,835,000	6.000%	355,713	2,190,713
		2008/09	1,945,000	6.125%	245,613	2,190,613
		2009/10	2,065,000	6.125%	126,481	2,191,481
		TOTAL	\$15,580,000		\$7,138,689	\$22,718,689
Short Term Debt	\$4,342,232	1998/99	\$4,342,232	Variable	\$1,000	\$4,343,232
Tax Increment						
PROJECTED		TOTAL	\$4,342,232		\$1,000	\$4,343,232
FUND TOTAL	\$22,147,232	1998/99	\$5,117,232		\$908,628	\$6,025,860
		1999/00	815,000		867,328	1,682,328
		2000/01	860,000		824,133	1,684,133
		2001/02	905,000		777,693	1,682,693
		2002/03	955,000		727,918	1,682,918
		2003/04	1,005,000		674,438	1,679,438
		2004/05	1,065,000		617,153	1,682,153
		2005/06	1,630,000		555,383	2,185,383
		2006/07	1,725,000		459,213	2,184,213
		2007/08	1,835,000		355,713	2,190,713
		2008/09	1,945,000		245,613	2,190,613
		2009/10	2,065,000		126,481	2,191,481
		TOTAL	\$19,922,232		\$7,139,689	\$27,061,921

PORTLAND DEVELOPMENT COMMISSION
Central Eastside Urban Renewal

FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
RESOURCES						
Beginning Fund Balance	359,262	10,507	2,263,098	3,054,293	3,054,293	3,054,293
<u>Program Income</u>						
Other Contracts	7,500	294,753	0	0	0	0
Interest - City Investmt Pool	9,766	35,858	19,847	86,895	86,895	86,895
Real Property Sales	6,375	325,267	0	0	0	0
Reimbursements	7,776	3,080	295,000	0	0	0
Total Program Income	31,418	658,958	314,847	86,895	86,895	86,895
Tax Increment Revenue	0	0	0	2,387,591	0	0
Tax Increment Debt Proceeds	0	2,332,059	2,333,000	0	2,387,384	2,359,902
Total Resources	\$ 390,680	\$ 3,001,525	\$ 4,910,945	\$ 5,528,779	\$ 5,528,572	\$ 5,501,090

REQUIREMENTS

Capital Outlay	198,565	325,986	2,646,580	3,430,000	3,434,404	3,429,470
Contingency	0	0	1,412,078	603,330	603,330	604,229
Debt Service	33,216	33,216	33,217	142,000	142,000	141,925
Financial Assistance	0	0	147,387	638,600	638,898	640,000
Indirect Allocation	57,529	131,274	216,973	197,891	189,397	174,810
Materials and Services	12,973	97,870	179,050	223,965	229,446	247,450
Personal Services	77,889	150,080	275,660	292,993	291,097	263,206
Total Requirements	\$ 380,173	\$ 738,427	\$ 4,910,945	\$ 5,528,779	\$ 5,528,572	\$ 5,501,090
Unappropriated Ending Balance	10,507	2,263,098	0	0	0	0
Total Requirements	\$ 390,680	\$ 3,001,525	\$ 4,910,945	\$ 5,528,779	\$ 5,528,572	\$ 5,501,090

FTE POSITIONS

	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>
Admin Specialist II - Dev					0.32	7,631	0.27	6,438	0.31	7,389
Admin. Specialist III - Ec Dev					0.02	717	0.02	717	0.02	717
Attorney					0.07	5,449	0.07	5,449	0.07	5,449
Budget Analyst					0.05	2,199	0.05	2,199	0.05	2,199
Communications/Contract Coord.					0.04	1,900	0.04	1,900	0.04	1,900
Construction Coordinator - HDF					0.10	5,384	0.10	5,384	0.10	5,384
Construction Specialist - HDF					0.04	2,334	0.04	2,334	0.04	2,334
Deputy Housing Director					0.03	2,521	0.03	2,521	0.03	2,521
Development Director					0.15	15,104	0.15	15,104	0.05	5,035
Development Manager					0.44	37,495	0.44	37,495	0.43	36,643
Development Manager - HDF					0.05	4,137	0.05	4,137	0.05	4,137
Environmental Coordinator					0.15	8,433	0.15	8,433	0.15	8,433
Finance Specialist - HDF					0.05	2,491	0.05	2,491	0.05	2,491
Information Program Specialist					0.15	5,731	0.15	5,731	0.15	5,731
Loan Processor/Closer - HDF					0.20	7,505	0.20	7,505	0.20	7,505
Program Dev Tech - Finance										
Program Development Asst - Dev					0.15	6,036	0.15	6,036	0.15	6,036
Program Development Tech - Dev					0.25	7,623	0.25	7,623	0.12	3,682
Program Development Tech - Hsg					0.01	321	0.01	321	0.01	321
Project Manager - Housing Dev					0.02	1,344	0.02	1,344	0.02	1,344
Project/Program Coord II - Dev					1.10	55,925	1.10	55,925	1.10	55,925
Project/Program Coord II-Ec De					0.21	11,274	0.21	11,274	0.21	11,274
Project/Program Manager - Dev					0.30	17,925	0.30	17,925	0.30	17,925
Total FTE					3.89	209,480	3.84	208,287	3.65	194,375

Salary and FTE information prior to FY 1998-99 are not available by individual position by Lag Fund.

PORTLAND DEVELOPMENT COMMISSION
Central Eastside Urban Renewal
FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
<u>Capital Outlay</u>						
PA - Repairs And Maintenance	75	0	0	0	0	0
PA - Prof. & Tech. Services	34,940	1,921	180,000	50,000	50,000	50,000
PA - Acquisition	131,874	24,000	500,000	1,200,000	1,200,000	1,200,000
PA - Property Taxes	1,519	0	0	0	0	0
PA - Utilities	91	5	0	0	0	0
PA - Demolition & Site Prep.	0	0	100,000	110,000	110,000	110,000
Pd - Prof. & Tech. Services	26,980	299,505	700,000	650,000	650,000	650,000
PC - Permits, Review	0	0	50,000	50,000	50,000	50,000
PC - Construction Contracts	0	0	1,116,580	1,350,000	1,354,404	1,349,470
Relocation	1,300	0	0	0	0	0
Furniture & Equipment	1,785	525	0	0	0	0
PA - Closing Costs	0	30	0	20,000	20,000	20,000
Total Capital Outlay	198,565	325,986	2,646,580	3,430,000	3,434,404	3,429,470
Contingency	0	0	1,412,078	603,330	603,330	604,229
<u>Debt Service</u>						
Debt Service - Principal	12,127	12,915	13,755	122,000	122,000	121,925
Debt Service - Interest	21,089	20,301	19,462	20,000	20,000	20,000
Total Debt Service	33,216	33,216	33,217	142,000	142,000	141,925
<u>Financial Assistance</u>						
Loans To Borrowers	0	0	0	500,000	500,000	500,000
Grants	0	0	147,387	138,600	138,898	140,000
Total Financial Assistance	0	0	147,387	638,600	638,898	640,000
<u>Indirect Allocation</u>						
Equipment Recovery	2,000	0	0	0	0	0
Indirect Cost-admin Allocation	55,529	131,274	216,973	197,891	189,397	174,810
Total Indirect Allocation	57,529	131,274	216,973	197,891	189,397	174,810
<u>Materials and Services</u>						
Advertising And Publ. Notices	633	506	2,200	2,977	2,977	2,977
Postage And Delivery	83	154	2,200	1,805	1,979	2,205
General Office Expense	0	100	2,000	1,701	1,701	1,721
Underwriter Fees	0	12,158	0	10,000	10,000	10,000
Printing And Graphics	1,756	5,811	4,500	9,963	9,963	9,663
Temporary Services	0	8,346	0	1,228	1,228	1,228
Legal	0	4,909	0	55,877	56,577	56,577
Prof. Service Contracts	0	51,599	156,500	96,547	100,880	113,820
Meeting Costs	8	265	700	1,453	1,742	2,054
Occupancy Costs	6,679	9,462	0	0	0	0
Other Service Contracts	0	55	0	4,210	4,166	4,166
Telephone Services	898	917	0	0	0	0
Mileage Reimbursement	2	9	150	285	314	314
Loan Documents	43	0	0	842	842	842
Publications And Dues	226	0	0	632	632	632
Parking	24	42	300	375	375	375
Out Of Town Travel	138	1,014	0	140	140	140
Education	2,484	2,245	9,500	8,511	8,511	8,317
Special Events Costs	0	0	1,000	1,226	1,226	1,226
Software Applications	0	0	0	140	140	140

PORTLAND DEVELOPMENT COMMISSION
Central Eastside Urban Renewal

FUND SUMMARY

	<i>Actual</i> <i>FY 1995-96</i>	<i>Actual</i> <i>FY 1996-97</i>	<i>Revised</i> <i>FY 1997-98</i>	<i>Proposed</i> <i>FY 1998-99</i>	<i>Approved</i> <i>FY 1998-99</i>	<i>Adopted</i> <i>FY 1998-99</i>
Appraisals	0	281	0	26,053	26,053	31,053
Total Materials and Services	12,973	97,870	179,050	223,965	229,446	247,450
<u>Personal Services</u>						
Payroll	0	0	0	0	0	194,376
Leave Allocated To Project	9,102	2,766	0	0	0	0
Benefits Allocated To Project	18,519	27,081	0	0	0	0
Taxes, Health/Dental Insurance	0	0	0	0	0	68,830
Health & Dental Insurance	0	0	0	76,623	76,127	0
Payroll Incl Taxes & Benefits	50,269	120,233	275,660	216,370	214,970	0
Total Personal Services	77,889	150,080	275,660	292,993	291,097	263,206
Total Requirements	\$ 380,173	\$ 738,427	\$ 4,910,945	\$ 5,528,779	\$ 5,528,572	\$ 5,501,090

CITY OF PORTLAND
Central Eastside Debt Fund (310)

FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised Budget FY 1997-98</i>	<i>Yr End Estimate FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Adopted FY 1998-99</i>
RESOURCES						
External Revenues						
Property Taxes						
Current Year	\$0	\$2,149,550	\$3,065,900	\$3,274,170	\$3,124,440	\$3,171,780
Prior Year	917	865	5,000	26,000	83,939	83,939
Total Property Taxes	917	2,150,415	3,070,900	3,300,170	3,208,379	3,255,719
Miscellaneous Revenue						
Interest on Investment	18,830	19,792	5,000	185,000	5,000	5,000
Interest - other	0	314,166				
Other Miscellaneous Revenues	0	0	0	3,465,000	0	0
Total Miscellaneous Revenue	18,830	333,958	5,000	3,650,000	5,000	5,000
Total External Revenues	19,747	2,484,373	3,075,900	6,950,170	3,213,379	3,260,719
Beginning Fund Balance	305,321	325,068	133,204	70,616	33,204	33,204
TOTAL RESOURCES	\$325,068	\$2,809,441	\$3,209,104	\$7,020,786	\$3,246,583	\$3,293,923
REQUIREMENTS						
Other Requirements						
Debt Retirement						
Tax Exempt Indebtedness						
Principal	\$0	\$0	\$0	\$0	\$0	\$0
Interest	0	0	0	0	0	0
Taxable Indebtedness						
Principal	0	2,332,059	2,333,000	6,341,941	2,826,583	2,873,923
Interest	0	406,766	842,900	645,641	420,000	420,000
Total Other Requirements	0	2,738,825	3,175,900	6,987,582	3,246,583	3,293,923
Ending Fund Balance	325,068	70,616	33,204	33,204	0	0
TOTAL REQUIREMENTS	\$325,068	\$2,809,441	\$3,209,104	\$7,020,786	\$3,246,583	\$3,293,923

GENERAL DESCRIPTION and CHANGES FROM PRIOR YEAR

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Central Eastside Development Area. Specifically, this fund accounts for resources and the allocation thereof to pay principal and interest on tax increment bonded indebtedness associated with financing improvements in this district.

The Portland Development Commission (PDC) serves as the City's agency for developing and managing urban renewal plans that have played a major role in keeping Portland one of America's most livable and vital cities. The primary funding source for improvements to urban renewal areas are tax increment proceeds and program income derived from the investment of tax increment.

CITY OF PORTLAND
Central Eastside Debt Fund (310)

DEBT REDEMPTION SCHEDULE

This fund accounts for principal and interest on tax increment bond indebtedness issued to finance public improvements in the Central Eastside Urban Renewal District. Debt service is paid from tax revenues attributable to an increase in assessed valuation of taxable properties within this district. This schedule shows the remaining payments for principal and interest that the City owes to holders of these bonds.

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
Series 1996	\$12,174,000	1998/99	2,873,923	Variable	420,000	3,293,923
Tax Increment		1999/00	626,077	Variable	75,000	701,077
11/15/96		2000/01	0	Variable	0	0
Due 12/15		2001/02	0	Variable	0	0
TOTAL			<u>\$3,500,000</u>			<u>\$3,995,000</u>

PORTLAND DEVELOPMENT COMMISSION
Convention Center Urban Renewal

FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
RESOURCES						
Beginning Fund Balance	99,803	11,708	18,169	1,593,263	1,593,263	1,593,263
Grants - State And Local	0	0	150,000	0	0	0
Loans From Other Funds	4,381,498	1,806,979	0	0	0	0
<u>Program Income</u>						
Rent Income	11,035	3,828	0	0	0	0
Loans - Interest Earned	0	3,805	0	0	0	0
Interest - City Investmt Pool	4,219	58,142	72,693	45,328	45,328	45,328
Miscellaneous Income	300	708	0	0	0	0
Total Program Income	15,554	66,483	72,693	45,328	45,328	45,328
Tax Increment Revenue	0	0	0	15,281,715	0	0
Tax Increment Debt Proceeds	0	4,581,063	6,010,000	0	15,281,355	15,783,008
Total Resources	\$ 4,496,854	\$ 6,466,233	\$ 6,250,862	\$ 16,920,306	\$ 16,919,946	\$ 17,421,599

REQUIREMENTS

Capital Outlay	23,677	160,333	2,363,310	11,867,800	11,867,800	10,767,800
Cash Transfers Out	4,381,498	4,381,498	1,806,979	0	0	0
Contingency	0	0	24,121	1,665,998	1,665,998	1,665,998
Financial Assistance	0	1,528,132	625,000	1,382,000	1,382,552	2,968,969
Indirect Allocation	30,334	139,973	426,010	517,451	493,093	489,647
Materials and Services	39,156	185,689	760,753	1,171,546	1,194,992	1,206,316
Personal Services	10,481	52,440	244,689	315,511	315,511	322,869
Total Requirements	\$ 4,485,146	\$ 6,448,064	\$ 6,250,862	\$ 16,920,306	\$ 16,919,946	\$ 17,421,599
Unappropriated Ending Balance	11,708	18,169	0	0	0	0
Total Requirements	\$ 4,496,854	\$ 6,466,233	\$ 6,250,862	\$ 16,920,306	\$ 16,919,946	\$ 17,421,599

FTE POSITIONS

	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>
Admin Specialist II - Dev	0.44	10,493	0.44	10,493	0.20	4,767						
Admin. Specialist III - Ec Dev	0.07	2,508	0.07	2,508	0.07	2,508						
Attorney	0.14	12,051	0.14	12,051	0.14	12,051						
Budget Analyst	0.05	2,199	0.05	2,199	0.05	2,199						
Communications/Contract Coord.	0.06	2,850	0.06	2,850	0.06	2,850						
Construction Coordinator - HDF	0.10	6,445	0.10	6,445	0.10	6,445						
Construction Specialist - HDF	0.10	5,834	0.10	5,834	0.10	5,834						
Development Director	0.13	13,090	0.13	13,090	0.05	5,035						
Development Manager	0.09	7,669	0.09	7,669	0.17	13,844						
Economic Development Director	0.07	5,974	0.07	5,974	0.07	5,974						
Environmental Coordinator	0.15	8,433	0.15	8,433	0.15	8,433						
Finance Coordinator - HDF	0.25	13,473	0.25	13,473	0.25	13,473						
Finance Specialist - HDF	0.15	7,474	0.15	7,474	0.15	7,474						
Information Program Specialist	0.15	5,731	0.15	5,731	0.15	5,731						
Loan Processor/Closer - HDF	0.10	3,753	0.10	3,753	0.10	3,753						
Program Development Asst - Dev	0.12	4,829	0.12	4,829	0.12	4,829						
Program Development Tech - Dev	0.33	10,070	0.33	10,070	0.14	4,288						
Project Manager - Housing Dev	0.05	3,360	0.05	3,360	0.05	3,360						
Project/Program Coord II - Dev	0.36	19,327	0.36	19,327	0.85	45,976						
Project/Program Coord II-Ec De	0.21	11,611	0.21	11,611	0.21	11,611						
Project/Program Manager - Dev	0.59	35,253	0.59	35,253	0.63	37,643						
Project/Program Manager - Hsg	0.30	18,639	0.30	18,639	0.30	18,639						
Project/Program Mgr - Ec Dev	0.10	6,839	0.10	6,839	0.10	6,839						
Research Specialist - Ec Dev	0.05	2,462	0.05	2,462	0.05	2,462						

City of Portland, Oregon - FY 1998-99 Adopted Budget

PORTLAND DEVELOPMENT COMMISSION
Convention Center Urban Renewal

FUND SUMMARY

	<i>Actual</i> <i>FY 1995-96</i>	<i>Actual</i> <i>FY 1996-97</i>	<i>Revised</i> <i>FY 1997-98</i>	<i>Proposed</i> <i>FY 1998-99</i>	<i>Approved</i> <i>FY 1998-99</i>	<i>Adopted</i> <i>FY 1998-99</i>
Special Asst. to Exec Director				0.07 5,402	0.07 5,402	0.07 5,402
Total FTE				4.23 225,769	4.23 225,769	4.33 241,419

Salary and FTE information prior to FY 1998-99 are not available by individual position by Lag Fund.

PORTLAND DEVELOPMENT COMMISSION
Convention Center Urban Renewal
FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
<u>Capital Outlay</u>						
PA - Acquisition	0	149,415	671,210	3,100,000	3,100,000	2,000,000
PA - Prof. & Tech. Services	0	0	500,000	50,000	50,000	50,000
PA - Property Taxes	17,345	4,628	0	0	0	0
PA - Repairs And Maintenance	0	0	1,000	1,000	1,000	1,000
PA - Utilities	333	475	0	800	800	800
PC - Site Costs	0	0	150,000	0	0	0
Lid Special Assessments	5,999	5,814	6,500	6,000	6,000	6,000
PC - Construction Contracts	0	0	1,034,600	8,710,000	8,710,000	8,710,000
Total Capital Outlay	23,677	160,333	2,363,310	11,867,800	11,867,800	10,767,800
Cash Transfers Out	4,381,498	4,381,498	1,806,979	0	0	0
Contingency	0	0	24,121	1,665,998	1,665,998	1,665,998
<u>Financial Assistance</u>						
Loans To Borrowers	0	1,355,600	450,000	1,092,000	1,092,000	2,680,469
Grants	0	172,532	175,000	290,000	290,552	288,500
Total Financial Assistance	0	1,528,132	625,000	1,382,000	1,382,552	2,968,969
Indirect Cost-admin Allocation	30,334	139,973	426,010	517,451	493,093	489,647
<u>Materials and Services</u>						
Other Service Contracts	0	16	0	13,633	13,270	13,270
Advertising And Publ. Notices	0	2,359	5,400	9,322	9,553	7,553
Postage And Delivery	0	146	3,700	3,592	4,996	4,996
General Office Expense	0	74	400	1,566	1,566	1,566
Underwriter Fees	0	27,588	0	30,000	30,000	30,000
Printing And Graphics	303	3,228	25,450	39,479	43,937	38,979
Prof. Service Contracts	18,468	105,878	714,753	1,011,706	1,024,049	1,042,486
Legal	0	37,983	0	23,596	26,518	26,596
Meeting Costs	500	566	600	2,796	5,179	4,946
Mileage Reimbursement	16	13	325	464	532	532
Temporary Services	0	718	0	2,235	2,235	2,235
Property Taxes	0	0	6,000	6,000	6,000	6,000
Miscellaneous	0	1,200	0	0	0	0
Education	0	1,730	1,650	4,383	4,383	4,383
Loan Documents	0	40	0	77	77	77
Publications And Dues	0	0	500	1,649	1,649	1,649
Occupancy Costs	19,804	3,721	0	0	0	0
Parking	65	83	475	1,419	1,419	1,419
Out Of Town Travel	0	0	0	755	755	755
Special Events Costs	0	0	1,500	958	958	958
Software Applications	0	108	0	0	0	0
Appraisals	0	237	0	17,916	17,916	17,916
Total Materials and Services	39,156	185,689	760,753	1,171,546	1,194,992	1,206,316
<u>Personal Services</u>						
Payroll	0	0	0	0	0	238,435
Benefits Allocated To Project	2,799	10,238	0	0	0	0
Taxes, Health/Dental Insurance	0	0	0	0	0	84,434
Health & Dental Insurance	0	0	0	82,510	82,510	0
Payroll Incl Taxes & Benefits	7,682	42,202	244,689	233,001	233,001	0
Total Personal Services	10,481	52,440	244,689	315,511	315,511	322,869
Total Requirements	\$ 4,485,146	\$ 6,448,064	\$ 6,250,862	\$ 16,920,306	\$ 16,919,946	\$ 17,421,599

City of Portland, Oregon - FY 1998-99 Adopted Budget

CITY OF PORTLAND

Convention Center Area Debt Fund (312)

FUND SUMMARY

	Actual FY 1995-96	Actual FY 1996-97	Revised Budget FY 1997-98	Yr End Estimate FY 1997-98	Proposed FY 1998-99	Adopted FY 1998-99
RESOURCES						
External Revenues						
Property Taxes						
Current Year	\$0	\$4,839,911	\$7,203,217	\$7,928,118	\$5,870,160	\$6,286,752
Prior Year	1	0	0	0	210,796	210,796
Total Property Taxes	1	4,839,911	7,203,217	7,928,118	6,080,956	6,497,548
Miscellaneous Revenue						
Interest on Investment	4,303	27,038	0	11,400	5,000	5,000
Interest - Other	0	723,907	0	0		
Other Miscellaneous Revenues	97	291	0	10,160,155	0	0
Total Miscellaneous Revenue	4,400	751,236	0	10,171,555	5,000	5,000
Total External Revenues	4,401	5,591,147	7,203,217	18,099,673	6,085,956	6,502,548
Beginning Fund Balance	70,193	74,594	69,168	148,149	254,048	69,168
TOTAL RESOURCES	\$74,594	\$5,665,741	\$7,272,385	\$18,247,822	\$6,340,004	\$6,571,716
REQUIREMENTS						
Other Requirements						
Debt Retirement						
Tax Exempt Indebtedness						
Principal	\$0	\$0	\$0	\$0	\$0	\$0
Interest	0	0	0	0	0	0
Taxable Indebtedness						
Principal	0	4,581,063	5,251,000	16,826,437	5,260,004	5,491,716
Interest	0	936,529	1,952,217	1,352,217	1,080,000	1,080,000
Total Other Requirements	0	5,517,592	7,203,217	18,178,654	6,340,004	6,571,716
Ending Fund Balance	74,594	148,149	69,168	69,168	0	0
TOTAL REQUIREMENTS	\$74,594	\$5,665,741	\$7,272,385	\$18,247,822	\$6,340,004	\$6,571,716

GENERAL DESCRIPTION and CHANGES FROM PRIOR YEAR

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Convention Center Development Area. Specifically, this fund accounts for resources and the allocation thereof to pay principal and interest on tax increment bonded indebtedness associated with financing improvements in this district.

The Portland Development Commission (PDC) serves as the City's agency for developing and managing urban renewal plans that have played a major role in keeping Portland one of America's most livable and vital cities. The primary funding source for improvements to urban renewal areas are tax increment proceeds and program income derived from the investment of tax increment.

CITY OF PORTLAND
Convention Center Area Debt Fund (312)

DEBT REDEMPTION SCHEDULE

This fund accounts for principal and interest on tax increment bond indebtedness issued to finance public improvements in the Convention Center Urban Renewal District. Debt service is paid from tax revenues attributable to an increase in assessed valuation of taxable properties within this district. This schedule shows the remaining payments for principal and interest that the City owes to holders of these bonds.

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
Series 1996	\$27,408,000	1998/99	\$5,491,716	Variable	\$1,080,000	\$6,571,716
Tax Increment		1999/00	508,284	Variable	40,000	548,284
11/15/96		2000/01	0	Variable	0	0
Due 12/15		2001/02	0	Variable	0	0
TOTAL			<u>\$6,000,000</u>		<u>\$1,120,000</u>	<u>\$7,120,000</u>

PORTLAND DEVELOPMENT COMMISSION
South Park Blocks Urban Renewal

FUND SUMMARY

	<i>Actual</i> <i>FY 1995-96</i>	<i>Actual</i> <i>FY 1996-97</i>	<i>Revised</i> <i>FY 1997-98</i>	<i>Proposed</i> <i>FY 1998-99</i>	<i>Approved</i> <i>FY 1998-99</i>	<i>Adopted</i> <i>FY 1998-99</i>
RESOURCES						
Beginning Fund Balance	2,871,592	6,070,109	8,666,924	14,076,574	14,076,574	14,076,574
<u>Program Income</u>						
Publications And Other Sales	63	0	0	0	0	0
Other Contracts	68,206	0	0	0	0	0
Loan Principal Collections	2,746,752	783,543	1,522,492	500,000	500,000	500,000
Loans - Interest Earned	150,036	179,349	20,000	120,000	120,000	120,000
Interest - City Investmt Pool	305,303	254,398	228,837	400,479	400,479	400,479
Reimbursements	7,500	16	0	0	0	0
Total Program Income	3,277,860	1,217,306	1,771,329	1,020,479	1,020,479	1,020,479
Tax Increment Revenue	0	0	0	2,799,940	0	0
Tax Increment Debt Proceeds	0	1,462,457	3,962,000	0	2,783,797	2,735,245
Total Resources	\$ 6,149,452	\$ 8,749,873	\$ 14,400,253	\$ 17,896,993	\$ 17,880,850	\$ 17,832,298

REQUIREMENTS

Capital Outlay	0	0	0	4,627,000	4,628,727	4,593,353
Contingency	0	0	8,998,071	1,767,763	1,767,763	1,767,763
Financial Assistance	0	0	4,230,000	9,188,004	9,196,115	9,177,975
Indirect Allocation	30,406	27,084	378,525	616,611	589,036	607,487
Materials and Services	15,337	32,933	501,800	1,186,130	1,212,045	1,196,257
Personal Services	33,600	22,932	291,857	511,485	487,164	489,463
Total Requirements	\$ 79,343	\$ 82,949	\$ 14,400,253	\$ 17,896,993	\$ 17,880,850	\$ 17,832,298
Unappropriated Ending Balance	6,070,109	8,666,924	0	0	0	0
Total Requirements	\$ 6,149,452	\$ 8,749,873	\$ 14,400,253	\$ 17,896,993	\$ 17,880,850	\$ 17,832,298

FTE POSITIONS

	<i>No.</i> <i>FTE</i>	<i>Salary</i> <i>Amount</i>	<i>No.</i> <i>FTE</i>	<i>Salary</i> <i>Amount</i>	<i>No.</i> <i>FTE</i>	<i>Salary</i> <i>Amount</i>	<i>No.</i> <i>FTE</i>	<i>Salary</i> <i>Amount</i>	<i>No.</i> <i>FTE</i>	<i>Salary</i> <i>Amount</i>	<i>No.</i> <i>FTE</i>	<i>Salary</i> <i>Amount</i>
Admin Specialist II - Dev					0.14	3,339	0.14	3,339	0.39	9,304		
Attorney					0.09	7,649	0.09	7,649	0.09	7,649		
Budget Analyst					0.05	2,199	0.05	2,199	0.05	2,199		
Construction Coordinator - HDF					0.50	29,572	0.50	29,572	0.50	29,572		
Construction Specialist - HDF					0.11	6,417						
Deputy Housing Director					0.03	2,521	0.03	2,521	0.03	2,521		
Development Director					0.07	7,049	0.07	7,049	0.05	5,035		
Development Manager					0.88	63,213	0.73	52,475	0.40	29,491		
Development Manager - HDF					0.40	33,098	0.40	33,098	0.40	33,098		
Environmental Coordinator					0.02	1,124	0.02	1,124	0.02	1,124		
Finance Coordinator - HDF					0.79	43,443	0.79	43,443	0.79	43,443		
Loan Collection Specialist					0.02	794	0.02	794	0.02	794		
Loan Processor/Closer - HDF					0.50	19,226	0.50	19,226	0.50	19,226		
Loan Servicing Supervisor					0.02	1,124	0.02	1,124	0.02	1,124		
Program Development Asst - Dev					0.15	6,036	0.13	5,231	0.15	6,036		
Program Development Tech - Dev					0.17	5,481	0.17	5,481	0.14	4,332		
Program Development Tech - Hsg					0.02	643	0.02	643	0.02	643		
Project Manager - Housing Dev					0.25	16,801	0.25	16,801	0.25	16,801		
Project/Program Coord II - Dev					1.31	74,486	1.31	74,486	1.84	102,784		
Project/Program Coord II-Ec De					0.11	5,906	0.11	5,906	0.11	5,906		
Project/Program Manager - Hsg					0.65	40,385	0.65	40,385	0.65	40,385		
Total FTE					6.28	370,505	6.00	352,545	6.42	361,465		

Salary and FTE Information prior to FY 1998-99 are not available by individual position by Lag Fund.

PORTLAND DEVELOPMENT COMMISSION
South Park Blocks Urban Renewal

FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
<u>Capital Outlay</u>						
PA - Acquisition	0	0	0	1,502,000	1,502,000	1,502,000
PC - Construction Contracts	0	0	0	2,975,000	2,975,000	2,941,750
PC - Site Costs	0	0	0	100,000	100,000	100,000
PC - Prof. & Tech. Services	0	0	0	25,000	25,000	25,000
Pd - Prof. & Tech. Services	0	0	0	25,000	26,727	24,603
Total Capital Outlay	0	0	0	4,627,000	4,628,727	4,593,353
Contingency	0	0	8,998,071	1,767,763	1,767,763	1,767,763
<u>Financial Assistance</u>						
Grants	0	0	0	375,000	376,754	376,000
Loans To Borrowers	0	0	4,230,000	8,813,004	8,819,361	8,801,975
Total Financial Assistance	0	0	4,230,000	9,188,004	9,196,115	9,177,975
<u>Indirect Allocation</u>						
Equipment Recovery	500	0	0	0	0	0
Indirect Cost-admin Allocation	29,906	27,084	378,525	616,611	589,036	607,487
Total Indirect Allocation	30,406	27,084	378,525	616,611	589,036	607,487
<u>Materials and Services</u>						
Advertising And Publ. Notices	1,533	753	900	1,386	1,386	1,386
Postage And Delivery	417	56	700	1,126	1,126	1,276
General Office Expense	213	215	200	2,250	2,248	2,248
Underwriter Fees	0	7,014	0	10,000	10,000	10,000
Printing And Graphics	375	316	800	3,216	3,216	3,316
Temporary Services	2,656	1,281	0	6,140	6,140	6,140
Legal	0	4,987	0	14,386	14,386	14,386
Meeting Costs	0	68	0	263	5,615	6,044
Prof. Service Contracts	7,520	1,015	488,400	1,111,039	1,130,819	1,113,637
Education	916	5,300	3,500	1,053	1,053	1,053
Other Service Contracts	0	0	0	21,052	21,052	21,052
Telephone Services	1,363	1,339	0	0	0	0
Miscellaneous	0	2,660	0	0	0	0
Software Applications	0	0	0	702	702	702
Loan Documents	36	33	0	211	211	211
Publications And Dues	0	0	0	3,158	3,158	3,158
Occupancy Costs	309	7,896	0	0	0	0
Parking	0	0	0	877	877	877
Mileage Reimbursement	0	0	0	175	175	175
Out Of Town Travel	0	0	2,000	702	702	702
Special Events Costs	0	0	500	3,131	3,131	3,131
Appraisals	0	0	4,800	5,263	6,048	6,763
Total Materials and Services	15,337	32,933	501,800	1,186,130	1,212,045	1,196,257
<u>Personal Services</u>						
Payroll	0	0	0	0	0	361,465
Benefits Allocated To Project	7,350	4,728	0	0	0	0
Unemployment Costs	0	36	0	0	0	0
Taxes, Health/Dental Insurance	0	0	0	0	0	127,998
Health & Dental Insurance	0	0	0	133,757	127,397	0
Payroll Incl Taxes & Benefits	26,250	18,168	291,857	377,728	359,767	0
Total Personal Services	33,600	22,932	291,857	511,485	487,164	489,463
Total Requirements	\$ 79,343	\$ 82,949	\$ 14,400,253	\$ 17,896,993	\$ 17,880,850	\$ 17,832,298

City of Portland, Oregon - FY 1998-99 Adopted Budget

CITY OF PORTLAND

South Park Blocks Bond Redemption Fund (306)

FUND SUMMARY

	Actual FY 1995-96	Actual FY 1996-97	Revised Budget FY 1997-98	Yr End Estimate FY 1997-98	Proposed FY 1998-99	Adopted FY 1998-99
RESOURCES						
External Revenues						
Property Taxes						
Current Year	\$592,342	\$2,204,316	\$2,486,230	\$5,160,450	\$6,154,200	\$6,286,752
Prior Year	3,944	12,340	15,000	30,000	130,565	130,565
Total Property Taxes	596,286	2,216,656	2,501,230	5,190,450	6,284,765	6,417,317
Miscellaneous Revenue						
Interest on Investment	101,468	92,608	60,000	60,000	60,000	60,000
Interest - Other	0	187,549	0	0	0	0
Other Miscellaneous Revenues	0	0	0	1,890,000	0	0
Total Miscellaneous Revenue	101,468	280,157	60,000	1,950,000	60,000	60,000
Total External Revenues	697,754	2,496,813	2,561,230	7,140,450	6,344,765	6,477,317
Other Financing Sources						
Cash Transfer from Other Funds						
General Fund	1,029,170	0	0	0	0	0
Beginning Fund Balance	1,493,209	1,485,881	1,503,551	1,302,521	1,332,466	1,471,906
TOTAL RESOURCES	\$3,220,133	\$3,982,694	\$4,064,781	\$8,442,971	\$7,677,231	\$7,949,223
REQUIREMENTS						
Other Requirements						
Cash Transfers to Other Funds						
General Fund	\$680,079	\$0	\$0	\$0	\$0	\$0
Debt Retirement						
Tax Exempt Indebtedness						
Principal	495,000	450,000	465,000	465,000	710,000	710,000
Interest	559,173	524,876	495,119	495,119	458,421	458,421
Taxable Indebtedness						
Principal	0	1,462,457	1,376,000	5,754,189	5,328,109	5,599,801
Interest	0	242,840	256,756	256,756	900	1,200
Total Debt Retirement	1,054,173	2,680,173	2,592,875	6,971,064	6,497,430	6,769,422
Total Other Requirements	1,734,252	2,680,173	2,592,875	6,971,064	6,497,430	6,769,422
Ending Fund Balance						
Unappropriated	306,080	122,720	292,105	292,105		0
Unexpendable Reserve	1,179,801	1,179,801	1,179,801	1,179,801	1,179,801	1,179,801
Total Ending Fund Balance	1,485,881	1,302,521	1,471,906	1,471,906	1,179,801	1,179,801
TOTAL REQUIREMENTS	\$3,220,133	\$3,982,694	\$4,064,781	\$8,442,970	\$7,677,231	\$7,949,223

GENERAL DESCRIPTION and CHANGES FROM PRIOR YEAR

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the South Park Blocks Urban Renewal District. Specifically, this fund accounts for resources and the allocation thereof to pay principal and interest on tax increment bonded indebtedness associated with financing and refinancing of improvements in this district.

The Portland Development Commission (PDC) serves as the City's agency for developing and managing urban renewal plans that have played a major role in keeping Portland one of America's most livable and vital cities. The primary funding source for improvements to urban renewal areas are tax increment proceeds and program income derived from the investment of tax increment.

CITY OF PORTLAND

South Park Blocks Bond Redemption Fund (306)

DEBT REDEMPTION SCHEDULE

This fund accounts for principal and interest on tax increment bond indebtedness issued to finance public improvements in the South Park Blocks Urban Renewal District. Debt service is paid from tax revenues attributable to an increase in assessed valuation of taxable properties within this district.

This schedule shows the remaining payments for principal and interest that the City owes to holders of these bonds.

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
1985 Series B	\$5,600,000	1998/99	\$300,000	8.600%	\$286,200	\$586,200
Tax Increment		1999/00	330,000	8.700%	258,945	588,945
12/01/85		2000/01	360,000	8.800%	228,750	588,750
Due 12/1		2001/02	390,000	8.900%	195,555	585,555
		2002/03	430,000	9.000%	158,850	588,850
		2003/04	470,000	9.000%	118,350	588,350
		2004/05	515,000	9.000%	74,025	589,025
		2005/06	565,000	9.000%	25,425	590,425
		TOTAL	\$3,360,000		\$1,346,100	\$4,706,100
1993 Series C	\$4,625,000	1998/99	\$410,000	4.100%	\$172,221	\$582,221
Tax Increment		1999/00	430,000	4.300%	154,570	584,570
08/01/93		2000/01	450,000	4.450%	135,313	585,313
Due 12/1		2001/02	470,000	4.600%	114,490	584,490
		2002/03	495,000	4.700%	92,048	587,048
		2003/04	520,000	4.800%	67,935	587,935
		2004/05	545,000	4.900%	42,103	587,103
		2005/06	575,000	5.000%	14,375	589,375
		TOTAL	\$3,895,000		\$793,053	\$4,688,053
Short Term Debt	\$5,599,801	1998/99	\$5,599,801	Variable	\$1,200	\$5,601,001
Tax Increment						
PROJECTED		TOTAL	\$5,599,801		\$1,200	\$5,601,001
FUND TOTAL	\$15,824,801	1998/99	\$6,309,801		\$459,621	\$6,769,422
		1999/00	760,000		413,515	1,173,515
		2000/01	810,000		364,063	1,174,063
		2001/02	860,000		310,045	1,170,045
		2002/03	925,000		250,898	1,175,898
		2003/04	990,000		186,285	1,176,285
		2004/05	1,060,000		116,128	1,176,128
		2005/06	1,140,000		39,800	1,179,800
		TOTAL	\$12,854,801		\$2,140,353	\$14,995,154

PORTLAND DEVELOPMENT COMMISSION
Waterfront Renewal Bond Redevelopment

FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
RESOURCES						
Beginning Fund Balance	4,448,994	3,907,097	5,095,420	6,745,976	6,745,976	6,745,976
Cash Transfers In	4,381,498	0	415,922	0	0	0
City General Fund	0	2,554,504	1,198,188	1,090,981	1,090,981	1,090,981
<u>Federal and Other Grants</u>						
Grants - Except Hcd	0	0	0	400,000	400,000	400,000
Grants - State And Local	0	0	120,000	0	0	0
Total Federal and Other Grants	0	0	120,000	400,000	400,000	400,000
Loans From Other Funds	0	4,381,498	1,806,979	0	0	0
Private Grants & Donations	2,250	0	0	0	0	0
<u>Program Income</u>						
Rent Income	1,402,770	1,455,733	1,260,750	582,394	582,394	582,394
Publications And Other Sales	668	54	0	0	0	0
Loan Fees	388	0	0	0	0	0
Loan Late Charges	484	42	0	0	0	0
Other Contracts	1,039,810	524,717	573,719	0	0	0
Loan Principal Collections	172,829	1,827,826	641,500	800,000	800,000	800,000
Loans - Interest Earned	424,741	150,038	205,374	127,000	127,000	127,000
Interest - City Investmt Pool	236,732	172,832	142,250	161,351	161,351	161,351
Real Property Sales	0	0	2,751,067	1,500,000	1,500,000	1,500,000
Personal Property Sales	0	1,200	0	0	0	0
Reimbursements	440,387	231,157	15,000	960,808	960,808	960,808
Miscellaneous Income	249,591	145,223	0	0	0	0
Total Program Income	3,968,401	4,508,822	5,589,660	4,131,553	4,131,553	4,131,553
Tax Increment Revenue	0	0	0	14,021,875	0	0
Tax Increment Debt Proceeds	0	0	4,912,000	0	13,999,131	13,958,587
Total Resources	\$ 12,801,142	\$ 15,351,921	\$ 19,138,169	\$ 26,390,385	\$ 26,367,641	\$ 26,327,097

REQUIREMENTS

Capital Outlay	1,959,537	1,883,085	7,319,911	13,786,300	13,789,510	13,708,300
Cash Transfers Out	4,381,498	1,816,979	0	0	0	0
Contingency	0	0	910,211	4,047,560	4,047,560	4,039,285
Financial Assistance	671,454	3,990,144	8,216,039	4,996,100	4,982,680	4,976,189
Indirect Allocation	536,668	720,954	509,796	857,367	815,376	859,176
Materials and Services	841,171	573,895	1,549,420	1,775,622	1,802,574	1,796,001
Personal Services	503,718	572,339	632,791	927,436	929,941	948,146
Total Requirements	\$ 8,894,046	\$ 9,557,395	\$ 19,138,168	\$ 26,390,385	\$ 26,367,641	\$ 26,327,097
Unappropriated Ending Balance	3,907,097	5,794,526	1	0	0	0
Total Requirements	\$ 12,801,142	\$ 15,351,921	\$ 19,138,169	\$ 26,390,385	\$ 26,367,641	\$ 26,327,097

FTE POSITIONS

	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>
Admin Specialist II - Dev					0.83	19,789	0.82	19,550	1.09	25,992
Admin Specialist II-Construct					0.03	811	0.03	811	0.03	811
Admin. Specialist II - Ec Dev					0.05	1,527	0.05	1,527	0.05	1,527
Admin. Specialist III - Ec Dev					0.04	1,433	0.04	1,433	0.04	1,433
Attorney					0.31	26,488	0.31	26,488	0.31	26,488
Budget Analyst					0.07	3,079	0.07	3,079	0.07	3,079
Construction Coordinator - HDF					0.25	16,112	0.25	16,112	0.25	16,112
Construction Specialist - HDF							0.11	6,417	0.11	6,417
Deputy Housing Director					0.02	1,681	0.02	1,681	0.02	1,681

City of Portland, Oregon - FY 1998-99 Adopted Budget

PORTLAND DEVELOPMENT COMMISSION
Waterfront Renewal Bond Redevelopment

FUND SUMMARY

	<i>Actual</i> <i>FY 1995-96</i>	<i>Actual</i> <i>FY 1996-97</i>	<i>Revised</i> <i>FY 1997-98</i>	<i>Proposed</i> <i>FY 1998-99</i>	<i>Approved</i> <i>FY 1998-99</i>	<i>Adopted</i> <i>FY 1998-99</i>	
Development Director			0.65	65,450	0.65	65,450	0.40 40,277
Development Manager			2.50	204,365	2.50	204,365	2.34 192,424
Economic Development Director			0.04	3,414	0.04	3,414	0.04 3,414
Environmental Coordinator			0.60	33,733	0.60	33,733	0.60 33,733
Finance Coordinator - HDF			0.25	13,327	0.25	13,327	0.25 13,327
Finance Specialist - HDF			0.05	2,491	0.05	2,491	0.05 2,491
Information Program Specialist			0.15	5,731	0.15	5,731	0.15 5,731
Loan Collection Specialist			0.01	397	0.01	397	0.01 397
Loan Processor/Closer - HDF			0.20	7,016	0.20	7,016	0.20 7,016
Loan Servicing Supervisor			0.01	562	0.01	562	0.01 562
Outsourcing Manager			0.07	4,081	0.07	4,081	0.07 4,081
Program Development Asst - Dev			0.12	4,829	0.07	2,817	0.78 27,959
Program Development Tech - Dev			1.10	34,898	1.03	32,623	1.13 36,003
Program Development Tech - Hsg			0.02	643	0.02	643	0.02 643
Project Manager - Housing Dev			0.05	3,360	0.05	3,360	0.05 3,360
Project/Program Coord I - Dev							0.57 26,706
Project/Program Coord II - Dev			2.87	160,473	2.87	160,473	2.75 153,845
Project/Program Coord II-Ec De			0.52	27,917	0.52	27,917	0.52 27,917
Project/Program Manager - Hsg			0.20	12,426	0.20	12,426	0.20 12,426
Prop Maintenance Supervisor			0.30	8,850	0.30	8,850	0.30 8,850
Research Specialist - Ec Dev			0.05	2,462	0.05	2,462	0.05 2,462
Special Asst. to Exec Director			0.01	1,129	0.01	1,129	0.01 1,129
Total FTE			1.37	668,473	1.35	670,364	2.47 688,294

Salary and FTE information prior to FY 1998-99 are not available by individual position by Lag Fund.

PORTLAND DEVELOPMENT COMMISSION
Waterfront Renewal Bond Redevelopment

FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
<u>Capital Outlay</u>						
PA - Demolition & Site Prep.	3,263	175	400,000	0	0	0
PA - Prof. & Tech. Services	823,054	1,360,115	750,000	480,000	483,210	480,000
PA - Acquisition	6,076	0	640,000	2,125,000	2,125,000	2,075,000
PA - Closing Costs	0	16	0	0	0	0
PA - Property Taxes	72,961	85,570	0	17,000	17,000	17,000
PA - Utilities	369	448	300	300	300	300
Pd - Prof. & Tech. Services	128,306	181,129	475,000	550,000	550,000	550,000
Pd - Review Fees	20,434	1,628	0	0	0	0
PC - Prof. & Tech. Services	92,756	23,146	150,000	35,000	35,000	35,000
PC - Permits, Review	337	100	27,500	5,000	5,000	5,000
PC - Testing & Inspection	669	50	20,000	0	0	0
PC - Charges And Fees	8,217	8,485	16,000	0	0	0
PC - Construction Contracts	750,278	208,472	4,521,186	9,841,000	9,841,000	9,813,000
PC - Furn., Fixtures & Arts	13,300	0	0	0	0	0
PC - Printing, Photos & Advert	26	0	0	0	0	0
Furniture & Equipment	15,285	0	0	0	0	0
Lid Special Assessments	13,302	13,500	20,850	2,000	2,000	2,000
PA - Repairs And Maintenance	6,638	0	28,900	1,000	1,000	1,000
PC - Site Costs	4,266	250	270,175	730,000	730,000	730,000
Total Capital Outlay	1,959,537	1,883,085	7,319,911	13,786,300	13,789,510	13,708,300
Cash Transfers Out	4,381,498	1,816,979	0	0	0	0
Contingency	0	0	910,211	4,047,560	4,047,560	4,039,285
<u>Financial Assistance</u>						
Grants	47,704	63,576	130,046	296,100	296,100	296,100
Loans To Borrowers	623,750	3,926,569	8,085,993	4,700,000	4,686,580	4,680,089
Total Financial Assistance	671,454	3,990,144	8,216,039	4,996,100	4,982,680	4,976,189
<u>Indirect Allocation</u>						
Indirect Cost-admin Allocation	532,468	720,954	509,796	857,367	815,376	859,176
Equipment Recovery	4,200	0	0	0	0	0
Total Indirect Allocation	536,668	720,954	509,796	857,367	815,376	859,176
<u>Materials and Services</u>						
General Office Expense	2,381	1,935	1,000	4,752	4,752	4,752
Meeting Costs	1,114	1,192	600	1,988	5,324	4,487
Advertising And Publ. Notices	2,807	4,217	2,525	1,995	1,995	2,663
Software Applications	113	494	0	634	634	634
Postage And Delivery	1,867	1,837	2,000	7,240	7,240	7,240
Publications And Dues	1,510	1,322	825	1,673	1,673	1,673
Technical Assistance Contracts	36	36,957	732,000	815,000	815,000	817,000
Printing And Graphics	6,056	10,918	5,250	24,039	26,704	25,039
Temporary Services	9,019	21,445	1,000	12,547	12,547	12,547
Legal	30,501	37,690	63,400	96,462	96,385	95,032
Prof. Service Contracts	225,519	365,551	639,515	728,289	746,727	743,698
Special Events Costs	1,805	9,756	1,500	7,377	7,377	7,377
Loan Documents	341	587	0	70	70	70
Other Service Contracts	6,432	455	0	18,017	18,017	18,017
Vehicle Maintenance	0	15	0	0	0	0
Miscellaneous	494,943	141	0	0	0	0
Loan Foreclosure Costs	895	0	0	0	0	0

PORTLAND DEVELOPMENT COMMISSION
Waterfront Renewal Bond Redevelopment

FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
Property Taxes	0	0	85,705	0	0	0
Appraisals	225	3,322	0	21,754	23,997	21,754
Education	6,217	5,183	8,500	17,851	17,851	17,851
Equipment Lease & Rentals	0	52	0	0	0	0
Equipment Repairs & Maint.	29	49	0	0	0	0
Telephone Services	10,368	8,772	0	0	0	0
Occupancy Costs	34,345	57,281	0	0	0	0
Parking	372	800	150	792	792	925
Mileage Reimbursement	267	300	450	808	961	908
Out Of Town Travel	4,010	3,625	5,000	14,334	14,528	14,334
Total Materials and Services	841,171	573,895	1,549,420	1,775,622	1,802,574	1,796,001
 <u>Personal Services</u>						
Leave Allocated To Project	14,749	55,056	0	0	0	0
Benefits Allocated To Project	112,325	131,273	0	0	0	0
Taxes, Health/Dental Insurance	0	0	0	0	0	247,950
Health & Dental Insurance	0	0	0	242,540	243,195	0
Payroll Incl Taxes & Benefits	376,644	386,010	632,791	684,896	686,746	0
Payroll	0	0	0	0	0	700,196
Total Personal Services	503,718	572,339	632,791	927,436	929,941	948,146
 Total Requirements	 \$ 8,894,046	 \$ 9,557,395	 \$ 19,138,168	 \$ 26,390,385	 \$ 26,367,641	 \$ 26,327,097

CITY OF PORTLAND

Waterfront Renewal Bond Sinking Fund (303)

FUND SUMMARY

	Actual FY 1995-96	Actual FY 1996-97	Revised Budget FY 1997-98	Yr End Estimate FY 1997-98	Proposed FY 1998-99	Adopted FY 1998-99
RESOURCES						
External Revenues						
Property Taxes						
Current Year	\$1,777,025	\$6,470,899	\$5,073,572	\$9,833,050	\$11,750,738	\$12,314,773
Prior Year	14,736	40,872	10,000	90,000	281,879	281,879
Total Property Taxes	1,791,761	6,511,771	5,083,572	9,923,050	12,032,617	12,596,652
Miscellaneous Revenue						
Interest on Investment	348,658	327,460	200,000	300,000	190,000	190,000
Interest - Other	0	13,204	0	0		
Other Miscellaneous Revenues	8,136	0	0	10,000		0
Total Miscellaneous Revenue	356,794	340,664	200,000	310,000	190,000	190,000
Total External Revenues	2,148,555	6,852,435	5,283,572	10,233,050	12,222,617	12,786,652
Other Financing Sources						
Cash Transfers from Other Funds						
Parking Facilities Fund	690,000	690,000	690,000	690,000	690,000	690,000
General Fund	1,049,137	0	0	0	0	0
Total Other Financing Sources	1,739,137	690,000	690,000	690,000	690,000	690,000
Beginning Fund Balance	6,246,919	4,134,891	5,006,468	5,679,543	5,657,685	4,984,610
TOTAL RESOURCES	\$10,134,611	\$11,677,326	\$10,980,040	\$16,602,593	\$18,570,302	\$18,461,262
REQUIREMENTS						
Bureau Expenses						
External Materials & Services	\$13,220	\$13,220	\$15,000	\$35,000	\$15,000	\$15,000
Internal Materials & Services	0	0				0
Total Bureau Expenses	13,220	13,220	15,000	35,000	15,000	15,000
Other Requirements						
Debt Retirement						
Tax Exempt Indebtedness						
Principal	3,369,598	3,520,485	3,687,240	3,687,240	3,258,428	3,258,428
Interest	2,616,902	2,464,078	2,293,190	2,293,190	2,760,144	2,760,144
Taxable Indebtedness						
Principal	0	0	0	5,601,053	9,185,130	7,400,690
Interest	0	0	0	1,500	1,600	2,000
Total Other Requirements	5,986,500	5,984,563	5,980,430	11,582,983	15,205,302	13,421,262
Ending Fund Balance						
Unappropriated	784,891	2,329,543	1,634,610	1,634,610	0	1,675,000
Unexpendable Reserve	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000
Total Ending Fund Balance	4,134,891	5,679,543	4,984,610	4,984,610	3,350,000	5,025,000
TOTAL REQUIREMENTS	\$10,134,611	\$11,677,326	\$10,980,040	\$16,602,593	\$18,570,302	\$18,461,262
Line Item Detail - AU 281						
External Materials and Services						
5490 Other Miscellaneous	\$13,220	\$13,220	\$15,000	\$35,000	\$15,000	\$15,000
TOTAL Bureau Expenses	\$13,220	\$13,220	\$15,000	\$35,000	\$15,000	\$15,000

GENERAL DESCRIPTION and CHANGES FROM PRIOR YEAR

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Downtown Waterfront Urban Renewal District. Specifically, this fund accounts for the allocation of resources to pay principal and interest on tax increment bonded indebtedness related to financing and refinancing of improvements in this district.

The Portland Development Commission (PDC) serves as the City's agency for developing and managing urban renewal plans that have played a major role in keeping Portland one of America's most livable and vital cities. The primary funding source for improvements to urban renewal areas are tax increment proceeds and program income derived from the investment of tax increment.

CITY OF PORTLAND

Waterfront Renewal Bond Sinking Fund (303)

DEBT REDEMPTION SCHEDULE

This fund accounts for principal and interest on tax increment bond indebtedness issued to finance public improvements in the Downtown Waterfront Urban Renewal District. Debt service is paid from tax revenues attributable to an increase in assessed valuation of taxable properties within this district.

This schedule shows the remaining payments for principal and interest that the City owes to holders of these bonds.

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
Series J	\$13,196,453	1998/99	\$633,556	CABs	\$611,444	\$1,245,000
Tax Increment		1999/00	588,873	CABs	656,127	1,245,000
Due 11/1		2000/01	546,816	CABs	698,184	1,245,000
		2001/02	507,275	CABs	737,725	1,245,000
		2002/03	470,137	CABs	774,863	1,245,000
		2003/04	435,302	CABs	809,698	1,245,000
		2004/05	402,658	CABs	842,342	1,245,000
		2005/06	372,093	CABs	872,907	1,245,000
		2006/07	346,521	CABs	898,479	1,245,000
		2007/08	322,704	CABs	922,296	1,245,000
		2008/09	300,518	CABs	944,482	1,245,000
		TOTAL	\$4,926,453		\$8,768,547	\$13,695,000
Series K	\$4,597,251	1998/99	\$219,872	CABs	\$210,128	\$430,000
Tax Increment		1999/00	203,386	CABs	226,614	430,000
Due 11/1		2000/01	187,772	CABs	242,228	430,000
		2001/02	174,111	CABs	255,889	430,000
		2002/03	162,377	CABs	267,623	430,000
		2003/04	149,262	CABs	280,738	430,000
		2004/05	139,071	CABs	290,929	430,000
		2005/06	129,572	CABs	300,428	430,000
		2006/07	119,682	CABs	310,318	430,000
		2007/08	111,456	CABs	318,544	430,000
		2008/09	103,793	CABs	326,207	430,000
		TOTAL	\$1,700,354		\$3,029,646	\$4,730,000
Series L	\$45,010,000	1998/99	\$2,405,000	5.500%	\$1,938,572	\$4,343,572
Tax Increment		1999/00	2,540,000	5.650%	1,805,096	4,345,096
Due 6/1		2000/01	2,680,000	5.900%	1,661,586	4,341,586
		2001/02	2,840,000	6.000%	1,503,466	4,343,466
		2002/03	3,010,000	6.100%	1,333,066	4,343,066
		2003/04	3,195,000	6.100%	1,149,456	4,344,456
		2004/05	3,390,000	6.400%	954,560	4,344,560
		2005/06	3,605,000	6.400%	737,600	4,342,600
		2006/07	3,835,000	6.400%	506,880	4,341,880
		2007/08	4,085,000	6.400%	261,440	4,346,440
		TOTAL	\$31,585,000		\$11,851,722	\$43,436,722
Short Term Debt	\$7,400,690	1998/99	\$7,400,690	Variable	\$2,000	\$7,402,690
Tax Increment						
PROJECTED		TOTAL	\$7,400,690		\$2,000	\$7,402,690

CITY OF PORTLAND
Waterfront Renewal Bond Sinking Fund (303)

DEBT REDEMPTION SCHEDULE

Bond Description	Amount Issued	Fiscal Year	Principal	Interest	Total P+i
FUND TOTAL	\$70,204,394	1998/99	\$10,659,118	\$2,762,144	\$13,421,262
		1999/00	3,332,259	2,687,837	6,020,096
		2000/01	3,414,588	2,601,998	6,016,586
		2001/02	3,521,386	2,497,080	6,018,466
		2002/03	3,642,514	2,375,552	6,018,066
		2003/04	3,779,564	2,239,892	6,019,456
		2004/05	3,931,729	2,087,831	6,019,560
		2005/06	4,106,665	1,910,935	6,017,600
		2006/07	4,301,203	1,715,677	6,016,880
		2007/08	4,519,160	1,502,280	6,021,440
		2008/09	404,311	1,270,689	1,675,000
		TOTAL	<u>\$45,612,497</u>	<u>\$23,651,915</u>	<u>\$69,264,412</u>

PORTLAND DEVELOPMENT COMMISSION

St. Johns

FUND SUMMARY

	<i>Actual</i> <i>FY 1995-96</i>	<i>Actual</i> <i>FY 1996-97</i>	<i>Revised</i> <i>FY 1997-98</i>	<i>Proposed</i> <i>FY 1998-99</i>	<i>Approved</i> <i>FY 1998-99</i>	<i>Adopted</i> <i>FY 1998-99</i>
RESOURCES						
Beginning Fund Balance	158,512	0	0	0	0	0
<u>Program Income</u>						
Rent Income	2,225	0	0	0	0	0
Interest - City Investmt Pool	8,576	0	0	0	0	0
Real Property Sales	813,950	0	0	0	0	0
Total Program Income	824,751	0	0	0	0	0
Total Resources	\$ 983,263	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
REQUIREMENTS						
Cash Transfers Out	977,461	0	0	0	0	0
Indirect Allocation	1,339	0	0	0	0	0
Materials and Services	26	0	0	0	0	0
Personal Services	4,437	0	0	0	0	0
Total Requirements	\$ 983,263	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Unappropriated Ending Balance	0	0	0	0	0	0
Total Requirements	\$ 983,263	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

PORTLAND DEVELOPMENT COMMISSION

St. Johns

FUND SUMMARY

	<i>Actual</i> <i>FY 1995-96</i>	<i>Actual</i> <i>FY 1996-97</i>	<i>Revised</i> <i>FY 1997-98</i>	<i>Proposed</i> <i>FY 1998-99</i>	<i>Approved</i> <i>FY 1998-99</i>	<i>Adopted</i> <i>FY 1998-99</i>
Cash Transfers Out	977,461	0	0	0	0	0
Indirect Cost-admin Allocation	1,339	0	0	0	0	0
Occupancy Costs	26	0	0	0	0	0
<u>Personal Services</u>						
Benefits Allocated To Project	943	0	0	0	0	0
Payroll Incl Taxes & Benefits	3,494	0	0	0	0	0
Total Personal Services	4,437	0	0	0	0	0
Total Requirements	\$ 983,263	\$ 0	\$ 0	\$ 0	\$ 0	0

Grant Funds

Housing and Community Development Contract

HOME Grant

Enterprise Loans

Regional Strategies

South Auditorium (closed)

The Grants Funds account for federal and state grant activities in the funds listed above. The Housing and Community Development Fund provides for all Community Development Block Grant housing and economic development activities performed under contract with the Bureau of Housing and Community Development. The HOME Grant fund accounts for the housing activities performed under the HOME contract. The Enterprise Loan Fund accounts for two CDBG-funded housing revolving loan funds, the Housing Investment Fund, the Private Lender Participation Agreement Program, and economic development under the Northeast Business Assistance Fund, economic development lending under the EDA grant, and other smaller federal grant funded loan funds.

The Regional Strategies Fund accounts for PDC's management of the Regional Strategies state grant of lottery proceeds to Multnomah and Washington Counties for target industries, and economic development. The South Auditorium fund balance was transferred to the Urban Redevelopment Fund in FY 1997-98 to create a sub-fund to be used for predevelopment activities associated with the creation of new urban renewal areas. The South Auditorium legal appropriation fund is closed.

PORTLAND DEVELOPMENT COMMISSION
Housing and Community Dev Contract

FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
RESOURCES						
Beginning Fund Balance	1,020,161	1,495,897	1,097,554	1,364,047	1,364,047	1,364,047
Grants - Hcd Contract	5,467,175	2,442,582	7,579,300	3,506,183	3,213,558	3,238,558
Private Lender Agreements	1,827,050	3,321,020	2,383,772	3,979,200	3,979,200	3,979,200
<u>Program Income</u>						
Rent Income	27,849	1,875	2,400	0	0	0
Publications And Other Sales	95	105	0	0	0	0
Loan Fees	21,885	18,368	0	0	0	0
Loan Late Charges	7,858	6,807	0	0	0	0
Other Contracts	3,420	0	0	0	0	0
Loan Principal Collections	3,931,120	3,742,013	3,432,300	3,387,900	3,387,900	3,387,900
Loans - Interest Earned	482,162	632,526	469,950	573,700	573,700	573,700
Interest - City Investmt Pool	129,623	93,539	49,554	0	0	0
All Other Interest	2,089	11,863	0	0	0	0
Real Property Sales	247,636	0	0	0	0	0
Reimbursements	46,016	49,974	0	0	0	0
Miscellaneous Income	25,150	295	0	0	0	0
Total Program Income	4,924,902	4,557,364	3,954,204	3,961,600	3,961,600	3,961,600
Total Resources	\$ 13,239,288	\$ 11,816,863	\$ 15,014,830	\$ 12,811,030	\$ 12,518,405	\$ 12,543,405

REQUIREMENTS

Capital Outlay	303,022	31,633	706,983	500	500	500
Contingency	0	0	1,377,908	0	0	0
Financial Assistance	7,083,506	6,446,858	8,663,080	9,305,496	9,127,628	9,058,969
Indirect Allocation	759,388	740,359	1,194,197	875,131	865,090	949,075
Materials and Services	926,252	984,395	927,472	804,606	737,113	748,326
Personal Services	2,671,224	2,515,826	2,145,190	1,825,297	1,788,075	1,786,533
Total Requirements	\$ 11,743,391	\$ 10,719,073	\$ 15,014,830	\$ 12,811,030	\$ 12,518,405	\$ 12,543,403
Unappropriated Ending Balance	1,495,897	1,097,790	0	0	0	2
Total Requirements	\$ 13,239,288	\$ 11,816,863	\$ 15,014,830	\$ 12,811,030	\$ 12,518,405	\$ 12,543,405

FTE POSITIONS

	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>
Accounting Manager					0.15	9,726	0.15	9,726	0.15	9,726		
Admin Specialist II - Dev					0.24	5,723	0.24	5,723				
Admin Specialist II-HSG Admin					1.80	52,312	1.80	52,312	1.80	52,312		
Admin. Specialist II - Ec Dev					0.75	23,002	0.60	18,401	0.60	18,401		
Admin. Specialist III - Ec Dev					0.23	8,240	0.23	8,240	0.23	8,240		
Attorney					0.76	59,034	0.76	59,034	0.76	59,034		
Budget Analyst					0.55	24,192	0.55	24,192	0.55	24,192		
Budget Officer					0.20	12,969	0.20	12,969	0.20	12,969		
Construction Advisor					2.00	103,255	2.00	103,255	2.00	103,255		
Construction Coordinator - HDF					0.60	33,153	0.60	33,153	0.60	33,153		
Construction Specialist - HDF					0.70	40,837	0.70	40,837	0.70	40,837		
Deputy Housing Director					0.50	42,024	0.50	42,024	0.50	42,024		
Development Manager					0.03	2,614	0.03	2,614				
Development Manager - HDF					0.25	20,687	0.25	20,687	0.25	20,687		
Economic Development Director					0.31	26,458	0.21	17,923	0.21	17,923		
Environmental Coordinator					0.05	2,811	0.05	2,811	0.05	2,811		
Finance Coordinator - HDF					0.79	43,993	0.79	43,993	0.79	43,993		
Finance Director					0.03	2,705	0.03	2,705	0.03	2,705		
Finance Specialist - HDF					0.70	34,880	0.70	34,880	0.70	34,880		

City of Portland, Oregon - FY 1998-99 Adopted Budget

PORTLAND DEVELOPMENT COMMISSION
Housing and Community Dev Contract
FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
Housing Director			0.80	75,474	0.80	75,474
Housing Initiatives Coordinator			0.80	40,533	0.80	40,533
Information Program Specialist			0.10	3,821	0.05	1,910
Legal Assistant			0.75	31,435	0.75	31,435
Loan Collection Specialist			0.95	37,702	0.95	37,702
Loan Processor/Closer - HDF			1.30	49,217	1.30	49,217
Loan Servicing Supervisor			0.95	53,369	0.95	53,369
Originator/Processor - NHP			2.00	74,008	2.00	74,008
Program Dev Tech - Finance			0.75	25,168	0.75	25,168
Program Development Asst - Dev			0.36	14,486	0.36	14,486
Program Development Tech - Dev			0.09	2,816	0.09	2,816
Program Development Tech - HDF			0.90	31,531	0.90	31,531
Program Development Tech - Hsg			0.75	24,110	0.75	24,110
Project Manager - Housing Dev			0.23	15,456	0.23	15,456
Project/Program Coord II - Dev					0.10	5,369
Project/Program Coord II-Ec De			0.33	19,936	0.33	19,936
Project/Program Manager - Dev			0.11	6,573	0.11	6,573
Project/Program Manager - Hsg			0.65	40,385	0.65	40,385
Project/Program Mgr - Ec Dev			1.25	84,102	1.10	74,121
Research Specialist - Ec Dev			0.10	4,923	0.05	2,462
Senior Accountant			0.15	5,745	0.15	5,745
Special Asst. to Exec Director			0.02	1,613	0.02	1,613
Team Manager - NHP			0.90	55,720	0.90	55,720
Team Resource Coordinator			1.00	51,769	1.00	51,769
Underwriter/Closer - NHP			1.00	49,167	1.00	49,167
Total FTE			6.88	1,347,670	6.38	1,320,182
					6.29	1,319,343

Salary and FTE information prior to FY 1998-99 are not available by individual position by Lag Fund.

PORTLAND DEVELOPMENT COMMISSION
Housing and Community Dev Contract

FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
<u>Capital Outlay</u>						
PA - Closing Costs	1,293	3,693	1,000	0	0	0
PA - Acquisition	151,000	500	260,000	0	0	0
PA - Property Taxes	3,455	1,781	0	0	0	0
PA - Repairs And Maintenance	192	0	1,000	500	500	500
PA - Utilities	1,019	988	500	0	0	0
PA - Demolition & Site Prep.	20,963	0	0	0	0	0
PC - Site Costs	22,360	0	0	0	0	0
PC - Construction Contracts	62,184	-2,400	0	0	0	0
PC - Printing, Photos & Advert	554	82	0	0	0	0
Lid Special Assessments	11,673	15,899	0	0	0	0
Relocation	7,265	10,360	0	0	0	0
PA - Prof. & Tech. Services	6,995	310	10,000	0	0	0
Furniture & Equipment	14,069	420	434,483	0	0	0
Total Capital Outlay	303,022	31,633	706,983	500	500	500
Contingency	0	0	1,377,908	0	0	0
<u>Financial Assistance</u>						
Loans To Borrowers	5,078,650	2,608,741	5,209,838	5,056,702	5,008,836	4,938,498
Loans To Borrowers - PLPA	1,827,050	3,321,020	2,931,827	3,979,200	3,979,200	3,979,200
Grants	177,806	517,097	521,415	269,593	139,591	141,271
Total Financial Assistance	7,083,506	6,446,858	8,663,080	9,305,496	9,127,628	9,058,969
<u>Indirect Allocation</u>						
Equipment Recovery	29,100	0	0	0	0	0
Indirect Cost-admin Allocation	730,288	740,359	1,194,197	875,131	865,090	949,075
Total Indirect Allocation	759,388	740,359	1,194,197	875,131	865,090	949,075
<u>Materials and Services</u>						
General Office Expense	19,482	17,317	7,016	27,586	27,024	28,024
Postage And Delivery	11,049	8,195	13,158	7,922	7,922	7,922
Advertising And Publ. Notices	7,777	13,286	24,733	14,146	14,146	14,146
Meeting Costs	6,248	6,796	6,000	5,347	5,347	5,138
Software Applications	4,089	617	9,300	5,096	5,096	5,096
Other Service Contracts	8,020	45,359	100,930	117,865	77,865	77,865
Publications And Dues	5,051	1,180	3,465	10,130	10,130	10,130
Technical Assistance Contracts	12,592	20,000	659	0	0	0
Printing And Graphics	22,199	17,467	23,250	21,430	19,320	20,716
Temporary Services	44,991	72,859	24,500	33,736	33,736	33,736
Legal	1,519	43,118	15,990	34,452	34,452	34,452
Prof. Service Contracts	230,522	283,016	476,085	371,058	355,025	366,314
Special Events Costs	7,978	6,794	5,000	12,858	9,858	9,858
Equipment Repairs & Maint.	7,871	52	300	0	0	0
COP Overhead Charges	91,552	130,246	22,129	19,792	19,792	19,793
Appraisals	23,810	19,052	57,947	29,496	28,496	29,002
Insurance	0	0	2,800	0	0	0
Miscellaneous	23,912	1,844	0	1,000	1,000	1,000
Telephone Services	68,852	52,226	0	500	500	500
Loan Foreclosure Costs	15,838	2,553	1,000	10,000	10,000	10,000
Education	14,316	16,761	32,500	24,324	24,591	22,200
Loan Documents	44,587	62,550	55,252	37,472	32,417	32,039
Property Taxes	0	0	1,000	0	0	0

PORTLAND DEVELOPMENT COMMISSION

Housing and Community Dev Contract

FUND SUMMARY

	<i>Actual</i> <i>FY 1995-96</i>	<i>Actual</i> <i>FY 1996-97</i>	<i>Revised</i> <i>FY 1997-98</i>	<i>Proposed</i> <i>FY 1998-99</i>	<i>Approved</i> <i>FY 1998-99</i>	<i>Adopted</i> <i>FY 1998-99</i>
Building Reps/improvements	0	22	0	0	0	0
Occupancy Costs	234,841	138,966	17,495	0	0	0
Parking	8,875	7,925	10,618	7,419	7,419	7,419
Mileage Reimbursement	5,742	6,015	6,865	5,280	5,280	5,280
Out Of Town Travel	4,542	2,682	9,480	7,696	7,696	7,696
Bank Fees	0	7,500	0	0	0	0
Total Materials and Services	926,252	984,395	927,472	804,606	737,113	748,326
<u>Personal Services</u>						
Payroll	0	0	0	0	0	1,319,348
Leave Allocated To Project	286,397	313,742	0	0	0	0
Benefits Allocated To Project	665,836	499,453	0	0	0	0
Taxes, Health/Dental Insurance	0	0	0	0	0	467,185
Health & Dental Insurance	0	0	0	477,322	467,589	0
Health & Dental - Retirees	14,363	17,177	18,664	0	0	0
Payroll Incl Taxes & Benefits	1,704,628	1,685,454	2,126,526	1,347,975	1,320,486	0
Total Personal Services	2,671,224	2,515,826	2,145,190	1,825,297	1,788,075	1,786,533
Total Requirements	\$ 11,743,391	\$ 10,719,073	\$ 15,014,830	\$ 12,811,030	\$ 12,518,405	\$ 12,543,403

PORTLAND DEVELOPMENT COMMISSION
HOME Grant

FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
RESOURCES						
Beginning Fund Balance	39,409	318,282	621,134	0	0	0
Grants - Except Hcd	3,897,083	4,216,219	3,602,911	2,935,000	2,935,000	2,935,000
<u>Program Income</u>						
Loan Fees	5,195	12,088	0	0	0	0
Loan Late Charges	5,344	6,086	0	0	0	0
Loan Principal Collections	672,682	947,256	926,935	0	0	0
Loans - Interest Earned	243,194	355,754	140,000	0	0	0
Interest - City Investmt Pool	3,070	8,588	24,480	0	0	0
Reimbursements	132,120	138	0	0	0	0
Miscellaneous Income	0	210	0	0	0	0
Contra Program Income	-655,128	0	0	0	0	0
Total Program Income	406,476	1,330,120	1,091,415	0	0	0
Total Resources	\$ 4,342,969	\$ 5,864,620	\$ 5,315,460	\$ 2,935,000	\$ 2,935,000	\$ 2,935,000
REQUIREMENTS						
Capital Outlay	0	214	0	0	0	0
Contingency	0	0	460,667	0	0	0
Financial Assistance	3,654,710	4,723,571	4,608,739	2,935,000	2,935,000	2,935,000
Indirect Allocation	51,118	56,374	48,540	0	0	0
Materials and Services	215,894	385,240	114,084	0	0	0
Personal Services	102,965	78,086	83,430	0	0	0
Total Requirements	\$ 4,024,687	\$ 5,243,485	\$ 5,315,460	\$ 2,935,000	\$ 2,935,000	\$ 2,935,000
Unappropriated Ending Balance	318,281	621,135	0	0	0	0
Total Requirements	\$ 4,342,969	\$ 5,864,620	\$ 5,315,460	\$ 2,935,000	\$ 2,935,000	\$ 2,935,000

PORTLAND DEVELOPMENT COMMISSION

HOME Grant

FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
PA - Closing Costs	0	214	0	0	0	0
Contingency	0	0	460,667	0	0	0
<u>Financial Assistance</u>						
Grants	463,003	283,904	375,000	0	0	0
Loans To Borrowers	3,191,707	4,439,667	4,233,739	2,935,000	2,935,000	2,935,000
Total Financial Assistance	3,654,710	4,723,571	4,608,739	2,935,000	2,935,000	2,935,000
<u>Indirect Allocation</u>						
Equipment Recovery	600	0	0	0	0	0
Indirect Cost-admin Allocation	50,518	56,374	48,540	0	0	0
Total Indirect Allocation	51,118	56,374	48,540	0	0	0
<u>Materials and Services</u>						
Legal	0	15,433	0	0	0	0
Advertising And Publ. Notices	3,519	452	2,200	0	0	0
Postage And Delivery	228	197	800	0	0	0
General Office Expense	177	257	450	0	0	0
Technical Assistance Contracts	72,039	0	50,000	0	0	0
Meeting Costs	67	129	950	0	0	0
Temporary Services	27,254	50,719	6,500	0	0	0
Education	250	654	250	0	0	0
Prof. Service Contracts	83,142	305,680	36,234	0	0	0
Printing And Graphics	1,056	49	1,700	0	0	0
Software Applications	0	141	0	0	0	0
Out Of Town Travel	991	0	1,000	0	0	0
Mileage Reimbursement	152	43	550	0	0	0
Parking	5	10	50	0	0	0
Occupancy Costs	16,667	169	0	0	0	0
Loan Documents	268	604	500	0	0	0
Appraisals	0	0	4,000	0	0	0
Loan Foreclosure Costs	10,030	10,262	8,750	0	0	0
Publications And Dues	50	440	150	0	0	0
Total Materials and Services	215,894	385,240	114,084	0	0	0
<u>Personal Services</u>						
Payroll Incl Taxes & Benefits	69,797	56,277	83,430	0	0	0
Leave Allocated To Project	8,871	6,875	0	0	0	0
Benefits Allocated To Project	24,297	14,934	0	0	0	0
Total Personal Services	102,965	78,086	83,430	0	0	0
Total Requirements	\$ 4,024,687	\$ 5,243,485	\$ 5,315,460	\$ 2,935,000	\$ 2,935,000	\$ 2,935,000

Note:

This fund was formerly called the Other Federal Grants Fund. In years prior to FY 1996-97, this fund included these grant sub-funds in addition to the HOME Grant: N/NE Business Assistance Grant, DHPP Special Project Grant, and EDA Planning Grants. PDC is no longer receiving grant funding for these sub-funds so they have been transferred to the Enterprise Loan Fund which accounts for revolving loan funds.

PORTLAND DEVELOPMENT COMMISSION
Enterprise Loan
FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
RESOURCES						
Beginning Fund Balance	4,972,598	5,682,057	5,959,035	8,043,300	7,049,996	7,049,996
Cash Transfers In	0	0	676,325	0	0	0
HIF Note Revenue	0	8,161,322	1,198,180	2,200,000	9,096,877	10,096,877
Private Lender Agreements	0	0	0	16,000,000	16,000,000	16,000,000
<u>Program Income</u>						
Rent Income	2,000	0	0	0	0	0
Loan Fees	12,191	38,108	0	337,000	337,000	337,000
Loan Late Charges	6,332	9,377	0	4,000	4,000	4,000
Application Fee	0	0	0	59,000	59,000	59,000
Other Contracts	0	0	15,471,580	0	0	0
Loan Principal Collections	1,624,057	4,019,382	2,163,612	2,222,888	2,222,888	2,222,888
Loans - Interest Earned	913,759	1,181,312	991,104	996,500	996,500	996,500
Interest - City Investmt Pool	269,351	206,269	256,156	214,008	214,008	214,008
All Other Interest	0	6,986	0	0	0	0
Real Property Sales	16,693	0	0	0	0	0
Personal Property Sales	0	0	0	1,026,000	1,026,000	1,026,000
Reimbursements	5,634	77,103	0	0	0	0
Miscellaneous Income	0	0	0	157,000	157,000	157,000
Total Program Income	2,850,017	5,538,538	18,882,452	5,016,396	5,016,396	5,016,396
Total Resources	\$ 7,822,615	\$ 19,381,917	\$ 26,715,992	\$ 31,259,696	\$ 37,163,269	\$ 38,163,269

REQUIREMENTS

Capital Outlay	0	1,034,056	33,620	0	0	750,000
Cash Transfers Out	0	0	0	2,000,000	2,000,000	2,000,000
Contingency	0	0	5,502,671	4,836,356	4,836,355	4,836,355
Debt Service	1,445,581	1,786,818	1,550,000	1,418,329	1,418,329	1,418,329
Financial Assistance	592,265	9,174,843	18,312,969	21,469,223	27,350,228	27,589,549
Indirect Allocation	19,167	522,593	402,295	532,817	564,209	576,826
Materials and Services	18,261	544,781	412,631	355,830	348,755	346,824
Personal Services	65,436	359,640	501,806	647,141	645,394	645,387
Total Requirements	\$ 2,140,709	\$ 13,422,732	\$ 26,715,992	\$ 31,259,696	\$ 37,163,270	\$ 38,163,270
Unappropriated Ending Balance	5,681,906	5,959,185	0	0	-1	-1
Total Requirements	\$ 7,822,615	\$ 19,381,917	\$ 26,715,992	\$ 31,259,696	\$ 37,163,269	\$ 38,163,269

FTE POSITIONS

	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>	<i>No. FTE</i>	<i>Salary Amount</i>
Admin Specialist II-HSG Admin					0.20	5,300	0.20	5,300	0.20	5,300		
Admin. Specialist III - Ec Dev					0.37	13,256	0.37	13,256	0.37	13,256		
Attorney					0.29	22,387	0.27	21,096	0.27	21,096		
Budget Analyst					0.10	4,399	0.10	4,399	0.10	4,399		
Construction Advisor					1.00	50,949	1.00	50,949	1.00	50,949		
Construction Coordinator - HDF					0.30	17,955	0.30	17,955	0.30	17,955		
Construction Specialist - HDF					0.05	2,917	0.05	2,917	0.05	2,917		
Deputy Housing Director					0.42	35,300	0.42	35,300	0.42	35,300		
Development Manager					0.05	3,580	0.05	3,580	0.05	3,580		
Finance Coordinator - HDF					0.77	42,934	0.77	42,934	0.77	42,934		
Finance Specialist - HDF					0.05	2,491	0.05	2,491	0.05	2,491		
Housing Director					0.20	18,869	0.20	18,869	0.20	18,869		
Housing Initiatives Coordinator					0.20	10,133	0.20	10,133	0.20	10,133		
Loan Collection Specialist					0.02	794	0.02	794	0.02	794		
Loan Processor/Closer - HDF					0.55	22,451	0.55	22,451	0.55	22,451		

City of Portland, Oregon - FY 1998-99 Adopted Budget

PORTLAND DEVELOPMENT COMMISSION

Enterprise Loan

FUND SUMMARY

	<i>Actual</i> <i>FY 1995-96</i>	<i>Actual</i> <i>FY 1996-97</i>	<i>Revised</i> <i>FY 1997-98</i>	<i>Proposed</i> <i>FY 1998-99</i>	<i>Approved</i> <i>FY 1998-99</i>	<i>Adopted</i> <i>FY 1998-99</i>
Loan Servicing Supervisor			0.02	1,124	0.02	1,124
Originator/Processor - NHP			1.00	36,716	1.00	36,716
Program Dev Tech - Finance			0.20	6,711	0.20	6,711
Program Development Tech - Dev			0.02	650	0.02	650
Program Development Tech - HDF			0.10	3,503	0.10	3,503
Program Development Tech - Hsg			0.20	6,429	0.20	6,429
Project Manager - Housing Dev			0.40	26,881	0.40	26,881
Project/Program Coord II - Dev			0.25	15,131	0.25	15,131
Project/Program Coord II-Ec De			0.62	37,455	0.62	37,455
Project/Program Manager - Hsg			0.20	12,426	0.20	12,426
Project/Program Mgr - Ec Dev			0.35	23,938	0.35	23,938
Special Asst. to Exec Director				161		161
Team Manager - NHP			0.10	6,191	0.10	6,191
Underwriter/Closer - NHP			1.00	46,874	1.00	46,874
Total FTE			9.03	477,906	9.01	476,615

Salary and FTE Information prior to FY 1998-99 are not available by individual position by Lag Fund.

PORTLAND DEVELOPMENT COMMISSION
Enterprise Loan
FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
<u>Capital Outlay</u>						
Furniture & Equipment	0	26,940	33,620	0	0	0
PA - Acquisition	0	1,001,552	0	0	0	750,000
PA - Utilities	0	4,737	0	0	0	0
PA - Prof. & Tech. Services	0	419	0	0	0	0
PA - Closing Costs	0	408	0	0	0	0
Total Capital Outlay	0	1,034,056	33,620	0	0	750,000
Cash Transfers Out	0	0	0	2,000,000	2,000,000	2,000,000
Contingency	0	0	5,502,671	4,836,356	4,836,355	4,836,355
<u>Debt Service</u>						
Debt Service - Interest	588,027	736,956	700,000	968,329	968,329	968,329
Debt Service - Principal	857,553	1,049,862	850,000	450,000	450,000	450,000
Total Debt Service	1,445,581	1,786,818	1,550,000	1,418,329	1,418,329	1,418,329
<u>Financial Assistance</u>						
Grants	0	372,414	0	400,000	0	0
Loans To Borrowers	592,265	8,802,429	18,312,969	21,069,223	27,350,228	27,589,549
Total Financial Assistance	592,265	9,174,843	18,312,969	21,469,223	27,350,228	27,589,549
<u>Indirect Allocation</u>						
Indirect Cost-admin Allocation	18,317	522,593	402,295	532,817	564,209	576,826
Equipment Recovery	850	0	0	0	0	0
Total Indirect Allocation	19,167	522,593	402,295	532,817	564,209	576,826
<u>Materials and Services</u>						
General Office Expense	0	102	1,200	5,213	2,199	2,199
Publications And Dues	100	50	0	2,568	2,568	2,568
Meeting Costs	0	8,216	300	2,826	2,826	2,826
Advertising And Publ. Notices	0	8,355	1,100	18,164	18,164	18,164
Postage And Delivery	74	2,051	150	1,195	695	695
Technical Assistance Contracts	0	0	0	25,000	25,000	25,000
Printing And Graphics	0	2,398	2,000	6,787	6,287	6,287
Temporary Services	0	2,265	0	9,605	9,605	9,605
Legal	3,578	27,318	5,000	45,663	46,086	45,735
Software Applications	0	129	0	526	526	526
Prof. Service Contracts	0	464,524	400,931	55,355	52,644	52,416
Parking	0	53	0	844	844	843
Other Service Contracts	0	20,049	0	6,577	6,577	6,577
Appraisals	0	0	0	87,950	87,950	87,950
Insurance	0	0	0	6,000	6,000	6,000
Out Of Town Travel	0	0	0	1,132	632	632
Loan Foreclosure Costs	596	1,230	0	10,000	10,697	9,865
Special Events Costs	0	2,131	0	2,974	1,974	1,974
Loan Documents	1,609	3,096	1,300	53,158	53,480	53,158
Repairs & Maintenance	0	0	0	1,000	1,000	1,000
Property Taxes	0	0	0	5,830	5,830	5,830
Occupancy Costs	12,300	-480	0	0	0	0
Mileage Reimbursement	0	77	150	1,074	1,282	1,085
Education	5	659	500	6,389	5,889	5,889
Miscellaneous	0	2,558	0	0	0	0
Total Materials and Services	18,261	544,781	412,631	355,830	348,755	346,824

PORTLAND DEVELOPMENT COMMISSION

Enterprise Loan

FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
<u>Personal Services</u>						
Payroll	0	0	0	0	0	476,615
Leave Allocated To Project	5,027	9,719	0	0	0	0
Benefits Allocated To Project	15,092	74,481	0	0	0	0
Taxes, Health/Dental Insurance	0	0	0	0	0	168,772
Health & Dental Insurance	0	0	0	169,230	168,774	0
Payroll Incl Taxes & Benefits	45,317	275,440	501,806	477,911	476,620	0
Total Personal Services	65,436	359,640	501,806	647,141	645,394	645,387
Total Requirements	\$ 2,140,709	\$ 13,422,732	\$ 26,715,992	\$ 31,259,696	\$ 37,163,270	\$ 38,163,270

PORTLAND DEVELOPMENT COMMISSION
Regional Strategies

	FUND SUMMARY					
	Actual FY 1995-96	Actual FY 1996-97	Revised FY 1997-98	Proposed FY 1998-99	Approved FY 1998-99	Adopted FY 1998-99
RESOURCES						
Beginning Fund Balance	0	831,511	874,091	201,529	201,529	201,529
<u>Federal and Other Grants</u>						
Grants - Except Hcd	0	208,571	0	0	0	0
Grants - State And Local	0	1,468,747	845,881	40,000	40,000	40,000
Total Federal and Other Grants	0	1,677,318	845,881	40,000	40,000	40,000
<u>Program Income</u>						
Other Contracts	1,672,969	0	0	0	0	0
Interest - City Investmt Pool	46,405	29,823	6,771	0	0	0
Reimbursements	5,000	0	0	0	0	0
Total Program Income	1,724,374	29,823	6,771	0	0	0
Total Resources	\$ 1,724,374	\$ 2,538,652	\$ 1,726,743	\$ 241,529	\$ 241,529	\$ 241,529
REQUIREMENTS						
Contingency	0	0	110,804	4,466	4,466	4,466
Financial Assistance	0	902,587	1,441,186	201,529	201,529	201,529
Indirect Allocation	16,664	0	16,702	8,031	7,575	7,953
Materials and Services	828,170	702,163	78,873	421	877	499
Personal Services	48,028	59,812	79,178	27,082	27,082	27,082
Total Requirements	\$ 892,862	\$ 1,664,561	\$ 1,726,743	\$ 241,529	\$ 241,529	\$ 241,529
Unappropriated Ending Balance	831,511	874,091	0	0	0	0
Total Requirements	\$ 1,724,374	\$ 2,538,652	\$ 1,726,743	\$ 241,529	\$ 241,529	\$ 241,529
FTE POSITIONS						
	No. FTE	Salary Amount	No. FTE	Salary Amount	No. FTE	Salary Amount
Admin. Specialist II - Ec Dev					0.10	3,054
Information Program Specialist					0.30	11,463
Project/Program Mgr - Ec Dev					0.10	5,483
Total FTE					0.50	20,000

Salary and FTE information prior to FY 1998-99 are not available by individual position by Lag Fund.

PORTLAND DEVELOPMENT COMMISSION

Regional Strategies

FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
Contingency	0	0	110,804	4,466	4,466	4,466
Grants	0	902,587	1,441,186	201,529	201,529	201,529
Indirect Cost-admin Allocation	16,664	0	16,702	8,031	7,575	7,953
<u>Materials and Services</u>						
Meeting Costs	428	0	0	0	0	0
Temporary Services	226	0	0	0	0	0
Printing And Graphics	192	22	200	0	0	0
Technical Assistance Contracts	820,649	694,101	74,873	0	0	0
General Office Expense	36	33	150	0	456	78
Advertising And Publ. Notices	1,423	939	250	0	0	0
Publications And Dues	14	0	0	0	0	0
Special Events Costs	50	0	0	0	0	0
Education	237	62	0	0	0	0
Out Of Town Travel	0	0	300	0	0	0
Mileage Reimbursement	193	260	300	75	75	75
Parking	4	2	0	46	46	46
Occupancy Costs	4,490	6,505	0	0	0	0
Loan Documents	0	0	2,500	0	0	0
Postage And Delivery	228	240	300	300	300	300
Total Materials and Services	828,170	702,163	78,873	421	877	499
<u>Personal Services</u>						
Payroll	0	0	0	0	0	20,000
Leave Allocated To Project	6,248	5,655	0	0	0	0
Benefits Allocated To Project	11,752	14,693	0	0	0	0
Taxes, Health/Dental Insurance	0	0	0	0	0	7,082
Health & Dental Insurance	0	0	0	7,082	7,082	0
Payroll Incl Taxes & Benefits	30,028	39,463	79,178	20,000	20,000	0
Total Personal Services	48,028	59,812	79,178	27,082	27,082	27,082
Total Requirements	\$ 892,862	\$ 1,664,561	\$ 1,726,743	\$ 241,529	\$ 241,529	\$ 241,529

PORTLAND DEVELOPMENT COMMISSION
South Auditorium

	FUND SUMMARY					
	<i>Actual</i> <i>FY 1995-96</i>	<i>Actual</i> <i>FY 1996-97</i>	<i>Revised</i> <i>FY 1997-98</i>	<i>Proposed</i> <i>FY 1998-99</i>	<i>Approved</i> <i>FY 1998-99</i>	<i>Adopted</i> <i>FY 1998-99</i>
RESOURCES						
Beginning Fund Balance	869,107	872,143	0	0	0	0
<u>Program Income</u>						
Interest - City Investmt Pool	45,652	30,886	0	0	0	0
Miscellaneous Income	-42,616	0	0	0	0	0
Total Program Income	3,036	30,886	0	0	0	0
Total Resources	\$ 872,143	\$ 903,029	\$ 0	\$ 0	\$ 0	\$ 0
REQUIREMENTS						
Unappropriated Ending Balance	872,143	903,029	0	0	0	0
Total Requirements	\$ 872,143	\$ 903,029	\$ 0	\$ 0	\$ 0	\$ 0

Other Funds

Oregon Arena Fund

The Oregon Arena Fund was established to account for the activities performed under PDC's contract with the City of Portland to manage the public improvements constructed in conjunction with the Oregon Arena Project, including improvements to the Memorial Coliseum, road and street improvements and parking garage construction.

PORTLAND DEVELOPMENT COMMISSION

Arena

FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
RESOURCES						
Beginning Fund Balance	37,721	51,578	56,211	55,170	55,170	55,170
<u>Program Income</u>						
Other Contracts	400,309	260,196	1,157	0	0	0
Interest - City Investmt Pool	384	10	0	1,570	1,570	1,570
Total Program Income	400,693	260,207	1,157	1,570	1,570	1,570
Total Resources	\$ 438,415	\$ 311,785	\$ 57,368	\$ 56,740	\$ 56,740	\$ 56,740
REQUIREMENTS						
Capital Outlay	234,800	174,580	0	0	0	0
Contingency	0	0	56,211	56,740	56,740	56,740
Indirect Allocation	24,597	10,680	0	0	0	0
Materials and Services	56,300	26,654	0	0	0	0
Personal Services	71,139	43,661	1,157	0	0	0
Total Requirements	\$ 386,836	\$ 255,574	\$ 57,368	\$ 56,740	\$ 56,740	\$ 56,740
Unappropriated Ending Balance	51,578	56,211	0	0	0	0
Total Requirements	\$ 438,415	\$ 311,785	\$ 57,368	\$ 56,740	\$ 56,740	\$ 56,740

PORTLAND DEVELOPMENT COMMISSION
Arena
FUND SUMMARY

	<i>Actual FY 1995-96</i>	<i>Actual FY 1996-97</i>	<i>Revised FY 1997-98</i>	<i>Proposed FY 1998-99</i>	<i>Approved FY 1998-99</i>	<i>Adopted FY 1998-99</i>
<u>Capital Outlay</u>						
Pd - Advertising	0	847	0	0	0	0
Pd - Prof. & Tech. Services	96,643	13,318	0	0	0	0
PC - Permits, Review	749	2,696	0	0	0	0
PC - Testing & Inspection	18	0	0	0	0	0
PC - Charges And Fees	0	250	0	0	0	0
PC - Construction Contracts	136,870	138,677	0	0	0	0
PC - Printing, Photos & Advert	520	0	0	0	0	0
PA - Prof. & Tech. Services	0	18,792	0	0	0	0
Total Capital Outlay	234,800	174,580	0	0	0	0
Contingency	0	0	56,211	56,740	56,740	56,740
Indirect Cost-admin Allocation	24,597	10,680	0	0	0	0
<u>Materials and Services</u>						
Parking	252	9	0	0	0	0
Postage And Delivery	56	171	0	0	0	0
Prof. Service Contracts	24,206	19,457	0	0	0	0
Other Service Contracts	18,888	0	0	0	0	0
Legal	1,721	0	0	0	0	0
Temporary Services	310	4,476	0	0	0	0
Printing And Graphics	2,299	11	0	0	0	0
Meeting Costs	255	0	0	0	0	0
Software Applications	0	410	0	0	0	0
Mileage Reimbursement	68	1	0	0	0	0
Occupancy Costs	5,855	1,054	0	0	0	0
Telephone Services	2,199	1,065	0	0	0	0
Education	191	0	0	0	0	0
Total Materials and Services	56,300	26,654	0	0	0	0
<u>Personal Services</u>						
Payroll Incl Taxes & Benefits	32,354	22,134	1,157	0	0	0
Leave Allocated To Project	16,948	13,107	0	0	0	0
Benefits Allocated To Project	21,837	8,421	0	0	0	0
Total Personal Services	71,139	43,661	1,157	0	0	0
Total Requirements	\$ 386,836	\$ 255,574	\$ 57,368	\$ 56,740	\$ 56,740	\$ 56,740



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Office of Finance & Administration

Current 5-Year Financial Forecast

City Of Portland-General Fund

As Of... 20-May-98

Spring Forecast Shows Small Improvement In General Fund Two Year Outlook

Item	Previous January 7th	Current Forecast	Difference January 7th
Resources Available			
FY1998-99.....	\$257,379,191	\$262,026,121	\$4,646,930
Requirements:			
Capital Set-Aside.....	\$3,000,000	\$3,119,766	\$119,766
Council Set-Asides.....	\$31,949,480	\$37,130,271	\$5,180,791
One-Time Bureaus	\$52,090	\$10,552,503	\$10,500,413
Bureaus, On Going.....	\$209,017,218	\$211,008,175	\$1,990,957
Fund Requirements..	\$244,018,788	\$261,810,715	\$17,791,927
Resources Less Re-			
quirements EQUALS.....	\$13,360,403	\$215,406	(\$13,144,997)
Available, Programs.....	\$1,535,000	\$0	(\$1,535,000)
Available One-Time.....	\$11,825,403	\$215,406	(\$11,609,997)

Revised Spring Forecast Continues To Reflect Measure 50

- ◆ Resources are improved, net, by \$4.646 million over the January forecast and \$704,000 above Approved Budget. Property taxes are up \$3.8 million. Other revenues are up \$0.8 million with \$697,000 of this due to higher Court Fines and a one-time increase in transfers of \$135,000. Utility license fees are up net \$373,000 due to a large increase in US West franchise fee revenues and small increases for NW Natural and Pacific.
- ◆ Bureau program requirements are increased \$1.99 million beyond last January's estimate as included Council's Approved Budget. Set-Asides are increased \$5.300 million compared to last January's assumptions.
- ◆ The revised forecast shows about \$215,406 of one-time resources available to Council for completing Council's Adopted Budget.

Resource Outlook

Council's Urban Renewal Option Increases Revenues

Council, in a complicated decision, has decided to fund urban renewal collections in existing districts using a combination of divide-the-taxes collections (\$25 million per year) and special levy authority (\$10 million) to fund economic development projects. This decision has the effect of "releasing" about \$700 million of increment assessed value to local governments and should increase General Fund tax revenues by about \$3.1 million in FY1998-99.

Urban renewal collections are to be ramped up from \$35 million in FY1998-99 to about \$40 million in FY2002-03 assuming that sufficient property tax collections capacity exists under the \$10 capacity limit. The City's use of levy capacity will comply with the agreement on shares with the County while at the same time preserving capacity for the City's FPD&R, public safety retirement system levy.

Some Key Forecast Assump- tions	M50 Assess. Value \$1000....	\$28,125,259	State Cigarette & Liquor	
	FY1998-99 M50 Tax Base.....	\$128,867,125	Tax Revenues To City.....	\$7,988,357
	M50 Compression Loss.....	(\$868,690)	CPI-W Increase (December '96	
	Est. Tax Base Imposed.....	\$127,998,434	To December '97).....	3.3%
	Delinquency/Discount(%)....	-5.3200%	Measure 50 FPD&R Levy.....	\$58,870,357
	Delinquency/Discount (\$)	(\$6,809,517)	Beginning General Fund	
	Property Tax Revenues...	\$121,188,917	FY1997-98 Balance.....	\$19,554,190
	County M50 Levy.....	\$153,451,979	Estimated Urban Renewal	
	Library-Local Option.....	\$20,992,821	Divide-The-Taxes (5 Districts).	\$25,000,000
	Total-County Levies.....	\$174,444,800	Current Forecast: FY1998-99 to FY2002-03	

Forecast FY1998-99 resources are revised up by \$4.646 million (1.81%) compared to the previous January forecast and \$704,000 above Approved Budget. Property taxes are revised to reflect Council's urban renewal funding decision and the expected effect of the County's local option Library levy on compression of existing local government levies. Council's urban renewal decision is expected to increase tax revenues by about \$3.1 million. The County's local option library levy should absorb compression, increasing General Fund property tax revenues \$766,000. Business license revenues are up marginally compared to the previous forecast. Utility license/franchise fees are up net \$373,550. This increase is the result of increased US West franchise fees as offset by Council's recent decision to reduce the Water and Sewer license fee tax rate from 8% to 7.75% permanently.

Spring Revenue Forecast RECAP			
General Fund Revenue Category	FY1998-99		
	January 7th	Revised	Difference
Property Taxes.....	\$121,627,054	\$125,493,240	\$3,866,186
Transient Lodgings.....	\$10,158,649	\$10,158,649	\$0
Business Licenses.....	\$48,770,129	\$48,840,073	\$69,944
Utility License/Franchise.....	\$42,584,062	\$42,957,613	\$373,551
State Revenues.....	\$7,878,640	\$7,988,357	\$109,716
Interest Income.....	\$2,148,418	\$2,223,898	\$75,480
Transfers.....	\$1,408,557	\$863,449	(\$545,108)
Miscellaneous.....	\$3,249,492	\$3,946,651	\$697,159
Revenue Forecast.....	\$237,825,002	\$242,471,930	\$4,646,928
Beginning FUND Balance....	\$19,554,190	\$19,554,190	\$1
Forecast Resources.....	\$257,379,191	\$262,026,121	\$4,646,929
% Change In Revenues.....		1.95%	
% Change In Resources.....		1.81%	

Interest income is higher. Transfers are lower, and Court fines and miscellaneous revenues are

up about \$697,160 over the previous January 7th forecast. The bulk of this increase is located in Court Fines which have doubled over the last 4 years, presumably due to both better enforcement efforts and higher State imposed fines.

Some key revenue forecast assumptions are an "M50" General Fund tax base levy of \$128.87 million. The levy estimate results from application of the fixed permanent \$4.5819 per \$1,000 tax rate to about \$28.1 billion of Measure 50 assessed values. This levy is assumed compressed by about 0.7%, as the County's new local option Library levy will "absorb" some of this compression. Council's urban renewal funding decision increases assessed values available to local government tax rates by \$700 million. This, together with reduced compression, should increase property tax revenues by about \$3.86 million. Assessed values are expected to grow by about 3.5% net of the increase due to "release" of urban renewal increment values. At present there is no new information from the County assessor on assessed and real market value certifications for FY1998-99. Information is due to Department of Revenue about July 1.

Revenue Forecast ASSUMPTIONS	
Revenue Category	FY1998-99
CITY Property Tax Levies.....	
Measure 50 Taxbase Levy.....	\$128,867,125
Local Option Levy.....	\$0
Measure 50 F&PD&R Levy.....	\$58,870,357
FPD&R, General Fund Total.....	\$187,737,481
MULTNOMAH County Levies	
Measure 50 Levy Authority.....	\$153,451,979
Local Option Levy (Library).....	\$20,992,821
Mult. County Levy Total.....	\$174,444,800
M50 Assessed Value Growth.....	6.0%
Percent of FY1999-99 Levies	
Not Received First Year.....	-5.320%
Measure 50 Compression.....	-0.674%
Est. Portland Population.....	509,628
GDP Growth (RFA).....	1.9%
Revenue Sharing (State).....	\$7,988,357

THE BOTTOM LINE: The revised forecast continues to show that property tax limitation changes Portland's financial outlook in two ways. First, property tax revenues are growing more slowly. Second, although Measure 50 exempts Portland's public safety retirement system from this round of property tax limitation (for the most part), the pay-as-you-go property tax supported FPD&R system in its present configuration remains vulnerable to any future constitutional tax limitation measures.

**Current (December) 5-Year REVENUE Forecast
General Fund Financial Model**

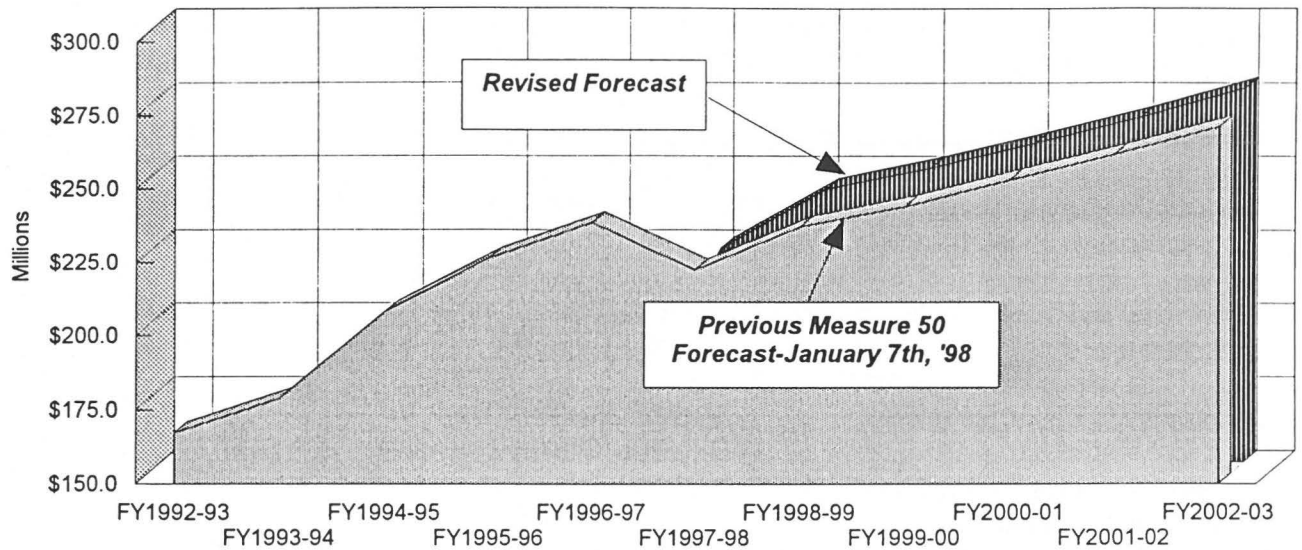


Figure 1-Current General Fund 5-Year Revenue Forecast

The City's levy authority will continue to total about 60% of local government levy authority on Portland assessed values. The key environmental assumption, continues to be national and regional economic growth. The forecast assumes that the State continues to share cigarette and liquor taxes with cities.

Figure 1 summarizes 5 years of revenue history, shows budgeted FY1997-98 revenues, and graphs the 5-year revenue forecast for FY1998-99 through FY2002-03. Revenues, for the "Most Likely" case are forecast to grow by about 4.0% per year over the 5-year period off of a lower FY1997-98 base. This revenue growth rate now depends critically on the regional economic growth engine which has been growing strongly for several years. Slower regional growth or a recession will quickly translate into slower overall revenue growth because of the increased importance of business license revenues and new sensitivity of property tax revenues to real estate market cycles.

Estimated FY1998-99 General Fund current service level (CSL) costs are \$211 million as found in Council's Approved Budget. This represents an increase in bureau program budgets of about \$1.9 million. Council set-asides include approximately \$1.3 million of new on-going costs. Out-year program cost increases now include approximately \$3.6 million for replacement of federal grant funds that currently support Police Bureau programs. This includes about \$733,000 for Police desk clerks and \$2.9 million in FY2000-01 for COPS grant replacement budget currently helping to support 60 sworn positions.

Estimated Current Service Level Forecast	
Assumptions	FY1998-99
Previous FY1998-99 CSL	
Estimated, January 7th.....	\$209,017,218
Approved Budget CSL.....	\$211,008,175
Difference In CSL Estimates.....	\$1,990,957
General Inflation Rates.....	
GDP Price Deflator.....	3.2%
CPI-% (Dec.'96-Dec.'97).....	3.3%
Benefits Inflation.....	3.3%
Producer Price Index.....	0.8%
CPI-Services.....	3.7%
External M&S.....	
General-Overall.....	3.4%
Energy-Electricity.....	0.0%
Energy-Gas.....	1.7%
Sewer.....	9.5%
Water.....	4.7%
Utilities-Overall.....	4.1%
Internal M&S.....	
General-Overall.....	3.7%
Risk/Workers' Comp.....	0.3%
Wage & Salary % Increase.....	
Public Safety.....	3.3%
All Other.....	3.3%

COUNCIL set-asides, FY1998-99, are as included in the Approved Budget plus a modification that re-establishes contingency at \$1.4 million versus Approved Budget contingency of \$765,386.

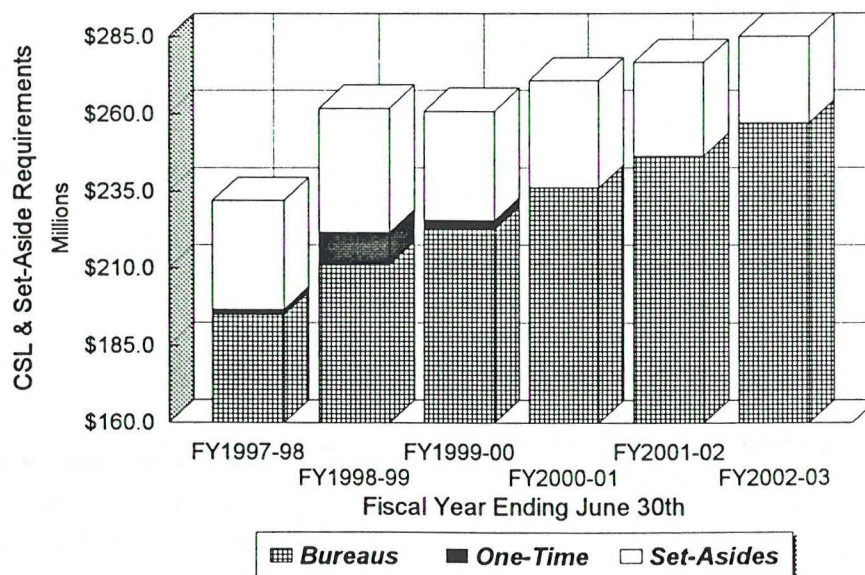
Approved Budget Council set-asides are increased \$5.3 million compared to the previous January forecast. The bulk of this increase is located in PDOT and Housing. The amount of support for PDOT has been augmented by about \$3.8 million of increased one-time support. The Housing Investment Fund transfer is increased \$1 million.

January 7th set-asides included \$100,00 as an initial payment into a City Hall reserve. Council eliminated the first year \$100,000 set-aside in the Approved Budget.

The Street Light operations target is \$4.632 million. Cultural Tourism is \$200,000. A \$12,825 transfer to General Services covers annual Christmas tree costs. Contingency is set at a standard \$1.4 million with \$400,000 reserved to compensate for possible adverse overhead cost recovery fluctuations.

Approved Budget Set-Asides		
Set-Aside Item	Forecast FY1998-99	
	January 7th	Approved
LID & Other Debt Service	\$0	\$420,000
Compensation Set-Aside	\$6,784,884	\$6,784,884
Unused Line		
General Fund Contingency	\$1,400,000	\$1,400,000
Unforeseen & Inventory	\$2,000,000	\$2,000,000
Subtotal-Contingency	\$3,400,000	\$3,400,000
Capital Set-Aside	\$3,000,000	\$3,119,766
Precincts/City Hall Projects	\$2,479,350	\$2,424,545
Existing Master Lease	\$1,323,215	\$1,466,414
Subtotal-Capital Set-Aside	\$6,802,565	\$7,010,725
PDOT-CSL & One-Time	\$693,159	\$4,577,159
Street Light O&M Transfer	\$4,816,324	\$4,632,955
Old River District Set-Aside	\$1,090,981	\$1,090,981
Unemployment Insurance	\$200,000	\$200,000
Business License Refunds	\$3,667,760	\$3,673,005
City Hall Reserve	\$100,000	\$0
Y2K (Year 2000) Set-Aside	\$265,000	\$265,000
Transfer To General Reserve	\$0	\$0
Homeless-Debt Service	\$658,480	\$725,000
Housing Investment Fund	\$6,257,502	\$7,257,502
Miscellaneous Transfers	\$12,825	\$12,825
Cultural Tourism (Art Museum)	\$200,000	\$200,000
Total Budgeted/Council		
Adopted Budget Set-Asides	\$34,949,480	\$40,250,037
Previous Forecast/Budgeted Set-Asides.....		\$34,949,480
Difference vs. Previous Forecast.....		\$5,300,557

Adopted Budget Current Service Level (CSL) Requirements General Fund Financial Model



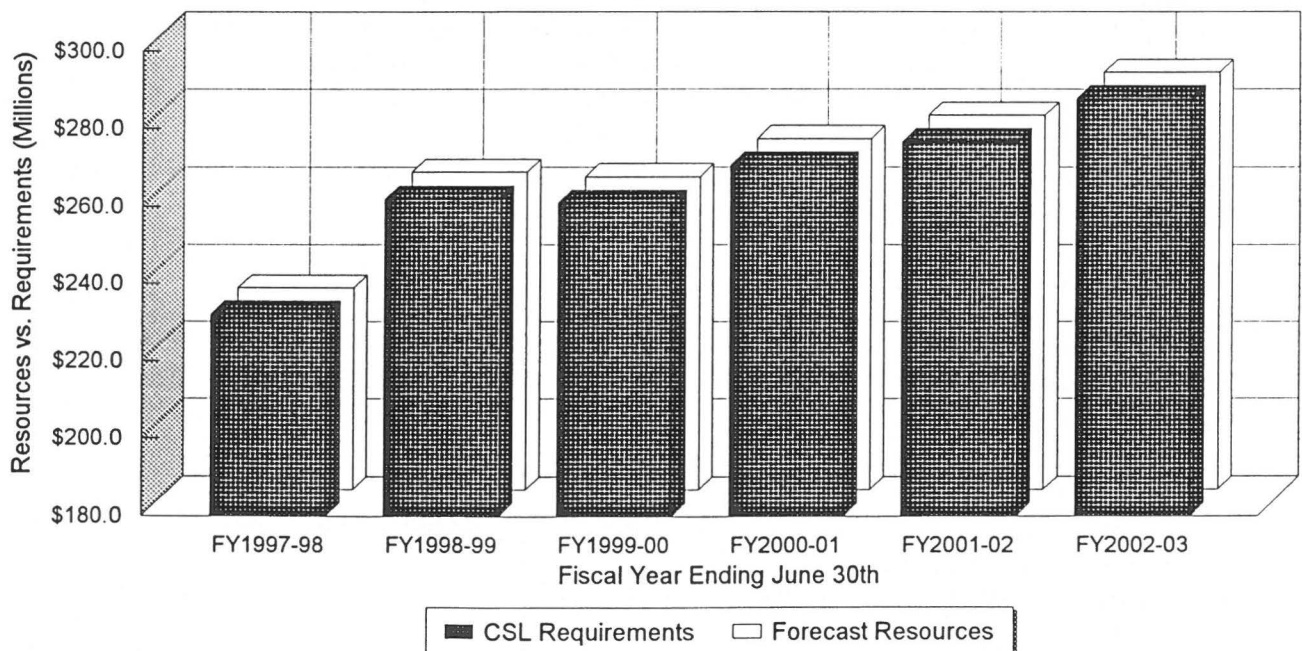
Other set-asides in Council's Approved Budget remain for the most part unchanged. There is \$200,000 Cultural Tourism, and \$3.7 million for business license refunds. Master lease debt service payments are \$143,000 above the January estimate. Set-asides also include \$265,000 for year 2000 ("Y2K") remediation. The compensation set-aside remains as forecast last January. Homeless facility debt service costs are now forecast at \$725,000 versus the \$658,00 estimate supplied by Debt Management in the previous January 7th forecast.

The table to the right combines the FY1998-99 resource forecast with Approved Budget bureau requirements and Council set-asides. Total resources are forecast at \$262.026 million. Deducting budgeted set-asides of \$40.249 million leaves about \$221.776 million against bureau programs and one-time requirements of \$221.560 million. Resources exceed estimated requirements by \$215,406 which is available to Council as a one-time resource. About \$374,690 is available for the second year budget as one-time budget.

Sources & Uses of Funds: Forecast FY1998-99		
Item	Budget	FY1998-99
	FY1997-98	Forecast
Forecast FUND Revenues.....	\$217,675,734	\$242,471,930
Beginning FUND Balance.....	\$14,332,048	\$19,554,190
Total FUND RESOURCES	\$232,007,782	\$262,026,121
Less: Assumed Set-Asides.....	(\$32,356,303)	(\$37,130,271)
Less: Capital Set-Aside.....	(\$2,796,073)	(\$3,119,766)
EQUALS: AVAILABLE TO BUREAUS-PROGRAMS.....	\$196,855,406	\$221,776,084
Bureaus CSL Requirement.(*)....	\$196,855,406	\$221,560,678
EST. GAP, DIFFERENCE.....	(\$0)	\$215,406
AVAILABLE For ON-GOING PROGRAMS.....		\$0
Bureaus One-Time...FY1998-99..1st Year.....		\$215,406
Bureaus One-Time...FY1999-00..2nd Year.....		\$374,690

The "Forecast" column, above compared to Council's Approved Budget shows little in the way of additional program or one-time resources available for Council's Adopted Budget or for that matter in the out-years of the five year forecast period. Council's Approved Budget and five year financial plan keeps the General Reserve Fund at or above 10 percent, but Council's Approved Budget and five year financial plan commits all forecast excess reserves to funding the five year plan. There is much risk here and on several levels. Revenue growth will be slower under Measure 50; property taxes are still one half of General Fund revenues and can only grow year-in and year-out at about 4 percent. The remainder of General Fund revenues are prone to slower growth as the economy slows. If inflation kicks up it is likely that CSL cost growth will out strip revenue growth reducing the ability of the General Fund to sustain current service levels. There is not much room in this five year financial plan that gives Council the flexibility to deal with unforeseen needs or events with out going into reserves out right or cutting into CSL requirements.

Forecast Difference Between Resources And Current Service Level (CSL) Requirements General Fund Financial Model



2-YEAR FINANCIAL FORECAST RESOURCES & REQUIREMENTS DETAIL

The table below summarizes the full two-year financial forecast General Fund resources and requirements:

- Resources totaling \$522.853 million over two years ending FY1999-00.
- Estimated requirements totaling \$522.263 million over two years.
- The General Fund is balanced for the next five year forecast period with about \$215,406 available one-time for FY1998-99 and \$374,690 available for one-time budgets FY1999-00.

Item-Category	RESOURCES	Budget FY1997-98	Two Year Financial Forecast		
			FY1998-99	FY1999-00	Total
		\$232,007,782	\$262,026,121	\$260,827,385	\$522,853,505
Less: Assumed Set-Asides					
LID & Other Debt Service	\$0	\$0	\$420,000	\$420,000	\$840,000
Compensation Set-Aside	\$6,784,884	\$6,784,884	\$6,784,884	\$7,652,650	\$14,437,534
Other Set-Asides					
Contingency	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$2,800,000
Unforeseen & Inventory	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$4,000,000
Subtotal-Contingency	\$3,400,000	\$3,400,000	\$3,400,000	\$3,400,000	\$6,800,000
Capital Set-Aside	\$3,011,164	\$3,119,766	\$3,119,766	\$3,000,000	\$6,119,766
Unused Line	\$0	\$0	\$0	\$0	\$0
Master Lease	\$1,323,215	\$1,466,414	\$1,466,414	\$1,448,574	\$2,914,988
Subtotal-Capital	\$4,334,379	\$4,586,180	\$4,586,180	\$4,448,574	\$9,034,754
City Hall/Precincts-Debt Service	\$2,385,000	\$2,424,545	\$2,424,545	\$2,479,350	\$4,903,895
Street Light O&M Transfer	\$4,816,324	\$4,632,955	\$4,632,955	\$4,632,995	\$9,265,950
River District/2040 beginning FY99.....	\$1,090,981	\$1,090,981	\$1,090,981	\$51,648	\$1,142,629
Unemployment Insurance	\$200,000	\$200,000	\$200,000	\$200,000	\$400,000
Business License Refunds	\$3,667,760	\$3,673,005	\$3,673,005	\$3,759,332	\$7,432,338
City Hall Maintenance Reserve	\$100,000	\$0	\$0	\$250,000	\$250,000
Y2K Year 2000 Set-Aside	\$200,000	\$265,000	\$265,000	\$65,000	\$330,000
PDOT CSL Support & One-Time	\$671,000	\$4,577,159	\$4,577,159	\$1,433,343	\$6,010,502
Homeless Shelter Debt Service	\$182,000	\$725,000	\$725,000	\$725,000	\$1,450,000
Housing Investment Initiative	\$1,666,672	\$7,257,502	\$7,257,502	\$5,534,262	\$12,791,764
Misc. Transfers/Transfer To Reserve	\$330,989	\$12,825	\$12,825	\$12,825	\$25,650
Cultural Tourism	\$200,000	\$200,000	\$200,000	\$200,000	\$400,000
Subtotal, Assumed Set-Asides	\$30,029,989	\$40,250,037	\$40,250,037	\$35,264,980	\$75,515,016
LESS: Estimated Bureau Requirements.....					
	\$196,855,406	\$221,560,678	\$221,560,678	\$225,187,715	\$446,748,393
Difference: Fund Resources Less Bureau Requirements, Set-Asides	\$5,122,387	\$215,406	\$215,406	\$374,690	\$590,096
Assumed, On-Going Programs	\$0	\$0	\$0	\$0	\$0
Assumed, One-Time Projects	\$0	\$215,406	\$215,406	\$374,690	\$590,096

FY1998-99 Through FY2002-03 Forecast Summary

- This second Measure 50 forecast shows a stable General Fund financial outlook for the near term. Increased property tax revenues due to Council's urban renewal decision have helped to stabilize General Fund finances and accommodate out-year program cost increases associated with the withdrawal of federal grants funding for public safety programs. The five year financial plan is balanced given Council's Approved Budget and out-year expense and resource forecasts. The plan, however, has been balanced using all available excess reserves above the 10 percent requirement.
- The financial forecast assumes the use of about \$5.75 million of excess reserves over the five year forecast. Reserve levels continue at or above the 10% level for the life of the five year forecast.
- The scenario used for the 5-year plan is realistic. Legislative action that reduces revenues, either property tax revenues, state shared cigarette and liquor revenues, or franchise fees upsets the forecast. The possibility of a recession or much slower economic growth represents more of a risk to the five-year forecast than at any time during the recent past.

Out-Year Detail Of Spring 5-Year Financial Forecast

The revised financial forecast shows a five year financial plan that is balanced with the General Reserve Fund at or above the required 10% level throughout the forecast period. The five year financial plan does however commit all available excess reserves above the 10 percent requirement in order to meet CSL requirements as currently understood. The table below summarizes Council's five year financial plan as it currently stands given Council's Approved Budget and the revised Spring resource forecast. The General Reserve Fund is at 10 percent in FY2000-01. This results from the forecast need to use about \$2.8 million of excess reserves in order to transition to higher Police Bureau on-going requirements especially in FY2000-01. There is a small amount of excess reserves in FY2001-02 and FY2002-03 but there is no way to bring these excess reserves "forward": use of additional reserves during the first three years of the five year forecast period results in a General Reserve Fund deficiency in FY2000-01.

Item	Two Year Budget		Out Years of Forecast		
	1999	2000	2001	2002	2003
Total Resources.....	\$262,026,121	\$259,632,844	\$267,798,984	\$276,557,684	\$285,932,414
Transfer In From General Reserve.....	\$0	\$1,194,541	\$2,812,957	\$0	\$1,742,928
Bureaus-Programs.....	\$211,008,175	\$222,380,963	\$236,075,835	\$246,327,647	\$257,029,207
Est. New On-Going.....	\$0	\$0	\$0	\$0	\$0
One-Time Projects	\$10,767,909	\$3,181,442	\$0	\$0	\$0
Council Set-Asides.....	\$40,250,037	\$35,264,980	\$34,536,106	\$30,230,036	\$30,646,136
Total Requirements	\$262,026,121	\$260,827,384	\$270,611,940	\$276,557,683	\$287,675,343
Difference	\$0	\$0	\$0	\$0	(\$0)
Reserve Fund As A Percent Net Revenues	10.8%	10.7%	10.0%	10.5%	10.1%
Unused Line	\$0	\$0	\$0	\$0	\$0

Risks To The Financial Forecast

This forecast continues to assume moderate State and regional economic growth. All indications, both from the State and Regional Financial Associates (RFA) suggest that the national economy will continue to grow moderately although somewhat slower than in past years. As was the case in past years uncertainties continue to plague the forecast. Two crucial uncertainties:

- Recent financial turmoil in Southeast Asia is expected to translate into slower growth without causing a recession. There is the very real possibility that a recession could occur.
- Utility deregulation is gaining steam and the potential effect on franchise fee revenues is still not well understood: this revenue stream remains at risk.

2-Year Forecast Resources-By Budget Category Detail			
<i>Category</i>	<i>FY1998-99</i>		<i>FY1999-00</i>
RESOURCES	@1-7-98	Revised	Forecast
Property Taxes			
<i>Current Year Taxes</i>	\$117,322,731	\$121,188,918	\$126,755,123
<i>Prior Year Taxes</i>	\$3,766,381	\$3,766,381	\$3,325,047
<i>Payment in Lieu of Taxes</i>	\$537,942	\$537,942	\$537,942
Total Property Taxes	\$121,627,054	\$125,493,240	\$130,618,112
Other Taxes			
<i>Lodging Tax</i>	\$10,158,649	\$10,158,649	\$10,592,875
Licenses & Permits			
<i>Business Licenses</i>	\$48,770,129	\$48,840,073	\$49,991,100
<i>Utility License-External</i>	\$30,367,662	\$31,218,062	\$31,259,612
State Sources(*)			
<i>State Shared Revenue</i>	\$7,878,640	\$7,988,357	\$7,661,336
Local Government			
<i>Local Shared Revenue</i>	\$1,064,454	\$1,636,851	\$1,636,851
Miscellaneous Revenues			
<i>Refunds</i>	\$25,241	\$50,000	\$50,000
<i>Interest on Investments</i>	\$2,148,418	\$2,223,898	\$2,205,869
Other Misc. Revenues			
<i>Other Misc. Revenues</i>	\$159,797	\$259,800	\$259,800
<i>Unforeseen Reimbursable</i>	\$2,000,000	\$2,000,000	\$2,000,000
Transfers, Other Funds			
<i>Utility License-Internal</i>			
<i>Water Operating</i>	\$3,553,953	\$3,398,825	\$3,590,188
<i>Sewer Operating</i>	\$8,662,447	\$8,340,726	\$9,316,925
<i>Miscellaneous</i>			
<i>Parking Facil-Tax Offset</i>	\$145,790	\$162,323	\$164,474
<i>Hyro-Fund Transfer</i>	\$250,000	\$300,000	\$150,000
<i>Auto Port-Tax Offset</i>	\$38,598	\$0	\$0
<i>Refuse Disposal</i>	\$50,000	\$40,000	\$40,000
<i>HCD-Indirect</i>	\$166,905	\$178,741	\$178,741
<i>Federal Grants-Indirect</i>	\$57,264	\$47,385	\$47,385
<i>Transfer-General Reserve</i>	\$700,000	\$0	\$1,194,541
<i>Supplemental Retire.....</i>	\$0	\$135,000	\$0
Subtotal-Transfers, Misc.	\$1,408,557	\$863,449	\$1,775,141
Beginning Fund Balance			
<i>Unencumbered</i>	\$19,554,189	\$19,554,190	\$9,869,576
TOTAL DISCRETIONARY	\$257,379,191	\$262,026,121	\$260,827,385
Checksum Total-Page 2	\$257,379,191	\$262,026,121	\$260,827,385
Checksum Difference	\$0	\$0	\$0

(*) Cigarette & liquor tax distributions to General Fund from State of Oregon

This table shows the resource forecast by budget categories as they appear in City's budget document. The italicized categories are identical to line items on the summary on page 2. Local Shared Revenues and Miscellaneous Revenues are collapsed into one simplified category on page 2 (Misc. & Local Shared) but are shown here in budget detail.

Property Tax Revenue Estimates & Urban Renewal District Formation

The Portland Development Commission (PDC) expects to ask Council to create new urban renewal districts in the River District area and in the outer southeast, Lents, area. Creation of new districts means:

- The assessor will "freeze" real market and assessed values in these two new districts when formed sometime this fall before FY1998-99 values are certified.
- All assessed value growth above the frozen bases (currently estimated at \$808 million) generate urban renewal district divide-the-taxes collections.

Creation of these two new urban renewal districts will have the following fiscal impacts:

- Local government (City, County, PORT, and Metro) property tax revenue growth will be lower than it otherwise would have been.
- FPD&R and G.O. Debt property tax rates will be higher. The tax burden will be shifted out of urban renewal districts and on to primarily residential assessed values.

Preliminary General Fund Revenue Loss Estimates

The table below summarizes the five year General Fund property tax revenue loss as estimated by staff

Fiscal Year	New District's Frozen Bases	General Fund Revenue Loss			Consultant's Estimate
		Minimum	Forecast	HIGH	
1998	\$808,000				
1999		\$111,065.26	\$148,087.01	\$185,108.76	\$148,087
2000		\$225,462.47	\$302,097.50	\$379,472.96	\$326,686
2001		\$343,291.60	\$462,268.40	\$583,555.37	\$513,904
2002		\$464,655.60	\$628,846.15	\$797,841.89	\$710,174
2003		\$589,660.53	\$802,087.00	\$1,022,842.75	\$930,596
5-Year Revenue Loss....		\$1,734,135	\$2,343,386	\$2,968,822	\$2,629,447
Average Annual Loss..		\$346,827	\$468,677	\$593,764	\$525,889

(*) Frozen base M50 AV in \$1,000s

and PDC's consultant. The five year revenue loss appears to be \$2.3 to \$2.6 million with a minimum "certain" revenue loss of \$1.7 million. The County's five year revenue loss would be about \$2.5 million.

Preliminary Fiscal Impact On Council's Approved Budget & Fiver Year Financial Plan

The table below summarizes the expected range of impacts associated with formation of the two new

Resources less Requirements = CSL GAP	Two Year Budget		Out Years of Forecast		
	1999	2000	2001	2002	2003
Minimum GAP	(\$111,065)	(\$336,527)	(\$355,603)	(\$477,101)	(\$605,167)
Forecast GAP	(\$148,087)	(\$450,185)	(\$478,738)	(\$645,602)	(\$823,069)
HIGH GAP	(\$185,108)	(\$564,580)	(\$604,211)	(\$818,988)	(\$1,049,460)

urban renewal districts. The analysis indicates that recurring program requirements need to be reduced by somewhere between \$355,000 to as much as \$604,000. At present:

- *OF&A does not recommend that Council rebalance Approved Budget and five year plan. Next December's forecast will incorporate this change into a new forecast. Council is potentially faced with rebalancing the second year budget to a lower resource constraint.*

As a "rule of thumb" each \$100 million for new urban renewal district frozen base values reduces General Fund five year revenues by minimum of \$214,620. Each 1% of new construction values lost to a new district means a five year revenue loss to the General Fund of \$69,650.



Bureau of Buildings City of Portland

Five-Year Financial Plan Fiscal Years 1998-99 through 2002-03

Revised June 7, 1998

Background

The Bureau of Buildings' mission is to ensure the life safety of the public through the enforcement of construction code requirements and to assist in the maintenance of neighborhood quality through the enforcement of zoning, housing maintenance, nuisance, and noise control regulations.

The Bureau has the traditional "building department" functions of inspections, permit issuance, and review of architectural plans. These functions are funded through permit fees and charges. In addition, the Bureau enforces the City's housing, nuisance, and noise control codes. The City's general fund and the solid waste fund partially finance these programs.

In fiscal year 1988-89, the City Council established an operating fund for the Bureau of Buildings. At that time, the Bureau was charged with fully supporting its construction functions through fees and charges. In addition the Bureau was to set up a reserve account which would supplement the Bureau's budget when the economy was on a downturn and revenues did not meet expenses. Due to a booming construction industry and some long over-due fee increases in FY 1988-89, the Bureau succeeded in meeting the 100% cost recovery goal in just two years.

Beginning in FY 1988-89, the Bureau has made five-year projections annually to assist in fiscal planning.

Financial Planning Process

Each fall, Bureau staff prepare preliminary revenue forecasts for the current and five subsequent years. Projections for expenditures are made at the same time. Revenue and expenditures are compared to determine annual cost recovery rates and whether or not the Bureau's reserve will be drawn down or increased. The Bureau's Bureau Advisory Committee (BAC) reviews the level of service to customers and makes recommendations on the budget for the subsequent fiscal year. They also review the revenue estimates and make recommendations on whether or not fees should be increased and by how much. Fee increases are set each year to maintain the Bureau's financial integrity.

Reserve Policy

In FY 1988-89 the City Council established the Bureau of Buildings as an Operating Fund with the goal of the fund eventually being 100% supported by permit fees and charges. The need to be self-supporting, combined with the difficulty in accurately predicting construction activity and fee revenues makes it important for the Bureau to maintain a reserve of funds that can be used to ensure a stable and adequate level of service during times when revenues fall below expectations. During periods of strong construction activity, the reserve would be built up to provide a funding source for times when revenues drop. In this way, the fund will be able to weather the ups and downs of construction activity, to remain stable and efficient, and to maintain the staff necessary to provide services on work that has been paid for but not completed. The reserve is not intended to maintain existing budget levels in spite of reduced construction activity and Bureau workloads, but rather to allow the Bureau time to recognize and respond to such downturns.

For the larger programs which are more affected by the construction economy (building/mechanical, electrical, and plumbing) the reserve goal is set at 40-45% of their annual budget. Smaller programs (environmental soils, signs, and zoning) have reserve goals of 20% of their annual budget.

It is important to remember that the goal of the reserve is to allow the Bureau time to recognize and respond to unanticipated declines in revenues and to maintain the staffing needed to carry out its obligation to provide services on permits that have already been paid. The size of the reserve determines how much time the Bureau will have to adjust to change and still provide necessary services. A 40-45% reserve will not insulate the programs from making significant budget adjustments in response to lower revenues and reduced workloads over the long term. But it will allow the Bureau to remain stable, meet its prepaid obligations, provide time to respond, and reduce the severity of the budget cuts in the short term.

State Economic Forecast

The Oregon Department of Administrative Services publishes the Economic and Revenue Forecast on a quarterly basis. The most likely economic scenario for the state is a continuation of the modest decrease in economic growth that has taken place over the past year. After four years of extremely rapid growth, the construction sector is expected to level off. The residential real estate market is slowing. Future years are not expected to be as strong as the several previous years. In-migration is expected to stabilize. Oregon's overall growth rate for the next seven years is expected to be slightly less than the previous seven year period but still remain favorable.

This optimistic picture could be affected by several economic factors. The Oregon Economic and Revenue Forecast explains that the instability among Asian countries could impact Oregon's economy because five of Oregon's top six export markets are Asian. High technology industries have are closely linked to Asian markets for both export and production. In addition, if in-migration is lower than projected, there could be a decline in the construction industry.

Revenue Projections

The Office of Finance and Administration (OF&A) assisted the bureau in preparing the five-year revenue forecasts for permits and plan reviews. They analyzed the bureau's revenue data to see if there were simple trends and/or relationships that could be used for short term forecasts. They found that a moving average model was a good tool for predicting the bureau's revenues. This approach is based on the idea that a likely value for revenues in the next period is a simple average of current and past revenues. The model allows data to be weighted at different rates, for example, more recent data can be weighted higher than past data. The results of the model that OF&A developed indicates that past revenues serve as a fairly accurate predictor of current revenues and therefore suggests that past and current revenues would serve as a fairly good predictor of future revenues.

The bureau will be working with the City's Office of Finance and Administration in 1998 to develop a more comprehensive forecasting model. This model would be based on variables that are independent from bureau activities and might include demographic factors, interest rates, and so on.

Expenditure Projections

Each fiscal year, the Bureau strives for realistic expenditure projections to use in the financial analysis. Projections for FY 1998-99 are based upon the proposed budget. There is only 0.9% overall increase in costs projected between FY 1997-98 and 1998-99, because there are one-time costs budgeted in FY 1997-98 to replace the bureau's computerized permit tracking system. Projections for FY 1999-00 through FY 2002-03 are based upon estimated inflation factors of 3.6% - 4.2% prepared by the City's Office of Finance and Administration. In addition to inflationary increases, costs in FY 1999-00 will increase when the bureau moves to the new development services building and increases its office space.

Fee Increase Policy

The Bureau's fee increase policy was adopted by the Bureau and the Bureau Advisory Committee in 1992. The policy is to increase fees on an annual basis to cover increases in personnel and interagency costs. This policy of increasing fees slowly and steadily assists permit applicants. It is very difficult for customers to absorb large fee increases, because their operations are based on a fairly stable cost of doing business. They have a much easier time absorbing smaller and more predictable increases. Although the general policy is to increase fees on an annual basis, fee increases may not be necessary every year if a program's revenues are strong and its reserves are at an acceptable level. Fee increases should be avoided only when the Bureau has enough excess reserves to operate through two fiscal years without depleting the program's reserves below the target set in the Bureau's reserve policy.

Fee increases should be set at a rate which covers the Bureau's increased operating costs. The Bureau's cost of doing business increases each year. The labor agreements all contain provisions for cost of living increases based upon the Consumer Price Index for Urban Wage Earners and Clerical

Workers for the City of Portland. Generally the Bureau estimates that overall costs will increase by approximately 4% each year. Fee increases above this figure are necessary when reserves are below acceptable levels, a large capital project is on the horizon (such as improvement to information systems or a major site relocation), or the Bureau is confronted with other major unforeseen events.

Fee Increases

Sign permit fees were increased by 5% on July 1, 1997. Electrical, environmental soils, and plumbing fees are being increased in March 1998. The electrical fees will increase by 16%, plumbing by 12%, and environmental by 25%. Electrical and plumbing industry representatives agreed to implement FY 1997-98 and FY 1998-99 increases at once, therefore, there are no fee increases planned for these two programs for FY 1998-99.

Future fee increases will be necessary in the building, electrical, plumbing, and sign programs to bring these programs back to 100% costs recovery and build their reserve levels. The building program is expected to spend its excess reserves for three years before needing a 5% fee increase in FY 2000-01. The electrical program will need 6% fee increases in FY 1999-00 and FY 2000-01 to regain total cost recovery and build back its reserve to acceptable levels. The plumbing program will need 8% fee increases in FY 1999-00 and FY 2000-01 to bring its reserve out of a deficit. The sign program has had several years of deficits. Fee increases of 15 % in FY 1998-99, 10% in FY 1999-00 and FY 2000-01, and 5% in FY 2001-02 will be needed to bring the sign program to full cost recovery and fund its reserve.

Limitations of Use of Revenues from Permit Fees

Since the adoption of the operating fund, the Bureau has analyzed expenses and revenues by program. These programs are building/mechanical, electrical, plumbing, sign, soils, zoning, and General Fund. Revenues collected for each program stay within that program and are not used for any other program. State statute dictates this for the electrical program. OR 479.845 (3) states that "fees collected by a city or county for the enforcement or administration of the electrical specialty code and rules under OR 479.730 (1) shall be used only for the enforcement and administration of those laws."

Although there are no statutory limitations on the other programs, construction industry representatives believe that they should pay for the services that they receive and should not subsidize other programs. In addition, the BAC has been vigilant in protecting the integrity of each program's funding.

**City of Portland
Bureau of Environmental Services
Preliminary Five Year Financial Plan**

December, 1997





INTRODUCTION

This has been a year of significant accomplishments for the Bureau. By the end of this fiscal year, we will have completed construction work on the Mid County project, five years ahead of our original schedule. On December 1, the Bureau submitted all engineering design documents for the Columbia Slough, one of the CSO program milestones.

There is still much to be accomplished, however: there are more CSO milestones to be met, maintenance of an extensive and aging sewer system must be planned and provided for, and stormwater quality will be a major issue over the next five years. For these and other reasons, we must still plan for substantial rate increases.

The Bureau has completed its preliminary five-year financial forecast for the Fiscal Years 1998-99 through 2002-03. We are pleased to be able to forecast annual rate increases of 9.6% for the first three years of the plan, and 8.3% for the last two, a significant reduction from last year's plan. This is a direct result of the Bureau's concern with aggressively pursuing opportunities for cost reduction and operational efficiencies. We have made permanent reductions in the size of the Bureau's Capital Improvement Program and are constraining growth in our operations and maintenance costs. We have achieved ten of the twenty operating position reductions committed to two years ago. The remaining ten will be made by next fiscal year.

This forecast should be regarded as preliminary for several reasons. First, the Bureau's budget submission is not complete. Second, some of the assumptions underlying the forecast will require further discussion:

- There are several potential revenue enhancements currently being considered but not included in the plan, including development review fees, industrial waste permitting fees, and changes to system development charges. The Bureau will be reporting to Council on this subject shortly in response to a budget note.
- The Low Income Assistance Program has been expanded to include relief to an additional 10,000 low income tenants of rental properties.
- The Utility License Fee rate is reduced in one-half percent increments from eight percent to six percent over the next four years. Savings from this reduction offset the additional costs of the enhanced Low Income Assistance Program, as well as reducing rates for all ratepayers.

THE SEWER SYSTEM

The Bureau operates and maintains the City's sanitary and stormwater collection and transport systems, providing service to approximately 500,000 people, numerous commercial and industrial facilities, and six wholesale contract customers located adjacent to the City. The existing Sewer System consists of a network of approximately 2,200 miles of storm and sanitary sewers, each dedicated to carrying separate waste streams, and combined sewer lines that carry both stormwater runoff and sanitary waste. The Sewer System is served by 98 pumping stations and 2 wastewater treatment plants, which have a combined secondary treatment capacity of 108 million gallons per day.

The Bureau's activities are supported through sewer and drainage charges, wholesale contract revenues from other jurisdictions, and reimbursements for services provided to other bureaus.

Fund Structure

The Bureau's financial reporting system is organized into the eight funds described below:

Sewer System Operating Fund

Accounts for revenues and expenses associated with the development, maintenance, and operation of the City's sanitary sewer and storm drainage system.

Sewer System Construction Fund

Receives revenues that are dedicated to sewer system capital projects. Since FY 1990-91, direct expenditures for capital projects have been budgeted within the Sewer System Operating Fund and are reimbursed from the Sewer System Construction Fund.

Sewer System Debt Redemption Fund

Pays the principal and interest on revenue bonds, notes, and State loans issued to finance sewer system improvements.

Sewer System Rate Stabilization Fund

Created in 1987 to enable the Bureau to smooth forecast rate increases by offsetting fluctuations in sewer system revenues over several years.

Sewer System Revolving Loan Fund

Established in FY 1992-93 for the purpose of administering the private plumbing loan program contained in the Mid County Financial Assistance Program passed by the City Council in March 1992.

Sewer System Safety Net Fund

Established in 1987 for the deposit of monies from the State Assessment Deferral Loan Fund, managed by the Department of Environmental Quality. Monies in this fund are used to make loans to low-income homeowners within the boundaries of the Mid County Sewer Project who qualify for participation in the Safety Net Program.

The Bureau also manages the following two funds relating to solid waste activities:

Environmental Remediation Fund

Established by Council action in FY 1993-94 to provide a funding vehicle for conducting remediation of solid waste disposal sites for which the City is liable under law.

Refuse Disposal Fund

Accounts for expenses and revenues associated with the City's oversight of solid waste collection activities in Portland as well as efforts to reduce the amount of solid waste through recycling and waste reduction.

Financial Policies and Practices

The Bureau funds its operations, maintenance, and capital expenditures from rates system development charges, debt, and fund balances. Key financial policies for each source of funding are described below.

Rates

The Bureau attempts to smooth rate changes over the five year forecast interval. Requirements include transfers to and from the Rate Stabilization Fund for the purpose of equalizing percentage rate changes for each year. This is one of the Bureau's key financial planning objectives and is aimed at maintaining financial stability and predictability in context of changing regulatory requirements and operating needs.

Revenue Bonds

The bulk of the Bureau's CIP is financed by revenue bonds, so principal and interest payments on outstanding debt are a substantial part of the Bureau's current and forecast revenue requirements. Covenants on outstanding revenue bonds affect revenue requirements through coverage standards:

- Net income without transfers from the Rate Stabilization Fund must be equal to or greater than 1.0 times current year debt service.
- Net income including transfers from the Rate Stabilization Fund must be equal to or greater than 1.2 times current year debt service.

Though not required by existing covenants, the Bureau's planning standard is to set rates adequate to provide net income including transfers from the Rate Stabilization Fund equal to or greater than 1.5 times the annual debt service requirement. This exceeds the 1.2 standard required by existing bond covenants, and serves three purposes:

- The absolute dollar difference between the planning standard and the Bureau's actual debt service coverage requirement provides a margin of safety for meeting coverage requirements.
- The 1.5 standard plays a significant role in demonstrating the Bureau's commitment to sound fiscal management of the sewer system, and supports our efforts to maintain the highest possible bond rating, keeping our borrowing costs low.
- The 1.5 planning standard ensures ongoing equity contributions to the capital program, further strengthening our financial operations.

Ending Fund Balances

The Bureau maintains a reserve equal to the "greater" of 10 percent of each year's operating expenses (as defined by bond covenants) or \$4,500,000. Nine percent is maintained as ending fund balance within the Operating Fund, with the remaining 1% maintained as ending fund balance within the Rate Stabilization Fund. This is consistent with industry standards, is a reasonable reserve for cash flow requirements and funding of minor budget adjustments, and reflects the City's commitment to strong fiscal management of its sewer utility.

LEGALLY REQUIRED SPENDING

Combined Sewer Overflow

The City is subject to three administrative orders issued by the Environmental Quality Commission relating to overflows from the combined sewer portion of the collection system. The City has agreed to eliminate discharges that violate applicable water quality standards by December 1, 2011. The estimated capital costs over the life of the project are approximately \$700 million expressed in 1993 dollars.

National Pollutant Discharge Elimination System (NPDES) Stormwater Permit

The City is obligated to meet the terms of the NPDES stormwater permit through a combination of best management practices and water quality facilities. The current operating cost impact of these requirements exceeds \$500,000 per year, and is expected to increase in future years. Capital cost impacts are approximately \$5 million over the five year forecast interval.

Bond Covenants

The City has covenanted with bondholders to operate the system in a safe, sound, efficient, and economic manner, and to "cause the System to be maintained, preserved, reconstructed, expanded and kept, with all appurtenances and every part thereof, in good repair, working order and condition."

OPERATING AND CAPITAL ISSUES FOR THE FINANCIAL PLAN

Operating Issues

CIP-related O&M

The Bureau has made special efforts to identify and document operation and maintenance costs associated with capital improvements included within the five-year CIP forecast. These forecast O&M costs are included in operating costs in the five-year financial forecast.

O&M costs in years beyond the current five year forecast horizon are expected to increase for the following reasons:

- completion and operation of treatment and storage facilities on the Willamette river associated with the CSO program,
- completion and full operation of collection and sewage transportation facilities within the Mid-County sewer project, and
- expanded drainage maintenance activities.

Maintenance and Reliability

The Bureau continues to examine operating requirements for maintenance and reliability. The addition of large numbers of new sumps (8,400 over the last five years) and the general aging of

the combined system make defining and carrying out a comprehensive maintenance strategy a high priority.

Columbia Slough Sediments

On October 7, 1993 the City entered into a consent order with the DEQ to conduct a remedial investigation and feasibility study of contaminated sediments in the Columbia Slough. The main purposes of the study were to determine what contaminants are present and at what levels, the types of risks posed, to identify hot spots of sediment contamination, and to propose types of cleanup actions. The City has begun a feasibility study of potential cleanup options for Buffalo Slough, a side channel of the Middle Columbia Slough.

Because these costs cannot be treated as capital costs, they are not eligible for revenue bond financing. Alternative financing methods are being studied, but at this point the costs of sediment remediation are not within the five-year financial forecast and if included, would require rate increases higher than those being proposed.

Drainage Districts

There are three drainage districts within City boundaries, all located along the Columbia South Shore. These districts maintain the flood plain within the Columbia South Shore by operating pumping facilities that move water from the Columbia Slough to the Columbia River. The districts also maintain area levees and dikes. They charge properties within their boundaries for this service, based upon the amount of impervious area they have and their elevation, relative to the flood plain. Historically, the City has not charged its drainage fees to properties within the drainage districts on the premise the districts are the primary drainage service providers. However, with the advent of stormwater quality programs and requirements, the City is now providing drainage services within the districts. The City is also expanding other basic drainage services, such as roadside drainage maintenance, as the area continues to develop.

There is a fundamental equity issue whether the City should begin charging its drainage fees within the drainage districts. There are other issues as well. District pumping facilities need to be upgraded and expanded and the drainage districts may not have the financial capability to acquire necessary financing. The City would be capable of funding and financing these improvements. A key issue is the fact that failure to maintain the flood plain would affect properties within the City. It would also affect the potential for further development within the area, which has been designated as one of Portland's major commercial/industrial development reserves.

The current 5 year financial forecast presumes no change in the current service and funding arrangement. A key issue that must be decided before such fees are imposed is the division of responsibilities for drainage services between the City and the drainage districts. In many respects this is an urban service issue for the City as a whole. The Bureau will seek guidance from Council before making specific recommendations.

"303 List"

The state is required by the Federal Clean Water Act (Section 303) to periodically publish a list of water quality limited streams and rivers. The current 303 list includes Johnson Creek, Balch Creek, Fanno Creek, and the Columbia Slough and Willamette River. Being included on the 303

list is the first step in setting regulatory standards that limit the amount of pollutants discharged to the waterway. These have already been set for Fanno Creek and the City is taking steps to reduce discharges of phosphorus to Fanno Creek and its tributaries.

It is expected that regulatory standards (called "Total Maximum Daily Loadings," or TMDLs) will be set for the other streams on the 303 list as specific pollutant loadings are identified. The first surface waterway to be affected will likely be the Columbia Slough. Based on previous studies, the City and DEQ have prepared draft TMDLs for temperature and bacteria for the Columbia Slough and these have been submitted to EPA for approval. Additional TMDLs for toxic metal and organic contaminants are anticipated.

It is difficult to predict what all of the requirements will be once regulatory standards are set, or what the costs of meeting those standards will be. The current financial plan assumes that the costs of meeting future TMDLs for all of the streams on the 303 list will be accommodated within existing funding levels of existing stormwater or watershed programs. If future requirements exceed current funding levels, a corresponding adjustment to other Bureau programs or forecast rate increases would have to be made. The current five-year financial forecast assumes all costs associated with TMDLs are accommodated within current stormwater and watershed program funding levels.

Johnson Creek

The current 5 year financial plan includes funding for continued study of flooding problems within the Johnson Creek watershed, and some minor flood mitigation projects. Permanent solutions to Johnson Creek flooding, however, would likely require cooperation and financial investment of jurisdictions outside Portland's boundaries, including Clackamas County and the City of Gresham. There are policy and related financial issues solving Johnson Creek flooding problems. Resolution of these issues could impact the current five-year financial forecast, particularly in years three through five. The pre-design process currently underway should clarify these issues when completed.

Mid County Phase-out

Capital construction in the Mid County area will be completed in the current fiscal year. A customer service function will remain until connections are completed sometime in FY 1999-00. The financial forecast reflects the savings from closing down the project.

Capital Issues

Facility Planning

In doing capacity enhancement modeling for basement flooding relief in certain combined sewer basins, the conclusion was that in-line storage is the most cost-effective solution. This solution has potential additional benefits for the CSO program. If in-line storage capacity could also be used to mitigate CSOs, there may be savings possible from downsizing some CSO facilities. Further benefits may be realized if control structures make possible coordinated use of in-line storage in separate basins.

This has two implications for future capital costs. First, basement flooding relief and CSO capital expenditures may be lower overall than previously anticipated. However, an integrated in-line storage approach would of necessity accelerate the basement flooding relief work by forcing it onto the same schedule as the CSO program. Therefore, although total expenditures could be lower, resource requirements in individual years could increase. It is unlikely that this would occur before FY 2001-02, however.

The Bureau will begin developing a drainage facilities master plan in FY 1999-00. In addition to developing a clearer picture of capital requirements over the next 20 years, the master plan will also create opportunities to enhance the equity of the current system of charges. For example, certain areas of the City where development occurs are not suitable for on-site stormwater management. The facilities master plan will provide the information necessary to calculate "in-lieu" fees for developers that recover an equitable share of the costs necessary to construct regional (basin-specific) facilities to handle resulting stormwater flows.

Tryon Creek Treatment and Transportation Capacity

Weather patterns in the past few years have increased the amount of surface and groundwater entering the sewage collection system within the Tryon Creek sewer system, creating very high peak wet weather flows at the Tryon Creek treatment facility. Infiltration of groundwater into sanitary sewers typically increases with the age of collection facilities. Inflow of surface water occurs when stormwater collection facilities are connected to sanitary sewers.

Absent corrective action, peak wet weather flows may begin to routinely exceed the treatment capacity of the Tryon Creek sewage treatment plant. Either infiltration and inflow will need to be significantly reduced, or wet weather treatment capacity at the Tryon Creek facility will have to be increased. If treatment capacity is increased, the Tryon Creek facility's discharge permit would undergo full review by DEQ and it is likely that treatment standards would be increased (Treatment capacity expansion precipitates review of treatment standards, often resulting in higher treatment requirements.).

Correcting infiltration and inflow problems would require a significant investment by Portland and Lake Oswego. Though the economic analysis has not yet been done, it is possible that the most cost-effective solution would be a combination of collection system repair and treatment capacity expansion. It may also be possible to divert more of Portland's sewage flows from the Tryon Creek collection system to the Columbia Boulevard treatment plant, though this has implications on capacities of intervening sewage interceptors and impact on CSOs.

The current 5 year financial plan includes funding for study of these issues but does not presume a specific amount of funding for Tryon Creek expansion or for infiltration and inflow correction, above levels for routine capital repair and replacement. Discussions are underway with representatives of the Lake Oswego Public Works Department on the appropriate level of effort to correct these problems within Lake Oswego. Updates of the 5 year financial plan next year or the year after may show considerably higher costs related to infiltration and inflow correction within the Tryon Creek basin than are shown in the current plan.

Rate and Revenue Issues

Sanitary Sewer System Development Charges

In last year's budget process the Council directed the Bureau to examine ways to enhance revenues, including a re-evaluation of system development charges. Bureau staff has been working jointly with the OFA on this issue, and a report to Council will be forthcoming shortly. Although we have identified some possible changes to the sanitary sewer system development charge, we are not proposing any such changes with this plan. If Council determines that these changes are appropriate, the Bureau is prepared to move forward with them for the following fiscal year.

Stormwater System Development Charges

Portland Habilitation Center and the City settled litigation on the City's stormwater development charge in April 1997. The City agreed to revise the charge to take into account differences in system use by different types of development and the impacts of on-site stormwater drainage mitigation. The revised methodology is currently being developed. We forecast that the mitigation portion will mean a net reduction in stormwater development charge revenues over the five year forecast interval.

Industrial Waste Discharge Permitting

The Bureau currently administers discharge permits issued by the DEQ for approximately 160 industries in Portland and surrounding communities. Permit administration involves sampling and monitoring activities, site inspections, customer contacts, data maintenance, and other administrative activities.

The current fee is \$75 per year for a permitted industry. This recovers only a small portion of the costs of administering the permits. Most of these costs (approximately \$500,000 including indirect costs) are currently recovered through sanitary sewer volume rates charged to all 12,200 commercial customers. Thus, most of these program costs are paid by non-permitted industries even though all of the costs are related to the permittees.

An annual permitting fee that recovers all costs from the permittees

- would be more consistent with the Bureau's cost of service rate-making principles,
- would improve equity among commercial and industrial customers, and
- would allow a reduction of approximately 1.7% in the sanitary flow rate for all commercial customers, saving an "average" commercial customer about \$42 annually on total bills of \$2,600.

Annual costs for permittees could increase substantially, however, in many cases by several thousand dollars per year. The cost for any particular permittee would depend on the number of pollutants monitored, frequency of sampling necessary, number of sampling points, compliance history, and other relevant factors.

The impacts of these fees are not included in this forecast. However, we are developing a proposed fee structure and an analysis of customer impacts for Council consideration early next year. If approved, it could be implemented with rates for the coming fiscal year.

Extra Strength Charges

The Bureau currently charges 48 commercial/industrial customers for extra strength sanitary sewage discharges, based upon samples taken and laboratory analysis of their sewage discharges. In lieu of focusing only on these very high strength dischargers, the Bureau is developing a low/medium/high strength designation for commercial customers who generate higher than domestic strength sewage and is designing a corresponding system of rates and charges. This would improve customer equity and send clearer pricing signals to commercial/industrial customers relative to the strength of their wastewater discharges. A proposal for implementation will be brought forward for PURB and City Council review in the spring. The financial forecast assumes the current rate structure remains in place. The Bureau does not propose implementing any new classification system until the Water Bureau Customer Information System is in place.

Development Review Fees

The Bureau currently does not charge developers for plan reviews, yet this is a significant use of Development Assistance resources. These costs are recovered through monthly charges, and are therefore borne by all sewer ratepayers. Plan reviews are a specific service required by and benefiting a well-defined group. A fee for these services is justified on both cost-of service and equity grounds. We have analyzed the staff time spent on plan review and related activities, and have developed cost of service-based charges. These charges would recover approximately \$250,000 annually, reducing forecast rate increases by roughly 0.1% per year over the forecast interval. The revenues from these charges are not included in this financial forecast, but if Council determines that these changes are appropriate, the Bureau is prepared to move forward with them for the following fiscal year.

Stormwater Charges (SRAC)

Monthly stormwater charges are currently calculated based on the amount of impervious area on a customer's site. No discounts are given for on-site facilities to handle stormwater runoff. While the system is relatively simple to administer and provides rough proportionality to runoff, improvements in equity are possible.

The Stormwater Rates Advisory Committee (SRAC) has been working with Bureau staff over the past year to explore possible alternatives to the current rate structure for both monthly charges and stormwater system development charges. The SRAC has identified several desirable features for rate structures, including a base charge covering the cost of draining the transportation system, and a portion against which credits may be granted for on-site mitigation facilities providing water quality and quantity benefits greater than those required for development. The Committee will issue a report including recommendations for change to the Director early in 1998. The recommendations will be considered in future ratemaking.

FIVE YEAR FINANCIAL FORECAST

Forecast Assumptions

The following table shows the economic and other assumptions underlying the five-year forecast.

Economic And Other Assumptions Current Year and Forecast Interval

Economic Assumptions	Current	Forecast				
	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03
Inflation rates						
Personal Services (%)	4.63	4.16	4.16	4.16	4.16	4.16
External Materials & Services (%)	2.26	3.15	3.15	3.15	3.15	3.15
Internal Materials & Services (%)	4.04	3.62	3.62	3.62	3.62	3.62
Utilities (%)	4.40	4.02	4.02	4.02	4.02	4.02
Other (%)	4.00	4.00	4.00	4.00	4.00	4.00
Interest Earnings Rate (%)	5.75	5.75	5.75	5.75	5.75	5.75
Revenue Bond Interest Rate (%)	6.25	6.50	6.50	6.50	6.50	6.50
Bond Discount (%)	1.00	1.00	1.00	1.00	1.00	1.00
Bond Term (years)	20.00	20.00	20.00	20.00	20.00	20.00
Target Coverage Ratio (Net Revenues/Debt Service)	1.50	1.50	1.50	1.50	1.50	1.50
Forecast Assumptions						
Ending Fund Balance	10.00	10.00	10.00	10.00	10.00	10.00
(% of Operating Expenses)						
City Overhead Growth Rate (%)	3.64	3.46	3.46	3.46	3.46	3.46
Utility License Fee	8.00	7.50	7.00	6.50	6.00	6.00
(% of Revenues)						
Expenditure Rates (% of Budget)						
CIP	97.50	100.00	100.00	100.00	100.00	100.00
Personal Services	98.50	98.50	98.50	98.50	98.50	98.50
Materials and Services - External	98.00	98.00	98.00	98.00	98.00	98.00
Materials and Services - Internal	100.00	100.00	100.00	100.00	100.00	100.00
Other Assumptions						
Annual Customer Account Growth (%)	2.0	4.4	2.8	0.5	0.5	0.5

Key assumptions include:

- A decrease to the Utility License Fee rate from 8% to 6% in 0.5 % increments over four years.

- Customer account growth slows by the third year of the forecast interval. The Mid-County program will be completed by then and new connections from the area will fall back toward the “in-fill” rate of 0.5%.
- Average annual water consumption is assumed to decrease by 0.75% annually, reflecting water conservation and pollution prevention efforts, the effects of block pricing for water, and increases in the number of customers who use less than their winter average during non-winter months.
- The forecast includes enhancements to the Low Income Assistance Program, to provide assistance to low income renters who do not pay their bills directly. An additional \$100,000 per year for program administration and \$600,000 per year for direct assistance are included in the forecast. The amount of direct assistance assumes 10,000 additional recipients, and is forecast to rise at the rate of increase of average sewer bills.

Forecast Sewer System Costs and Resources

The Bureau forecasts substantial annual rate increases over the next five years, although the rates of increase are smaller than in past years, and decreasing. These increases are a combination of slowing rates of growth in annual system costs and decreases in non-rate revenues, as explained below. The table on the following page shows forecast system costs and resources in more detail.

System Costs

Annual system costs increase by \$44.9 million over the five year forecast interval, an average annual increase of 4.6%.

- More than four fifths of the increase is debt-related, including \$23 million in additional debt service expenditures, an annual increase of 11.6%. In addition, cash transfers from the Operating Fund to the Construction Fund increase by \$14 million over the forecast interval, an annual increase of 6.5%. These cash transfers are largely driven by coverage requirements on the Bureau’s outstanding debt (see the Financial Policies section for a discussion).
- Total operations, maintenance, and capital expenditures increase by \$7.9 million over the interval, an average annual increase of 1.1%. This is in part due to the forecast decrease in the Utility License Fee rate from 8% to 6% over four years.
- CIP expenditures decrease slightly over the interval.
- Operating expenditures rise at slightly more than the rate of inflation.

System Revenues

Forecast annual system revenues from sources other than rates decrease by \$6.6 million over the five year forecast interval, an average annual decrease of 1%.

- More than half of this decrease is in reimbursement from the Construction Fund to the Operating Fund, and reflects the slight decrease in CIP expenditures over the interval.

- Other non-rate resources are forecast to decrease in total by \$2.7 million, an average annual decrease of 7.2%.
- The "Other Cash Transfers" item decreases by almost \$2 million. The FY 1999 figure reflects the final year the Bureau will receive federal grant funds to offset expenditures on work in the Columbia Slough area.
- System development charge revenues are forecast to decrease by \$1.3 million over the forecast interval, reflecting the completion of the Mid County project and an end to the resulting high connection rate in that area.
- The Bureau will continue to draw down Rate Stabilization Fund balance to offset rate increases. By 2003, however, the "draw-downs" will be much smaller as the fund balance approaches the 1% goal (see the Financial Policies section for a discussion).
- Change in the Operating Fund balance for FY 1999 reflects a return to typical fund balance levels after a decrease in FY 1998-99, due to the lag between expenditures and reimbursements for the Columbia Slough grant.
- Annual revenue requirements from rates must therefore increase by \$51.5 million over the forecast interval, an average increase of 9.8%. Account growth provides an offset, allowing an average percentage increase in rates of just below 9%. Due to the lower forecast account growth, however, the difference between percentage rate increases and growth in revenue requirements is smaller than for previous forecasts.

Forecast Sewer System Costs and Resources

	1999	2000	2001	2002	2003
<u>O&M and CIP Expenses</u>					
Personal Services	\$24,334,183	\$25,346,454	\$26,400,834	\$27,499,075	\$28,643,000
Materials & Services - External	15,898,616	17,311,582	17,805,244	19,662,239	20,338,468
Materials & Services - Internal	20,379,004	21,664,018	21,956,139	23,328,762	24,768,407
Capital Outlay & CIP	95,942,546	98,277,579	70,156,762	77,709,027	89,859,348
Equipment Cash Transfers	159,879	159,592	175,589	196,964	175,142
Cash Transfers:					
General Fund Overhead	2,958,923	3,061,296	3,167,211	3,276,791	3,390,162
Utility License Fees	8,163,486	8,557,491	8,728,969	8,756,454	9,505,483
Rate Stabilization Fund	0	0	0	0	0
Other Funds	294,026	294,026	294,026	294,026	294,026
Columbia Slough Grant Operating Expenses	952,660	0	0	0	0
 Total O&M and CIP Expenses	 \$169,083,323	 \$174,672,037	 \$148,684,774	 \$160,723,337	 \$176,974,035
 Cash Transfers to Debt Redemption Fund :					
Debt Service on Outstanding Bonds	41,607,296	41,613,493	41,613,801	41,615,661	41,614,414
Projected Debt Service on New Bonds	0	5,811,088	13,242,763	17,722,902	23,032,873
Junior Lien Debt Service	63,382	55,564	54,742	53,904	53,054
Cash Transfers to Sewer Construction Fund :					
Cash Financed Capital Improvements	14,794,854	19,641,371	23,982,295	26,106,443	28,740,274
 Annual System Costs	 \$225,548,855	 \$241,793,552	 \$227,578,375	 \$246,222,248	 \$270,414,649
 <u>Less: Other System Resources</u>					
CIP Reimbursement from Constr. Fd	\$102,057,307	\$105,772,671	\$77,843,735	\$85,745,472	\$98,164,034
Systems Development Charges	3,889,858	2,400,832	2,311,646	2,450,345	2,597,366
Wholesale Sewer Contracts	2,088,904	2,172,874	2,260,219	2,351,076	2,445,584
Other Service Charges	91,677	94,996	98,435	101,998	105,691
Service Reimbursements	530,970	550,191	570,107	590,745	612,130
Rate Stabilization Fund Transfer	1,500,000	2,750,000	3,645,000	2,200,000	576,341
Other Cash Transfers	2,163,604	158,947	164,684	170,628	176,788
Product Sales	87,925	91,108	94,406	97,823	101,364
Rents	71,152	73,727	76,396	79,162	82,028
Licenses and Permits	388,122	402,172	416,731	431,816	447,448
Interest on Investments	380,880	452,458	474,883	497,036	524,019
Miscellaneous	725,615	337,402	349,616	362,272	375,386
Decrease/(Increase) in Oper. Fund Balance	(1,452,739)	(407,404)	(175,362)	(400,348)	(300,871)
 Total Other Resources	 \$112,523,275	 \$114,849,973	 \$88,130,495	 \$94,678,026	 \$105,907,308
 Required Revenues from Rates	 \$113,025,580	 \$126,943,578	 \$139,447,879	 \$151,544,221	 \$164,507,341

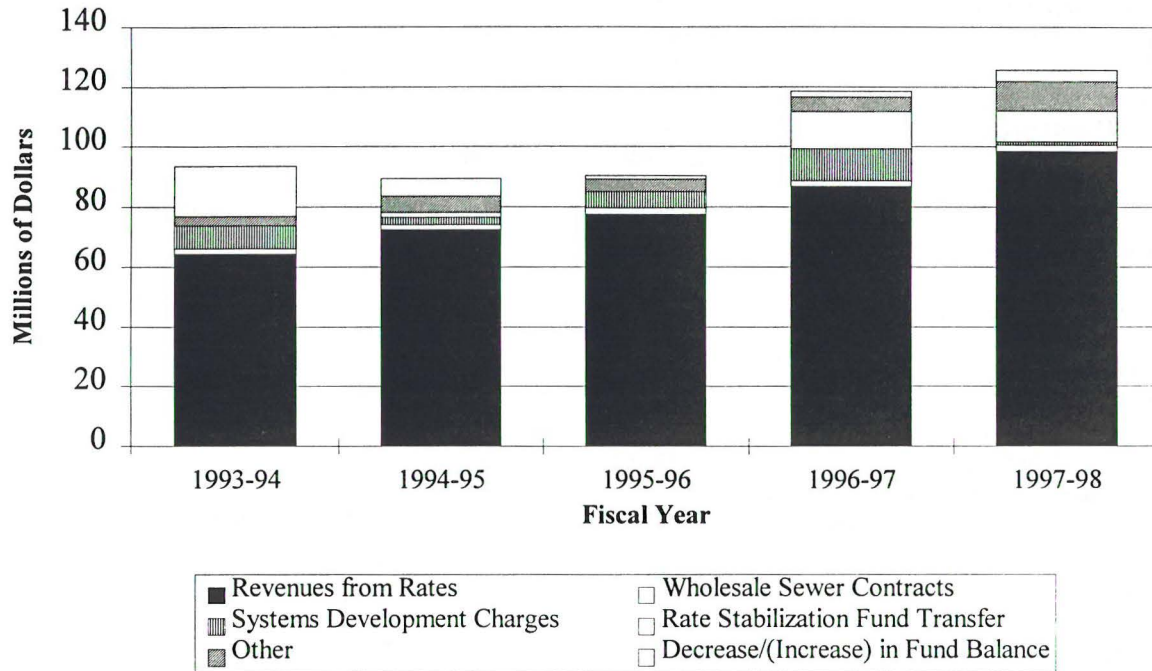
Note: Projected debt service on new bonds for FY 1998-99 assumes a January debt issue. If debt is issued earlier in the fiscal year, then new debt service for the year may be greater than zero.

The following section presents revenue and cost information for the five years ending with the current year, and for the five year forecast interval. The numbers presented in graphical form have been adjusted to remove the effects of inflation.

Financial Resources

Sewer System Historical Financial Resources

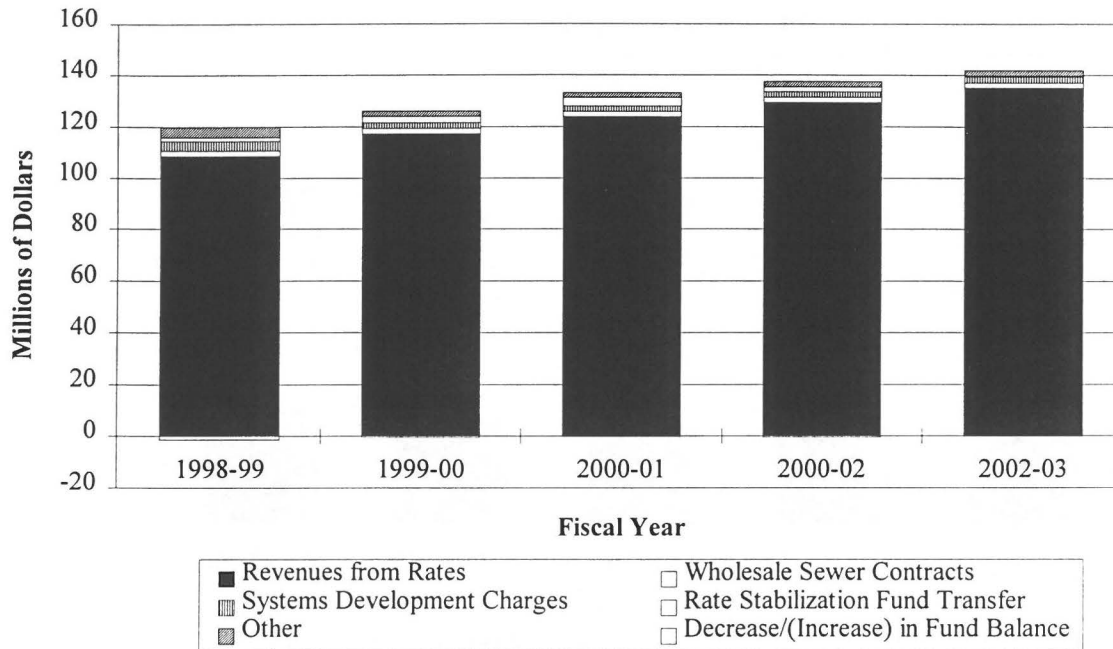
Normalized for CPI



- Revenues from rates have increased at an average of 6% per year in excess of inflation from FY 1993-94 through FY1997-98. The average annual growth rate in the number of customer accounts over the same interval was 5.5%, and the monthly bill for an average single family residential customer grew at an average of 8% annually in excess of inflation.
- System development charge revenues, primarily from connections in Mid County, totaled \$26 million over the first four years of the interval.
- Use of fund balance for FY 1993-94 reflects prepayments of line and branch and connection charges in Mid County. These resources were transferred to the Construction Fund.
- Cash transfers from the Rate Stabilization Fund to the Operating Fund in FY 1996-97 and FY 1997-98 reflect a planned drawing down of fund balance for smoothing rate increases.

Sewer System Forecast Financial Resources

Normalized for CPI



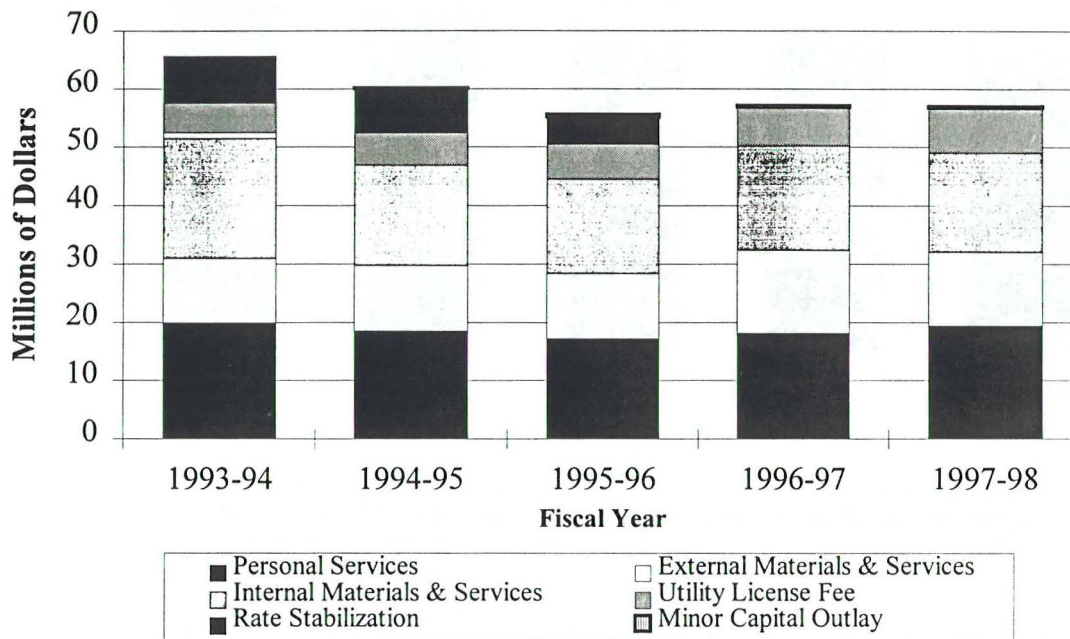
- Revenues from rates will make up a larger percentage of overall system resources than in the past. They are forecast to increase by 5.6% per year in excess of inflation over the forecast interval.
- Customer account growth remains driven primarily by new connections to the sewer system in Mid County. After project completion, account growth is expected to fall toward the “in-fill” rate of 0.5% per year, with a minimum additional amount of in-fill in Mid County.
- Rate Stabilization Fund transfers in all years reflects a drawing down of fund balance to reduce revenue requirements from rates. These transfers represent a smaller part of overall system resources than in previous years.
- The forecast assumes an enhanced level of Low Income Assistance. An additional ten thousand program participants is forecast among low income renters, at a five year (inflation-adjusted) cost of \$478,000 for program administration. The total amount of the assistance is forecast to be approximately \$3.2 million.

Operating Expenditures by Expense Type

Sewer System Historical Operating Expenditures

by Expense Type

Normalized for CPI



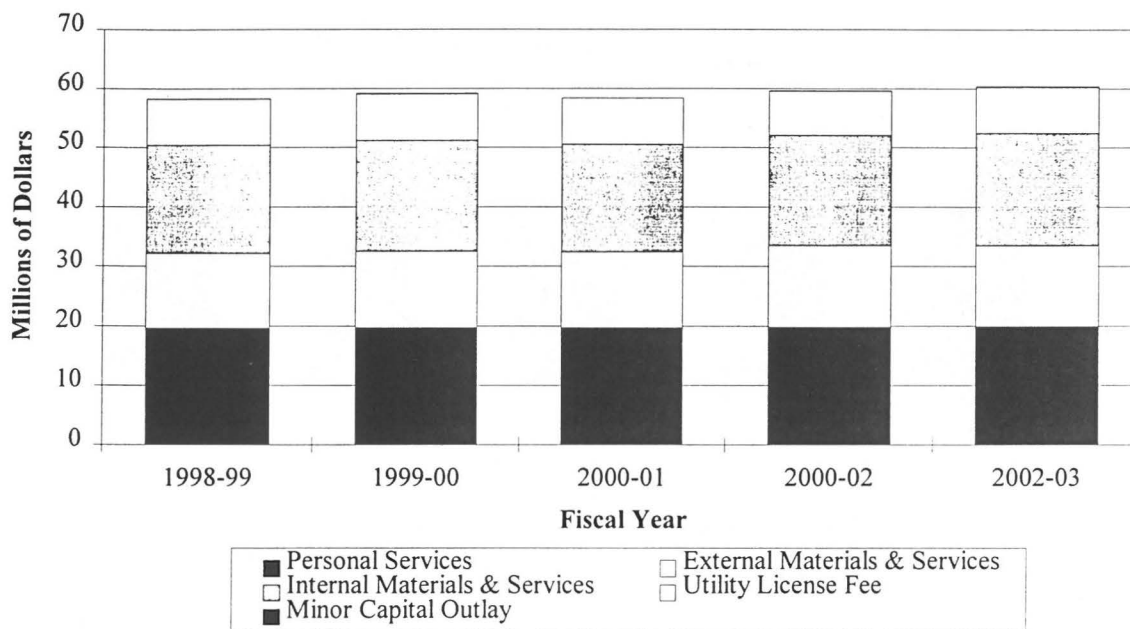
Total operating expenditures adjusted for inflation have decreased slightly over the interval.

- Transfers from the Operating Fund to the Rate Stabilization Fund ended in FY 1995-96. The Bureau is now drawing on those fund balances to smooth forecast rate increases.
- The decreases in Personal Services and Internal Materials and Services from FY 1993-94 to FY 1994-95 were due to the capitalization of the Mid County program and CSO program administrative costs. These costs were moved to the Capital Improvement Program.
- Operating expenditures for the current year reflect \$1.9 million in expenditures on Columbia Slough projects, which will be reimbursed by grant funds.
- Utility License Fee expenditures adjusted for inflation have risen by approximately 10.8% annually over the interval as a result of increases in Bureau revenues.

Sewer System Forecast Operating Expenditures

by Expense Type

Normalized for CPI

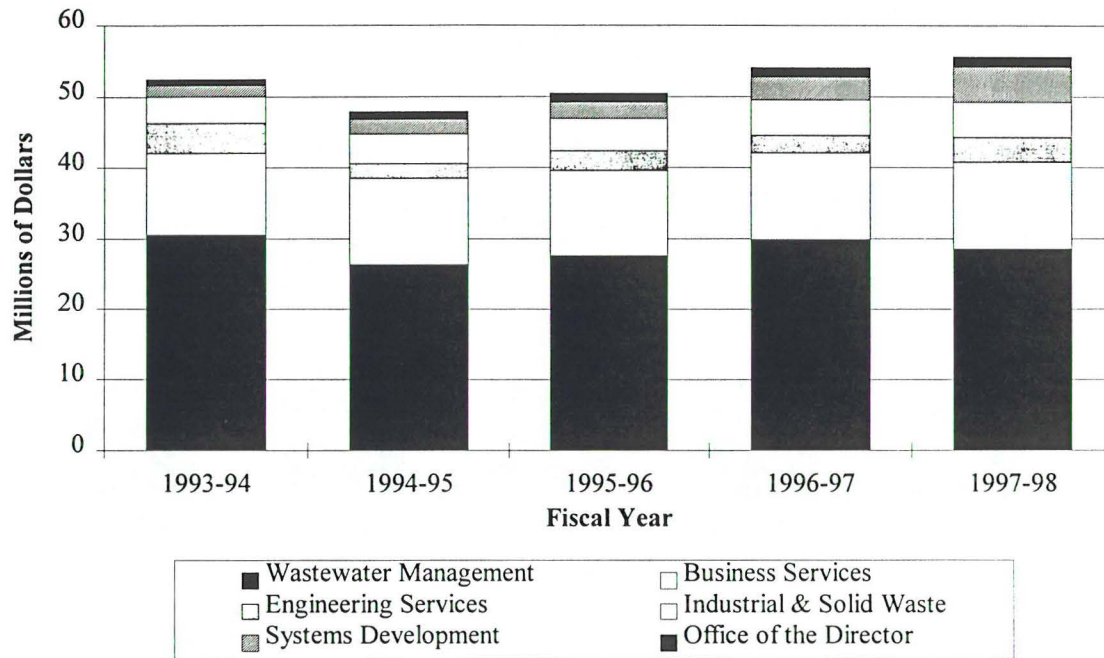


- Operating expenditures, adjusted for inflation, are forecast to increase by approximately 1.1% annually after inflation.
- The largest part of this increase is forecast in materials and services, for increased system maintenance and bio-solids disposal costs.
- The forecast includes a reduction of ten operating positions for FY 1998-99. This represents an approximate \$3 million offset against other operating program requirements over the five year forecast interval.

Operating Expenditures by Program

Sewer System Historical Operating Expenditures by Program

Normalized for CPI

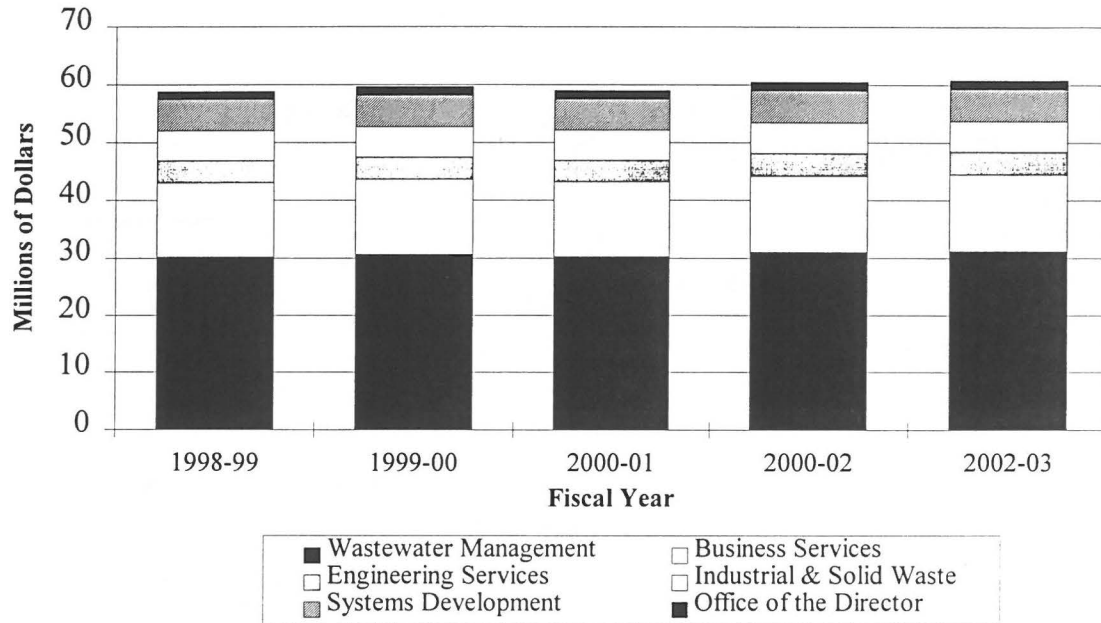


- Overall operating expenditures by program have increased at an average annual rate of 1.5% over the interval after adjusting for inflation.
- Operating expenditures for Wastewater Management have declined slightly over the interval, when adjusted for inflation, due to recent favorable rates for energy and process materials (polymer and sawdust).
- Recent growth in Systems Development reflects the Bureau's increased emphasis on facility planning.

Sewer System Forecast Operating Expenditures

by Program

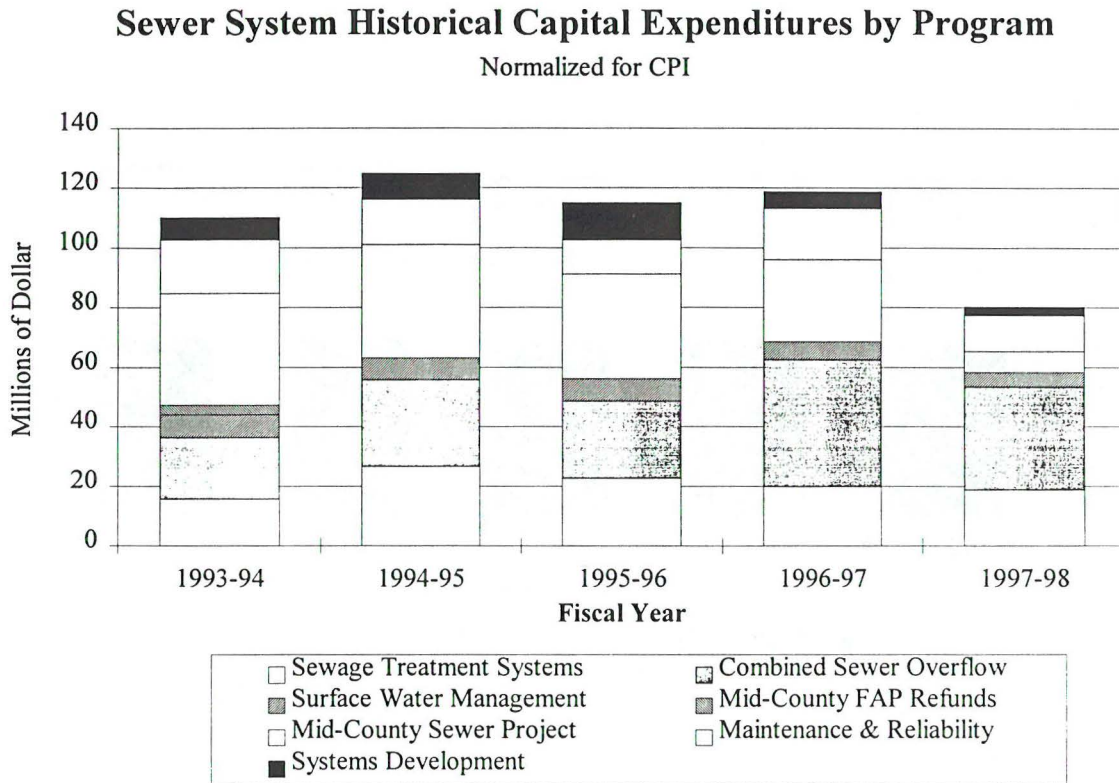
Normalized for CPI



Program operating expenditures are forecast to increase at an annual rate of 0.8% after inflation. This increase includes:

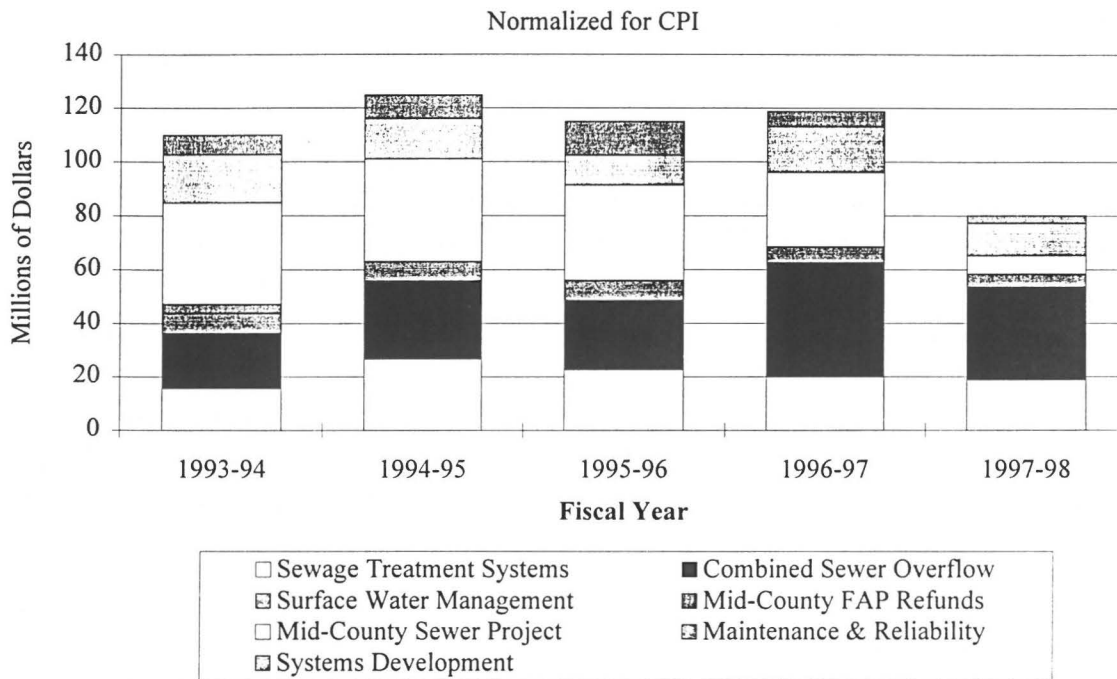
- \$7.9 million for additional sanitary and drainage collection system maintenance over the forecast interval.
- \$4.1 million for operations and maintenance expenditures for new capital facilities over the forecast interval.
- \$2.0 million for additional bio-solids hauling costs over the forecast interval.
- \$6.4 million in savings from the reduction of ten operating positions and the Mid County office closure.

Capital Expenditures by Program



- The CSO program accounted for the largest share of capital improvement expenditures over the interval, at \$163 million adjusted for inflation. Major expenditures included stormwater infiltration sumps and sewer separation projects.
- Mid County program expenditures totaled \$157 million over the interval.
- Sewage Treatment Systems program expenditures were \$111 million over the interval, and included replacement of the headworks and renovation of the sludge lagoon at the Columbia Boulevard Wastewater Treatment Plant.
- The lower overall CIP expenditures forecast for the current year reflect in part the Bureau's continuing efforts to reduce CIP costs where possible.
- About 68% of capital expenditures over the forecast interval will be debt financed. Outstanding debt is approximately \$500 million at present, and debt service payments (other than State Revolving Loan debt) are approximately \$42 million.

Sewer System Historical Capital Expenditures by Program



- Forecast total CIP expenditures for the five-year planning interval are \$380 million, adjusted for inflation.
- CSO accounts for the largest portion at \$214 million over the interval, over half of which will occur during the first two years. Major projects during this time include the Columbia Slough consolidation project, Columbia Boulevard wet weather facilities, and the Columbia Boulevard Wastewater Treatment Plant out-fall project.
- Maintenance and Reliability expenditures are forecast at \$60.1 million over the interval. Fanno Basin reconstruction and basement flooding relief are the two largest components, together accounting for approximately half of this total.
- Forecast expenditures for Sewage Treatment are \$38.3 million over the interval. Major projects during that time include pump station improvements, completion of the Inverness force main, rehabilitation and modification, and reconstruction of the Columbia Boulevard sludge lagoon.
- Surface Water Management expenditures are forecast at \$15.5 million over the interval. Approximately half of this is for Johnson Creek projects.
- Systems Development program expenditures are forecast at \$12.5 million, primarily for the South Airport sanitary trunk sewer, and residential and commercial sewer extensions.

Forecast capital expenditures will require additional debt issues totaling \$322 million over the five years, requiring an additional \$23 million in annual debt service payments by FY 2002-03.

RISKS TO THE FORECAST

The financial forecast presented in the preceding section makes assumptions about factors internal to the Bureau and the City, such as program levels, and external factors such as inflation and borrowing costs. Changes to some of these factors may change the forecast. The following is a description of some of these factors, and the risks involved in unanticipated changes.

Internal (Bureau and City)

- Participation in the expanded low-income assistance program is forecast at 10,000 additional participants, of an estimated 25,000 eligible for the program. Providing benefits to all eligible customers could add roughly 0.15% to the forecast rate of increase in average rates.
- The forecast does not include funding for purchase of the Centennial Mills site. If Sewer System revenues are used to acquire the site, CIP costs and therefore revenue requirements from rates will necessarily increase.
- Although there is provision in the budget and forecast for reasonable maintenance and repair activities, it is possible that additional study of maintenance requirements will reveal a need for even higher levels of maintenance. This could require additional operating and capital expenditures.

External

- The forecast is based on a 0.75% reduction in average water use per customer. If consumption is lower than this, there could be the need for an upward adjustment in rates. It is likely that the forecast will differ, whether up or down, to some degree. Absent a threat of drought, however, a drastic reduction in average water use is not likely.
- Changes in interest rates will affect the cost of new debt. A significant increase in interest rates over the forecast interval will increase revenue requirements for interest on new debt. New debt will account for roughly one third of debt service requirements by the end of the forecast interval. An increase in interest rates of one half of one percent could add about three-quarters of one percent to revenue requirements from rates.
- The forecast rate increases include best estimates of inflation over the forecast interval. An increase in the actual rate of inflation over the forecast inflation rate will require correspondingly higher rate increases.

Portland Office of Transportation (PDOT)
Financial Plan
1998-2003

The Office of Transportation's mission is to provide for the safe and efficient movement of people, goods, and services while enhancing the economic vitality and livability of the people of Portland.

PDOT maintains and operates the City's transportation system that serves an area of 147 square miles and a population of 500,000. The infrastructure is valued at \$4.5 billion and includes over 3,820 lane miles of improved streets, 2,100 miles of sidewalks, 2,936 miles of curbs, 54,680 corners, 67 miles of bike lanes, 163 bridges, 202 retaining walls, 169 stairways, 15 miles of guardrail, 508 traffic calming devices, 47,500 street lights, 148,000 street signs, 5,370 parking meters and 956 traffic signals.

The demand for transportation improvements is increasing more rapidly than transportation revenues. Regional population growth is a significant demand factor because growth adds greatly to the complexity of the system and to damage to the infrastructure from increased use. Inflation is another significant demand factor. The cost of services have increased over the past several years; the buying power of the state gas tax in 1993 has dropped 16% over time. The state gas tax is a primary revenue factor because it is the City's primary source of general transportation revenue (GTR). There have been no increases in the gas tax rate since 1993. It has not kept pace with inflation or with demand. As a result of this financial difficulty, an increasing percentage of the City's streets and bridges are rated as being in poor condition, increasing to 22% from 14% in 1993.

This financial situation has resulted in budget deficits in order for PDOT to maintain its current service level. PDOT has dealt with these deficits by the following: 1) finding and implementing over \$4 million in efficiencies and cost savings measures, 2) implementing service level reductions or relocating service responsibilities to other related City bureaus (\$3.7 million in FY 1998-99), 3) assistance from the General Fund, other than for street lighting and street cleaning (\$3.8 million in FY 1998-99), and 4) submitting recovery fee schedules to Council.

The current financial plan incorporates a balance budget for FY 1998-99 that reflects budget cuts of \$3.7 million and budget adds of \$2.6 million. The cuts are primarily service level reductions and deferral of capital improvements, with minor transfers of budget items to other City bureaus. The adds are funded primarily by one-time support from the General Fund, followed by interagency agreements and PDC support. Total General Fund support in FY 1998-99 is \$9.7 million, comprised of the following:

- 1) \$5.3 million (on-going) for street lighting operations and downtown street cleaning,
- 2) \$0.6 million (one-time) for street lighting capital improvements,
- 3) \$1.7 million (one-time) for support of current service level,

4) \$2.1 million (one-time) for new projects.

The plan assumes the current level of gas tax and incorporates the December, 1997 ODOT forecast. Inflation is assumed to be 4%.

	<u>FY 99/2000</u>	<u>FY 2000/01</u>	<u>FY 2001/02</u>	<u>FY 2002/03</u>
Annual Revenue				
Gap (in millions)	(\$5.9)	(\$6.9)	(\$8.7)	(\$10.6)

In the coming year PDOT will continue to be a community partner. The office will focus on the priority issues set forth in PDOT's Strategic Plan, specifically, growth and livability; maintenance and preservation of the transportation system; external communication; staff development; organizational efficiency and effectiveness; and funding.

BUREAU OF WATER WORKS

Five Year Financial Plan - FY 1999-2003

The Bureau of Water Works is a major public water utility owned by the people of the City of Portland, serving approximately 800,000 people. As an enterprise fund, the Bureau operates on a self sustaining basis, and is required to operate the water system within available resources and budget approved by the City Council. Water rates are established annually to ensure the collection of adequate revenues for the support of the water system as provided for in the City Charter.

Overall, the Bureau's mission is to act as a steward of our resource, our water system, our personnel, and the values of the community. Our operating goal is to ensure that a reliable and adequate system is available to provide sufficient quantities of high quality water, at standard pressures which satisfy the existing and future needs of the community on an equitable, efficient and self-sustaining basis.

Financial Planning Process

The Water Bureau faces the unique challenge of operating like a private enterprise while remaining a governmental agency, and providing an essential service at an affordable cost. Almost all of the Bureau's costs are recovered through user charges. Considering the massive capital investment and years of planning and construction necessary to create and deliver additional water supply, it is an ongoing task to keep those user charges low.

The objective of the financial forecasting effort is to provide a multi-year framework within which the revenues, expenditures, and capital financing options of the Portland water system may be managed. Each year a new 5 year Financial Forecast is prepared for the active funds under the Bureau's care to reflect changing economic conditions as well as changes to the operating environment. The forecast is monitored closely throughout the year to address budgetary constraints, capital decisions, and cash flow requirements.

The Bureau's approach has been to create an interactive process which examines the large planning issues within the framework of the financial realities of the utility business. The utility financial planning/rate making process is complex and dynamic, requiring a variety of inputs ranging from hard accounting data to strategic planning goals and policy decisions.

The following set of requirements shape our financial planning process and the objectives we emphasize each year:

- The need to preserve a sound fiscal position as measured by the presence of adequate capital investment, fund balances, operating income, and credit ratios.
- The need, as a governmental agency, to comply with City Charter mandates, and to be responsive to City Council direction and the Office of Finance & Administration budgetary requirements.
- The need to be financially self-sustaining by covering virtually all costs through user charges.
- The need to allocate equitable user charges between inside-City (retail) and outside-City (wholesale) customers, in accordance with wholesale contract terms.

- The need to accurately predict and meet demand, both through demand-side and supply-side management.
- The need to plan, construct, and finance massive and expensive capital facilities which take years to complete and must meet changing federal and state regulations.

Annual Financial Planning Process

As a result of the unique nature of the utility environment, the Bureau employs a fairly rigorous year-round financial planning process. The annual planning process has been summarized below to highlight the key financial activities of the Bureau and to provide the context from which this planning document was derived. The Bureau's financial planning process addresses both the governmental budgetary perspective as well as the utility rate setting/financial planning environment.

The basic elements of the Bureau's financial planning process include:

- Establishment of goals and program priorities by upper management
- Development of an internal budget manual and process
- Development of the Capital Improvement Program (CIP)
- Preparation of the cost-of-service rate model
- Development of Operating and Maintenance (O&M), and Capital requirements for each Bureau Work Group
- Evaluation of new program requests and available funding including efficiencies in existing operations
- Forecast/rate scenarios to determine fiscal impacts of budget decisions
- Preliminary financial forecast analysis and plan publication
- Budget request publication
- Development and presentation of rate ordinance
- Final Financial Plan publication
- Development of Bureau quarterly financial plans and status reports
- Ongoing monitoring, analysis and reporting of utility and budgetary fiscal/operating performance
- Implement financial adjustments, as appropriate, to ensure the Bureau's financial plan is achieved

Forecast Results

Revenue Requirements, Rates, And Residential Bill

Fiscal Year	Revenue Req.	In-city Rates	Wholesale Rates	Residential Monthly Bill
1998-99	5.3%	3.7%	6.2%	\$13.05 (8 ccf)
1999-03*	5.2%	5.0%	3.5%	NA

*Represents average annual projected increases over the 5 year forecast period.

The Bureau's total revenue requirement is forecast to increase from \$52.9 million in FY 1997-98 to \$55.7 million in FY 1998-99. That's an increase of approximately 5.3% which reflects increases in both O&M (inflation) and Capital (debt service and cash) requirements. Total revenue requirements are projected to rise on average 5.2% over the 5 year forecast period.

The percentage change in the total revenue requirement is an aggregate figure, which cannot be interpreted as a rate increase. The revenue requirement is the total dollar amount collected from both wholesale and retail customers, without regard to the rate structure under which it must be collected. To determine the rate impacts of a revenue requirement increase, the revenue requirement must be allocated between wholesale and retail customers. The method of allocating costs to wholesale customers is mandated and limited by contractual provisions, and because of this the proportion of the total revenue requirement recoverable from them varies each year. Retail rates are set on what might be thought of as a "cash-residual" basis to recover whatever portion of the total revenue requirement is not allocable to wholesale customers. Also, wholesale and retail rate changes take into account changes in estimated water demand. For FY 1998-99, retail and wholesale demand are forecast to increase 0.4 percent and 3.1 percent respectively.

FY 1998-99 Average Retail Rate Increases

The adopted FY 1998-99 average retail rate increased 3.7 percent. This increase was a result of the following:

Economic & Demand Adjustments (including reserve adj.)	1.5%
Utility License Fee Adjustment (returned to 8.0%)	-0.2%
Existing Program Enhancements	2.5%
Information Technology Enhancements	0.6%
Increase in Low income discount (25 to 30 percent)	0.2%
Increase in System Development Charge Revenues	-0.9%

	<u>3.7%</u>

Retail Bills

On May 20, 1998, FY 1998-99 water rates and charges were adopted with the passage of city ordinance 172287. The resulting average monthly residential bill (8 ccf usage) increased 5.7 percent or \$0.70 to \$13.05. This increase reflects the second year (of a four year) phase in of cost of service adjustments as recommended by the Portland Utilities Review Board and the Comprehensive Service Charge Review Report. Approximately \$0.40 is related directly to these rate schedule improvements. At full implementation, the additional monthly cost for the average residential customer will be about a dollar. Primarily, fire line accounts will benefit from this change.

The Bureau's enhanced comprehensive Low Income Utility Relief Program was once again approved by City Council. The program was further enhanced in FY 1998-99 with the fixed low income discount increasing from 25 percent to 30 percent of a typical (5 ccf monthly usage) eligible customer bill. The discount provided to qualified water customers is now \$37.20 per year - up from \$29.40 in FY 1997-98.

Wholesale Water Rates

About \$12.6 million of the total \$55.7 million in FY 1998-99 revenue requirements is planned to

come from wholesale customers. FY 1998-99 revenue to be generated from wholesale customers is up 9.6% or \$1.1 million from FY 1997-98, with an effective overall wholesale rate increase of 6.2%.

The less favorable wholesale rates (on average as compared to retail) have occurred because they are calculated using different methodologies from inside-City retail rates, and as such are subject to different influences. Wholesale rates are set on the Utility-Enterprise basis (as required by their various contracts) and fluctuate from year to year according to the allowable rate of return, and plant replacement indexes.

These wholesale contracts do continue to benefit the retail ratepayers as well as the wholesale purveyors. As well as providing our wholesale customers the ability to purchase inexpensive, high quality water, the wholesale contracts remain a very valuable supplemental income source to city rate payers. Without these contracts, retail rates would continue to be over 20% higher than those proposed.

Capital Investment: Historically, the Bureau's goal had been to cash-finance a level of capital investment approximately equal to depreciation on fixed assets to ensure adequate maintenance of the existing system. However, this policy was modified in the FY 1994-95 plan to take into account actual cash needs with capital cash financing now set equal to estimated annual repair and replacement capital costs. This new policy is consistently applied across the 5 year forecast, and does not jeopardize the Bureau's Aa1 revenue bond rating. For FY 1998-99, one-third of the total capital expenditures will be financed with current water sales.

Debt Service Coverage: Debt Service Coverage measures the Bureau's ability to meet its current debt service payments.

Before July 1993, the Water Bureau had issued only "double-barreled" (revenue-backed) General Obligation (G.O.) bonds, which carry no coverage requirement since they are backed by the full faith and credit of the City. Because the debt service on these bonds was wholly paid out of water revenues, the Bureau had made it a practice to target a minimum overall coverage of only 1.2. For reasons related to State Ballot Measure 5, new debt beginning with the 1993 bond sale, and future bond sales would be in the form of revenue issues. Unlike the G.O. debt, the Bureau's new revenue issues were required by bond ordinance to dedicate net water revenues to the payment of revenue bond debt service, and pass a debt service coverage test. Given the likelihood the Bureau will no longer sell G.O. debt, it has adopted the more conservative assumption that all future debt will be supported solely by net revenues of the water system. Since revenue bonds do carry a coverage requirement, and the Bureau desires as a policy to maintain its Aa1 revenue bond rating, the Bureau's minimum target coverage for overall (G.O. plus revenue) debt service was increased to 1.9. The Bureau's overall target coverage is met or exceeded each year of the forecast.

PORTLAND DEVELOPMENT COMMISSION

FIVE YEAR BUSINESS PLAN

Background

During the spring and summer of 1998, the Portland Development Commission (PDC) will be updating its five-year business plan. This will be the first major update of the plan since 1995. In the intervening period, several changes have occurred that cause the existing plan to become dated, including the establishment and funding of the Housing Investment Fund, the passage of Measure 50, and subsequent changes to the availability of tax increment financing. Uncertainties in funding have prevented PDC from reliably updating its financial plan in the last 18 months.

During FY 1997-98 PDC was focused on meeting certain requirements included in the Measure 50 implementing legislation, in particular amending each existing urban renewal plan to determine the maximum indebtedness to be incurred under each plan, and selecting an option for levying and collecting urban renewal taxes for each urban renewal area. These efforts have been completed and the list of projects included in the determination of maximum indebtedness and their estimated costs are attached. This effort has set the stage for the upcoming plan update.

PDC has established several goals for the five year business plan:

- Updating program, capital, and operating plans.
- Communicating to key partners and stakeholders, and members of the general public.
- Strengthening connections to key partners and stakeholders.
- Strengthening internal understanding of agency strategies for the delivery of programs and projects.

It is anticipated that the plan will be completed by November 1998 in three phases as described below:

Phase I: Outreach and Draft Development

Completed by: August 19, 1998

This phase will focus on gathering data regarding the status of projects in the existing five year business plan, projects that have been nominated for funding, and projects included in budgets that have been approved since the last update. This phase will also focus on input regarding plan priorities from key partners and stakeholders. Key partners, stakeholders, and members of the public will have several opportunities to participate in the plan development each occurring during different phases: (1) target area teams will hold separate sessions with key partners to discuss their priorities and gather feedback regarding existing and future program commitments; (2) PDC will sponsor community workshops on the five-year plan to which the general public will be invited; and (3) prior to plan adoption by the Commission and City Council, PDC will hold public hearings on the plan.

At the end of Phase I, staff will develop the first draft of the plan and hold a workshop with the Commission to present and discuss the status of the planning process and preparation.

Phase II: Refinement

Completed by: October 15, 1998

During Phase II, staff will continue key partner meetings to update interested groups on the progress of the planning process and the outcomes of the various feedback sessions. Five year plan proposals will be developed. These will be presented and discussed at community workshops. A second draft of the plan will be developed reflecting feedback received from partners and at the community workshops and a second Commission workshop will be conducted. If time and circumstances permit, this workshop will include members of the City Council. At the end of the Refinement phase, PDC will conduct public hearings on the second draft of the plan.

PHASE III: Adoption and Publication

Completed by: November 30, 1998

During Phase III, the final draft of the plan will be forwarded to the Portland Development Commission for adoption. After adoption by the Commission the plan will be forwarded to City Council for its adoption. During late October, the plan will be produced and distributed to stakeholders, key partners, and other interested parties.

Financial Policies



Adopt a Comprehensive Financial Management Policy

WHEREAS, the city has been recognized for excellence in financial management; and

WHEREAS, these achievements are the result of dedicated work by Elected Officials, operating bureaus, central support organizations, and others; and

WHERE AS, the City Council desires to enhance that management by documenting financial management policies; and

WHEREAS, the Council desires a mechanism to communicate financial policy to Citizens, City staff, and the financial community; and,

WHEREAS, Bureaus have had an opportunity to review and comment on the proposed policy,

NOW THEREFORE BE IT RESOLVED by the City council of the City of Portland, Oregon that

1. The comprehensive Financial Management Policy, attached hereto as Exhibit I, is hereby adopted.
2. The Office of Finance and Administration is directed to review the policy on a regular basis, especially as a part of the budget development process, and recommend modifications and adjustments as necessary to keep the policy updated.

Adopted by the Council, June 17, 1992
Mayor J.E. Bud Clark
SCB:jb
June 11, 1992

Barbara Clark
Auditor of the City of Portland

EXHIBIT I**RELATION TO OVERALL CITY GOALS AND OBJECTIVES**

The City's development of a mission statement and conforming goals and objectives are critical elements in the successful development, maintenance and operation of a Comprehensive Financial Management Policy (CFMP). Rather than driving the goals and objectives of the City, the finances are simply tools which are used to accomplish the City's mission.

The Comprehensive Financial Management Policy is a mechanism to ensure that the City is financially able to meet its immediate and long term service objectives. These policies also enhance financial planning and internal financial management of the City.

In addition, the City as an institution has multiple partners, including citizens, taxpayers, businesses, employees and other governments. As a major institutional, economic and service force in the region, it is important that the City strengthen its relationships with its partners by adopting clear and comprehensive financial policies.

PURPOSE

The City of Portland is accountable to its citizens for the use of public dollars. Municipal resources should be used wisely to ensure adequate funding for the services, public facilities, and infrastructure necessary to meet the community's present and future needs. The CFMP is intended to serve as a blueprint to achieve the fiscal stability required to achieve the City's policy goals and objectives.

OBJECTIVES

In order to achieve the above purpose, the Comprehensive Financial Management Policy has the following objectives for the City's fiscal performance.

1. To guide Council and management policy decisions that have significant fiscal impact.
2. To set forth operating principles that minimize the cost of government and reduce financial risk.
3. To employ balanced and fair revenue policies that provide adequate funding for desired programs.
4. To maintain appropriate financial capacity for present and future needs.

5. To promote sound financial management by providing accurate and timely information on financial condition.
6. To protect and enhance the City's credit rating and prevent default on any municipal debts.
7. To ensure the legal use of financial resources through an effective system of internal controls.
8. To promote cooperation and coordination with other governments and the private sector in financing and delivery of services.

To achieve these objectives, the Comprehensive Financial Management Policy consists of twelve major sections:

- I. FINANCIAL PLANNING POLICIES
- II. BUDGET POLICIES
- III. ACCOUNTING, AUDITING AND FINANCIAL REPORTING POLICIES
- IV. REVENUE POLICIES
- V. OPERATING POLICIES
- VI. EMPLOYEE COMPENSATION AND SUPPORT POLICIES
- VII. CAPITAL PLANNING AND FINANCING POLICIES
- VIII. INTERGOVERNMENTAL REVENUES AND RELATIONS POLICIES
- IX. ACCOUNTING STRUCTURE POLICIES
- X. AFFILIATED AGENCIES
- XI. OTHER FINANCIAL POLICIES
- XII. APPENDICES

I. FINANCIAL PLANNING POLICIES

INTRODUCTION: A long range plan that estimates revenue and expenditure behavior of the City and regional and national economies is necessary to support the Council and community in decisions that they make about City services. This planning must recognize the effects of economic cycles on the demand for services and the City's revenues.

City financial planning should ensure the delivery of needed services (many of which become more critical during economic downturns) by increasing reserves during periods of a strong economy in order to support continued City services during economic downturns.

The City is a major force in a complex regional economic system. The City must understand how it affects and is affected by that system in order to maximize its positive contributions. The

City must have the capacity to understand and anticipate changes in both regional and national economic systems in order to engage in strategic financial and management planning.

GENERAL FUND:

1. The City will prepare annually a five year financial plan for General Fund operations based on current service levels and current funding sources. If appropriate, needed additional resources to continue current service levels or identified service adjustments will be made.
2. The City will constantly test both its planning methodology and use of planning tools in order to provide information that is timely, accurate and widely disseminated to users throughout the City.
3. General Fund Bureaus will forecast and monitor their own revenues and expenditures. OF&A will assist bureaus in developing appropriate systems for such monitoring. OF&A will retain overall fiscal oversight responsibility for the General Fund.
4. The Office of Finance and Administration will publish regular General fund status reports on revenues and expenditures during the course of each budget year.

ENTERPRISE FUNDS: Just as a forecasting effort is made for the City's General Fund, similar efforts will be made for Enterprise and major Special Revenue activities. Examples of such operations are Water, Environmental Services, and Transportation. The purpose of these forecasts will be to allow the Council and Citizens to evaluate the impact of the financial needs of these programs on both the local and metropolitan regional economies; and to coordinate funding needs with those of the General Fund.

1. Enterprise/ Special Revenue activities will prepare annually, a five year financial forecast for operations and capital needs based on current service levels and current revenue sources.
2. The forecasts should rely on the same basic economic assumptions as the General Fund forecast. These forecasts will also identify other assumptions used in their preparation and the risks associated with them.
3. The forecasts must identify how they will impact rate structures.
4. The forecasts will discuss how standards for debt service coverage and operating reserves are established.

5. Enterprise and major Special Revenue activities will coordinate periodic status reports on expenditures and revenues within a fiscal year with the Office of Finance & Administration.

ALL FUNDS: The financial planning and subsequent budgeting for all funds will be based on the following principles:

1. Revenue estimates should be prepared on a conservative basis to minimize the possibility that economic fluctuations could imperil ongoing service programs during the upcoming budget year.
2. Expenditure estimates should anticipate contingencies that are reasonably predictable.

II. BUDGET POLICIES

INTRODUCTION: The Bureau of Financial Planning under the Office of Finance and Administration is responsible for coordinating the overall preparation and administration of the City's annual budget. This function is fulfilled in compliance with applicable State of Oregon Statutes governing local government budgeting practices.

1. BUDGET PREPARATION: Each year the Mayor will provide direction to the Office of Finance and Administration on the process for the development of the annual budget. The Office of Finance and Administration translates this direction into guidelines and rules for the preparation and review of bureau budget request. The budget request format will be designed to identify major financial and service issues. It will include detailed budget and performance information for all City organizations, including the Portland Development Commission. This information will be compiled from Bureau submittal by the Office of Finance and Administration for inclusion in the budget document. The City will prepare and present its budget consistent with the criteria developed by GFOA for distinguished budget presentations.

Unless otherwise directed by the Mayor, the annual budget process will consist of the following phases:

- Issuance of budget preparation guidelines and schedules. The budget process will provide for the full participation of the City's budget advisory committees and ensure opportunities for public testimony and participation.
- Presentation to Council of five-year financial forecasts for the General and other major City funds.

- Presentation of bureau budget requests in a manner consistent with budget directives.
 - The issuance of OFA reviews, summarizing each budget request and as necessary identifying related issues for Council consideration.
 - Development of a proposed budget as required by ORS for presentation to the Council, sitting as the budget committee.
 - Council budget hearings for the purpose of receiving public testimony and reaching final decisions necessary to balance the City's budget.
 - Submission of the Council approved budget to the Multnomah County Tax Supervising and Conservation Commission for review.
 - Adoption of the budget in accordance with Council directives, and Local Budget Law, and certification from the Tax Supervising and Conservation Commission.
2. BUDGET MONITORING: The Office of Finance and Administration will maintain a system for monitoring the City's budget during the fiscal year. This system will provide the Council with quarterly information on expenditures and performance at both the bureau and fund level. Included will be provisions for amending the budget during the year in order to address unanticipated needs, emergencies, or compliance with State of Oregon budgetary statutes. Budget adjustments requiring Council approval will occur through a process coordinated by the Bureau of Financial Planning.
3. REVIEW OF COUNCIL ACTIONS: The Office of Finance and Administration will review ordinances and significant administrative decisions submitted for Council actions. The objective of these reviews will be to ensure compliance with the budget and to identify for the Council financial and service issues. The Bureau of Financial Planning will distribute procedures and guidelines for the submission of fiscal impact statements on proposed ordinances.

III. ACCOUNTING, AUDITING AND FINANCIAL REPORTING POLICIES

INTRODUCTION: The City must maintain a system of financial monitoring, control and reporting for all operations, funds and agencies in order to provide effective means of ensuring that overall City goals and objectives will be met and to assure the City's partners and investors that the City is well managed and fiscally sound.

1. The City will maintain its accounting records and report on its financial condition and results of operations in accordance with state and federal law and regulations. And Generally Accepted Accounting Principles (GAAP). And standards established by the Governmental Accounting Standard Board (GASB). Budgetary reporting will be in accordance with the State Local Budget Law.
2. An independent firm of certified public accountants will annually perform a financial and compliance audit of the City's financial statements. Their opinions will be contained in the City's Comprehensive Annual Financial Report (CAFR), and the Report on Compliance with the Single Audit Act of 1984.
3. As an additional independent confirmation of the quality of the City's financial reporting, the City will annually seek to obtain the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting. The CAFR will be presented in a way designed to communicate with citizens about the financial affairs of the City.
4. The City's elected Auditor will supervise and conduct a full range of performance and financial audits of City programs. In addition, the City's elected Auditor will prepare an annual report on service efforts and accomplishments.

IV. REVENUE POLICY

INTRODUCTION: The City must consider its General Fund discretionary revenues as defined in operating policies on page 7 as a group rather than in isolation. Both individual revenues and the total package must be viewed in the context of broader City goals. The City must be sensitive to the balance between the need for services and the City's ability to raise fees, charges and taxes to support City services. As much as is possible and feasible, City services that provide private benefits should be paid by fees and charges in order to provide maximum flexibility in use of general City taxes to meet the cost of services of broader public benefit.

1. Charges for services that benefit specific users should recover full costs, including all direct costs and bureau overhead, loss of interest, depreciation on capital plant and equipment, and general fund overhead. Bureaus that impose fees or services charges should prepare and periodically update cost-of-service studies for such service. When consistent with legal requirements, other City interest such as remaining competitive within the region or meeting other City objectives, may dictate a subsidy of a portion of the costs of such services. However, all services will be presumed to be 100% cost reimbursable unless the Council makes a specific exception in the ordinance adopting the

charge. In some cases, with Council approval, it will be appropriate to meet this test on a program-wide basis in order to achieve administrative efficiencies and service equity. Current charges not meeting this standard will be reviewed within two years of the adoption of this policy.

2. The City should strive to diversify its revenues in order to maintain needed services during periods of declining economic activity. A base of property taxes and other stable revenues provide a reliable base of revenues during periods of economic downturn. Elastic revenues will allow the building of reserves during periods of strong economic performance. If the proportion of elastic City revenues increases, adjustments to reserve policies may be necessary as greater “swings” in resources may occur from year to year.
3. The City’s overall revenue structure should be designed to recapture for the City some of the financial benefits resulting from City economic and community development investments.
4. The City will observe the following priorities in utilizing existing and obtaining additional resources:
 - A. The City will use as efficiently as possible the resources that it already collects.
 - B. The City will collect as efficiently as possible the resources to which it is already entitled.
 - C. The City will seek new resources, consistent with the policies in this document and other City goals.
5. The City will strive to keep a total revenue mix that encourages growth and keeps Portland competitive in the metropolitan area.
 - A. As part of the annual Financial Forecast or budget process, the revenue mix will be analyzed with an evaluation of the impact on the competitiveness of Portland within the metropolitan area, including Clark County. This comparison of costs for services will be used as baseline data for Council budget discussions.
 - B. The evaluation should include all local taxation and fees including those of overlapping jurisdictions.

V. OPERATING POLICIES

INTRODUCTION: The City should accommodate both one-time and on-going expenditures to current revenues, establish and adequately fund reserves, regularly monitor and report on budget performance, evaluate the fiscal impact of new proposals, operate as efficiently as possible, and constantly review City services for appropriateness and effectiveness. For purposes of this document, the City's General Fund "discretionary revenues" are defined as the property taxes within the tax base as may be compressed, 5 percentage points of lodging taxes, business license fees, utility license fees, interest income, state shared revenues, and beginning cash balances.

1. On-going revenues should be equal to or exceed on-going expenditures. Each City fund budget must identify on-going resources that at least match expected on-going annual requirements. One-time cash transfers and non-recurring ending balances will be applied to reserves or to fund one-time expenditures; they will not be used to fund on-going programs. Each year OF&A will provide Council with the amount of ending balance that is estimated to be non-recurring for the General Fund.
2. Unless otherwise stated explicitly by the Council, the City will not earmark discretionary revenues for specific purposes in the General Fund. This will preserve the ability of the Council to determine the best use of available revenues to meet changing service requirements.
3. The City will maintain a system of financial monitoring and control. The major components of this system include:
 - A. Financial Accounting System and periodic Status Reports: Each Accounting Period the Office of Finance and Administration will publish a General Fund financial status report on the revenues and expenditures to date and estimated year end balance.
 - B. Quarterly budget review: Each quarter the Office of Finance and Administration will review all City financial operations, report to Council on financial results, and recommend financial management actions necessary to meet the adopted budget's financial planning goals.
4. The City will seek to optimize the efficiency and effectiveness of its services to reduce costs and improve service quality.
5. City operations will be run on an enterprise basis if doing so will increase efficiency of service delivery or recover the cost of providing the service by a user fee or charge.

6. The City will attempt to maintain cash reserves in order to reduce borrowing needed for General Fund operating purposes.
7. The City will not increase accruals and non-cash enhancements to revenues as a means to influence fund balances at year end.
8. All city agencies will maintain accurate inventories of physical assets, their condition, lifespan and cost. The Office of Finance and Administration will coordinate the master inventory of assets for the city.
9. The Treasury Division in the Office of Finance and Administration will develop, maintain and constantly seek to improve cash management systems which ensure the accurate and timely accounting, investment, and security to all cash assets. All cash received by City agencies will be deposited to Treasury accounts within twenty-four hours of receipt.
10. The City shall endeavor to reduce needless competition with other public and private providers and to ensure the most cost-effective and efficient provision of services.
11. General Fund overhead costs will be allocated according to consistent methodology developed in consultation between the Office of Finance and Administration and other fund managing bureaus.
12. The City will strive to ensure the City service priorities keep pace with the dynamic needs of the community by incorporating a service needs review as part of the budget process.

VI. EMPLOYEE COMPENSATION AND SUPPORT

INTRODUCTION: Personal services costs comprise a significant percentage of the City's Operating Funds budget. The City of Portland is fortunate to have employees who are dedicated to the City and to public service. These employees are vital to the City's ability to meet its services demands. The City expects its workers to be highly productive. In return, the City must fairly compensate, train and equip its employees in order to attract and keep high quality, productive employees. Subject to collective bargaining law, as appropriate, it is the City's "Total Compensation Policy" that

1. Direct and indirect compensation (wages, premiums, health benefits, vacations, holidays, and other leaves, pensions, etc.) are to be considered collectively in determining appropriate levels of compensation for employees.
2. Wage and benefits packages are considered "externally competitive" if they approximate the average of the total compensation offered in applicable labor markets for similar work.

3. Other factors such as compression between classes and the ease or difficulty of recruitment of qualified employees may also be considered in establishing wages and benefits.
4. Annual adjustment to the compensation plan may be based upon a formula that considers the consumer price index and that is consistent with the cost of living formulas found in collective bargaining agreements.

VII. CAPITAL PLANNING AND FINANCING POLICIES

INTRODUCTION: The City must preserve its current physical assets and plan in an orderly manner for future capital investments, including the operating costs associated with new capital improvements or major equipment budgeted as part of the CIP process.

The City must make the capital investment needed to support and enhance the delivery of basic services. This commitment is important because the demands for basic services (police officers on the street and fire fighters in the stations) often receive priority over infrastructure improvements (streets and fire stations and apparatus).

1. The City will maintain a strong bond rating that is consistent with other City goals.
2. Each bureau with major capital assets will develop and maintain five year capital plans. The actual bureau planning horizon for capital programs should relate to the useful life of capital assets, the term of financing, and industry standards for the particular type of asset. Since adopted citywide plans contain capital expenditure needs, bureaus will include projects from such plans in their capital plans. Capital plans will display proposed projects in a map format that can be included in the annual CIP.
3. The City will prepare, adopt and update annually a City five year Capital Improvement Plan that includes and prioritizes bureau needs for capital replacement and additions. The plan will include estimated projects costs and identify funding sources.
4. The City will prepare an annual Capital Budget which will include current year capital expenditures based on the first year of the current Capital Improvement Plan.
5. As part of the annual Capital Budget, the City will identify and include full costs of future maintenance needs and operating costs of new capital improvements and equipment prior to funding as part of the annual Capital Budget.
6. In general, all assets will be maintained at a level that protects capital investment and minimizes future maintenance and replacement costs. The City will maintain accurate

information on the condition, lifespan and estimated replacement cost of its major physical assets to assist in long term planning.

7. The budget will provide sufficient funding for adequate operations, maintenance and scheduled replacement and enhancements of capital plant and equipment. Whenever bureaus identify that there is a significant discrepancy between the need to maintain / modernize City infrastructure or facilities and the funds available for such improvements, the fund manager will prepare and present to Council a strategy for meeting such needs.
8. In general, maintenance and operations of capital facilities should be given priority over acquisition of new facilities, unless a cost/benefit analysis indicates to the contrary. In addition, State or federal mandates or new service demands may require acquisition of new facilities even when maintenance needs are not fully met.
9. A high priority should be placed on maintenance where deferring maintenance will result in greater costs to restore or replace neglected facilities.
10. The City may finance the improvement of transportation, water, wastewater, and other public improvements through creation of Local Improvements Districts (LIDs). Unless otherwise directed by Council, LID assessments will include all costs associated with the project, including but not limited to financing, and administrative costs. The City will take actions to ensure that financial risk to the City is minimized.

VIII. INTERGOVERNMENTAL REVENUES AND RELATIONS

INTRODUCTION: Many service costs of the City are influenced by other governments, either because of service overlap or service mandates imposed by State and Federal governments. The City must take advantage of opportunities to enhance service delivery through intergovernmental cooperation, shared revenues and grants while aggressively opposing mandates that distort local service priorities.

1. The City will avoid using grants to meet on-going service delivery needs. In the City's financial planning, grants will be treated in the same manner as all temporary and uncertain resources and should not fund on-going, basic service needs.
2. All grant applications will be reviewed by the Grants Division of OF&A to ensure compliance with State, Federal and City regulations. This review must occur before a grant application submittal, or acceptance in cases of no application.
3. The City will budget expenditures for grant-funded programs only after grant award or

letter of commitment, and only for the amount of grant award. Entitlement programs will be budgeted based on expected revenues. City overhead or indirect costs for grant-funded programs will be included in all grant proposals, where permitted.

4. The City will aggressively oppose State or Federal actions that mandate expenditures which the Council considers unnecessary. The City will pursue intergovernmental funding to support the incremental cost of those mandates.
5. The City will work with other governments to identify the jurisdiction most capable and appropriate to provide specific public services. When the City cannot simply transfer responsibility for service deliver, it will consider intergovernmental agreements and contract for service delivery.

IX. ACCOUNTING STRUCTURE POLICIES

INTRODUCTION: The City is a complex financial and service organization. Its financial operations are organized into three types of funds (Governmental, Proprietary, and Fiduciary). All funds and City operations must work to achieve the City's mission and goals.

1. The City manages all funds to meet the objectives of a single comprehensive long range financial plan.
2. Funds
 - A. The City will minimize the number of funds. The funds will be categorized by standard GAAP functional classifications but may also be referred to by City of Portland fund types.
 - B. Appendix A of this policy lists current Funds and their standard GAAP functional classification as well as their City fund type.
3. Purpose Statement for Funds
 - A. Each fund in the City will have a Statement of Purpose which includes the following items:
 - 1.) Purpose(s) of the fund
 - 2.) Source(s) of revenues to the fund
 - 3.) A method of establishing annual contributions to the fund, if any
 - 4.) The Bureau responsible for managing the fund.
 - 5.) Size and use of contingency, if any. Contingency levels will be based on the uncertainties associated with the purposes of the fund
 - 6.) Size, purpose and alternative means of meeting required reserves, if any
Required reserve levels will be based on long term operating needs of the fund and prudent management requirements.

- B. The Internal Service funds will include additional information in the Statement of Purpose, as follows, if appropriate:
 - 1.) For purchase of capital items, a method for periodically testing the cost-effectiveness of pre-funding capital replacement vs. leasing or lease purchasing. Each fund statement will indicate what level of purchases are suitable for either direct cash payment or financing.
 - 2.) Clear equipment replacement policies and identifiable equipment reserves, where appropriate.
 - 3.) A method of clearly accounting for equipment reserves from and purchases for each bureau.
 - 4.) A policy and procedure for protecting capital reserves from being used for operating purposes.
 - 5.) A method for periodically testing the cost-effectiveness of internal provision of services vs. contacting out or direct purchase of all or part of the services provided by the fund. For insurance type funds this will mean a method for periodically testing the cost-effectiveness of self-insurance vs. purchase of all or part of the City's insurance needs; and internal or contracted claims and loss control services.
 - C. Funds that receive a General Fund subsidy in addition to fees and charges or dedicated revenues will include a rationale for General Fund subsidy and a means for determining the annual level of that subsidy or conditions under which the subsidy should be eliminated.
 - D. Enterprise Funds will include:
 - 1.) Required level of debt service coverage for the fund.
 - 2.) Relationship between operating and construction funds.
 - E. Existing funds will be so described by fund managers, and adopted by Council resolution, within one year of the adoption of this policy.
- 4. The Office of Finance and Administration will do annual review of all funds to determine if each is still serving a useful purpose and is needed.
 - 5. New funds must be created by resolution of Council containing the above required descriptions. A review and report by OF&A will be required precedent to Council action.

X. AFFILIATED AGENCIES

INTRODUCTION: City Charter, Council action, inter-governmental agreements and state and federal laws have created a number of agencies which are affiliated with the City and which can have an adverse effect on the City if not managed to the same financial standards as direct City

agencies. It is necessary to spell out standards of financial operations for these organizations in order to protect the City's fiscal status.

1. Affiliated Agencies will be accountable for financial compliance and reporting standards as established in this document.
2. The Criteria for defining Affiliated Agencies will include any of the following:
 - a. Created by City Charter or Council action
 - b. Leadership appointed by the City Council
 - c. A majority of funds are received from the City

XI. OTHER FINANCIAL POLICIES

INTRODUCTION: The City has adopted several other financial policies that guide City operations. It is necessary to recognize them as elements of this Comprehensive Financial Management Policy. The following City financial policies are incorporated as part of this policy:

1. Investment Policy
2. Debt Management Policy
3. Urban Services Policy
4. Transportation Funding Policy
5. Revenue Allocation Policy
6. Interagency Agreement Policy
7. Local Improvement District Financing Policy
8. Reserve Policy

GENERAL FUND REVENUE POLICY

Resolution No. 35006

Adopt a General Fund Revenue Policy. (Resolution)

WHEREAS, increasing emphasis is being place on support of city programs through the implementation and use of fees, and

WHEREAS, bureaus have been encouraged to seek new and innovative means of supporting services which might otherwise be significantly reduced or eliminated because of their relative priority in comparison to other City services and the scarcity of General Fund discretionary resources and

WHEREAS, advancements in the use of fees and charges have been achieved in piecemeal manner and in the absence of City-wide policy,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Portland, Oregon that:

1. The General Fund Revenue Policy, attached hereto as Exhibit I, is hereby adopted as the City of Portland's General Fund Revenue Policy.
2. This policy shall apply to all General Fund bureaus of the City of Portland.
3. This policy shall apply to "non-discretionary" General Fund revenues including permits, service charges and fees, and sales, and in some cases to contracts and interagency agreements.
4. Bureaus regularly budgeting fee revenue are required to complete a Cost of Service Study.
5. Revenues effected by this policy shall be dedicated to the bureaus in which they are generated.
6. Year-end revenue shortfalls and surpluses shall be allocated to the Bureau and the General Fund budgets in accordance with completed cost-of-service studies.

Adopted by Council, June 17, 1992
Mayor J.E. Bud Clark
SCB:jb
June 11, 1992

Barbara Clark
Auditor of the City of Portland

EXHIBIT I
OFFICE OF FINANCE AND ADMINISTRATION

updated June 1996

POLICY OVERVIEW

The following principles underlay the City's General Fund Revenue Policy:

- City services that provide private benefit should be paid for by fees and charges. A "private benefit" should be viewed as one which benefits the user and whose quantity, quality, and/or number of units may be specified. Examples would include parks usage fees, plans review fees, site rental fees, etc. The will maximize flexibility in the use of general city taxes to meet the cost of broader public services.
- All bureaus charging fees are required to complete and present for review by OF&A and subsequently for action by Council fee studies based upon cost-of-service principles. These studies are to be updated at a minimum every two years.
- In performing fee studies and developing fee structures, bureaus shall take into account:
 - The degree to which a service provides a general benefit or public good in addition to the private good provided to a specific business, property, or individual;
 - The economic impact of new or expanded fees, especially in terms of comparability with other governmental jurisdictions within the metropolitan area;
 - The true or comprehensive cost of providing a service.
 - The impact of imposing or increasing the fee upon populations at risk and the achievement of other city goals.
- All fee revenues are dedicated to the Bureau in which they are generated.

SCOPE OF POLICY

This Policy applies to General Fund Bureaus. Because of their financial structure, both Enterprise and Operating Funds automatically dedicate revenues to their respective services. The methodology utilized by these funds in establishing fees and charges will continue to be reviewed in their respective financial plans the initial step in the annual budget process. For General Fund bureaus, all bureau-specific revenues are dedicated to the bureaus through which they are generated. This means that bureaus are responsible for the preparation of revenue forecasts, the tracking of receipts, and the administration of all related changes during the fiscal year. Each Bureau is responsible for attaining revenue estimates. These are reported in the quarterly budget process, and adjustments are made to appropriations accordingly.

Revenue categories covered by this policy are permits, service charges and fees, and sales. Contracts and inter-agency agreements which result in surplus may also be included, provided that such surplus does not violate the conditions imposed under the contract or inter-agency agreement.

Excluded are the major non-Bureau specific General Fund revenue categories of Property Taxes, Utility License Fees, Franchise Fees, business License Fees, Lodging Tax, Interest earnings, Local Government Sources, and State Sources. These resources will continue to be categorized as discretionary and be allocated to Bureaus as part of the annual budget process. Also excluded are donations and grants.

GUIDELINES

The following guidelines will be followed by bureaus in developing and updating fees:

Bureau Responsibilities

Each Bureau which produces revenues (as identified above) responsible for:

- Preparing annual revenue estimates as part of the annual budget request. These estimates should be developed after completion of a cost-of-service study. Annual review of fee schedules should include necessary adjustments to cover inflation.
- Monitoring actual revenue receipts throughout the fiscal year. Report on status within the quarterly budget reports.
- Adjusting budgets as necessary in response to total revenue shortfalls and surpluses occurring during the fiscal year. These adjustments will occur in conjunction with the quarterly review process. Bureaus will need to decrease appropriation when total Bureau specific resources are projected to be less than budgeted.

Bureau of Financial Planning Responsibilities

It is the responsibility of the Bureau of Financial Planning to work with the bureaus in developing, implementing, and monitoring fees in the following ways:

- The Bureau of Financial Planning is responsible for reviewing bureau rates and revenue estimates as well as monitoring the receipt of bureau revenues. Variances between planned and actual revenues are reported to Council in the Quarterly budget Report along with recommended actions.
- All Bureau request for adjustments related to revenues will require the review of the Office of Finance and Administration prior to Council action in accordance with procedures for the Council Calendar or Quarterly review process.
- Bureau of Financial Planning staff provide assistance to bureaus in completing fee studies.

Revenue Surpluses

- Current year surplus revenues above the budgeted revenue estimate shall be available to the Bureau for appropriation through the quarterly ordinance process. Additional appropriation shall be used for activities supporting the sources generating the additional fees.
- Bureaus recognizing a revenue surplus may elect to establish a reserve or “rainy day fund” with all or part of the surplus. The Bureau will develop a policy for the creation and use of the fund. Use of funds from the reserve will be identified and justified in the quarterly or annual budget process, in accordance with the policy adopted by the bureau. Such reserve accounts will be budgeted as special appropriations.
- Year-end surpluses and shortfalls shall be treated in accordance with the ratio outlined in the bureau’s cost of service study. In the absence of a cost of service study, the surplus shall be available or the shortfall absorbed at a level of 50% to the bureau and 50% to the General Fund.

Revenue Shortfalls

- It is the responsibility of each Bureau to achieve budgeted revenues. In the event of a projected total revenue shortfall, the Bureau is required to document other offsetting revenues, or reduce its budget within the quarterly budget report.
- Additional General Fund discretionary appropriation will not be transferred to cover revenue shortfalls without Council authorization.

GENERAL FUND REVENUE POLICY

Resolution No. 35006

- A five percent (5%) margin of error is established as acceptable for fee projection and collection. Bureaus will share any amount of surplus in the manner outlined in the section above. In the event of a shortfall, this policy shall take effect when the shortfall exceeds 5% of the total non-discretionary revenue. In such case, the bureau will reduce expenditures in non-discretionary funded programs by the same percentage identified in the cost of service study, or 50-50 in the absence of a cost of service study.

DEBT MANAGMENT POLICIES

I. SELECTION OF FINANCE CONSULTANTS AND SERVICE PROVIDERS

The City's Debt Manager shall be responsible for establishing a solicitation and selection process for securing professional services that are required to develop and implement the City's debt program. Goals of the solicitation and selection process shall include encouraging participation from qualified service providers, both local and national, and securing services at competitive prices.

A. Bond Counsel. As part of its responsibility to oversee and coordinate the marketing of all City indebtedness, the City Attorney, with advice of the Debt Manager and a committee representing City Bureaus, Agencies, and Commissions with capital financing needs, shall make recommendations to the City Council regarding the selection of Bond Counsel to be employed and the duration of the employment for individual or a series of financings. The solicitation and selection process for such services will comply with City Code requirements for Professional, Technical, and Expert Services. The Council shall make such selection, taking into consideration these recommendations.

B. Underwriters. The Debt Manager shall solicit proposals for underwriting services for all debt issued in a negotiated or private placement sale mode. The solicitation process used for these services shall comply fully with City Code requirements for Professional, Technical, and Expert Services, and shall include formation of a review committee to evaluate written proposals and, if deemed necessary, conduct oral interviews. In addition, the proposal solicitation and selection process for negotiated sales as developed by the Debt Manager, and amended from time to time, shall also be followed. The selection of underwriters may be for an individual or series of financings or a specified time period. The Council shall make such selections taking into consideration the recommendations of the review committee.

C. Financial Advisor. The Debt Manager, with advice of a committee representing City Bureaus, Agencies, and Commissions with capital financing needs, shall make recommendations to the City Council regarding the selection of financial advisors to be employed and the duration of such employment. The solicitation and selection process for such services will comply with City Code requirements for Professional, Technical, and Expert Services. The time period for employment may relate to an individual or a series of financings, or for a specified period of time.

D. Paying Agent. The Debt Manager, in consultation with the City Treasurer, shall solicit periodically for paying agent services from qualified commercial and trustee banks. The cost of providing such services shall be used by the Debt Manager, along with other qualitative measurements, in developing a Paying Agent recommendation to City Council, along with the term of such agreement.

E. Other Service Providers. The Debt Manager shall periodically solicit for other service providers (escrow agents, verification agents, trustees, etc.). The cost of providing such services shall be used by the Debt Manager in developing a recommendation to City Council, along with the term of such agreement.

DEBT MANAGEMENT POLICIES

II. COMPREHENSIVE CAPITAL PLANNING AND FINANCING SYSTEM

A. **Capital Planning and Financing System.** The City shall develop a capital planning and financing system for use in preparing a multi-year Capital Improvement Plan for consideration and adoption by the City Council as part of the City's budget process. Individual bureaus and agencies shall prepare multi-year capital plans and coordination and preparation of the City-wide Capital Improvement Plan shall reside with the Office of Finance and Administration. This Plan shall be for the coming five fiscal years and shall be updated periodically. The Plan shall contain a comprehensive description of the sources of funds and the timing of capital projects for future operating and capital budgets, effect of the projects on future debt sales, debt outstanding, and debt service requirements, and the impact on future debt burdens and current revenue requirements. In this latter regard, the Plan shall, analyze the conformance of the planned financings with policy targets regarding the (1) magnitude and composition of the City's indebtedness, and (2) the economic and fiscal resources of the City to bear such indebtedness over the next five years. Affordability impacts of the Plan shall be evaluated in consultation with the various City Bureaus.

B. **Debt Calendar and Financing Priorities.** It shall be the responsibility of the Debt Manager, within the context of the Capital Improvement Plan, to oversee and coordinate the timing, process of issuance, and marketing of the City's borrowing and capital funding activities required in support of the Plan. In this capacity, the Debt Manager shall make recommendations to the City Council regarding necessary and desirable actions and shall keep it informed through regular and special reports as to the progress and results of current-year activities under the Plan.

C. **Funding of Capital Outlays.** As part of its capital financing philosophy, the City shall make contributions from its own current revenues, or from outside funding sources such as state or federal grants, to each capital project or program equal to at least 5% of its total capital cost.

D. **Maintenance, Replacement and Renewal.** Consistent with its philosophy of keeping its capital facilities and infrastructure systems in good repair and to maximize the capital stock's useful life, the City should set aside sufficient current revenues to finance ongoing maintenance needs and to provide reserves for periodic replacement and renewal.

E. **Debt Authorization.** No City debt issued for the purpose of funding capital projects shall be authorized by the City Council unless it has been included in the Capital Improvement Plan or until the Council has modified the Plan. Such modification shall occur only after the Council has received a report of the impact of the contemplated borrowing on the existing Capital Improvement Plan and recommendations as to the financing arrangements from the Debt Manager and the Office of Finance and Administration.

DEBT MANAGEMENT POLICIES

III. LIMITATIONS ON CITY INDEBTEDNESS

A. Target Limitations on Non-Self-Supporting Unlimited Tax General Obligation Indebtedness. The City shall, as a matter of policy, conduct its finances so that the amount of direct, non-self-supporting, unlimited tax general obligation ("UTGO") debt outstanding at any time that is subject to approval by the voters (excluding long-term, non-self-supporting leases) does not exceed 0.75% of the City's taxable assessed valuation.

B. Target Limitations on Non-Self-Supporting Limited Tax General Obligation Indebtedness and Full Faith and Credit Lease-Purchase Obligations. The City shall, as a matter of policy, conduct its finances so that the amount of direct, non-self-supporting, limited tax general obligation ("LTGO") debt and full faith and credit lease purchase obligations outstanding at any time that are not subject to approval by the voters does not exceed 1.0% of the City's taxable assessed valuation. Furthermore, the City shall strive to limit the annual debt service requirements on these obligations to an amount that is not greater than 10% of annual General Fund revenues.

These limitations apply to debt obligations issued with a specific LTGO pledge, obligations secured by a pledge of the City's full faith and credit, and obligations that are in effect secured by a LTGO pledge and are not self-supporting, or which are paid for from General Fund monies. Also included within this limitation are any other loan agreements entered into directly by the City or secured indirectly by a pledge of the City's General Fund.

C. Target Limitations on Lease-Purchase Financing of Equipment and Furnishings. The City may enter into short-term lease-purchase obligations to finance the acquisition of capital equipment and furnishings with estimated useful lives of less than ten years. Outstanding lease-purchase obligations issued to finance capital equipment and furnishings shall not exceed 0.125% of the City's taxable assessed valuation. Repayment of these lease-purchase obligations shall occur over a period not to exceed the useful life of the underlying asset or in any case no longer than five years from the dated date of such obligations. The Debt Management Group of the Office of Finance and Administration shall be responsible for developing procedures for use by City Bureaus interested in participating in the lease-purchase program, and for setting repayment terms and amortization schedules, in consultation with participating Bureaus.

D. Limitations on General Fund Loan Guarantees and Credit Support. As part of the City's financing activities, General Fund resources may be used to provide credit support or loan guarantees for public or private developments that meet high priority City needs. Before such General Fund commitments are made, specific policy goals and objectives that determine the nature and type of projects qualifying for such support, and specific limitations to be placed on the maximum amount of General Fund resources pledged to such projects shall be developed. The Office of Finance and Administration shall be responsible for coordinating the development of such policies and goals, which shall not take effect until approved by the City Council. General Fund loan guarantees shall be subject to the overall debt limitations set forth in B, above.

Recognizing the limited capacity of the City's General Fund to support both ongoing operating programs and secure long-term debt obligations, use of the General Fund to secure such obligations must first be approved by the Debt Manager and the Director of the Office of Finance and Administration. Key factors that will be considered in determining whether or not the General Fund should be used to secure a particular debt obligation will include the following:

1. Demonstration of underlying self-support, thus limiting potential General Fund financial exposure.

DEBT MANAGEMENT POLICIES

2. Use of General Fund support as a transition to a fully stand alone credit structure, where interim use of General Fund credit support reduces borrowing costs and provides a credit history for new or hard to establish credits.
3. General Fund support is determined by the City Council to be in the City's overall best interest.

E. Target Limitations on the Issuance of Revenue-Secured Debt Obligations. The City shall seek to finance the capital needs of its revenue producing enterprise activities through the issuance of revenue-secured debt obligations. Prior to issuing revenue-secured debt obligations, City Bureaus, in consultation with the Debt Manager, will develop financial plans and projections showing the feasibility of the planned financing, required rates and charges needed to support the planned financing, and the impact of the planned financing on ratepayers, property owners, City Bureaus, and other affected parties. The amount of revenue-secured debt obligations issued by a City Bureau will be limited by the feasibility of the overall financing plan as determined by the Debt Manager.

Revenue-secured debt obligations must first be reviewed and approved by the Debt Manager and the Director of the Office of Finance and Administration before being issued.

IV. STRUCTURE AND TERM OF CITY INDEBTEDNESS

A. Rapidity of Debt Repayment. Generally, borrowings by the City should be of a duration that does not exceed the economic life of the improvement that it finances and where feasible should be shorter than the projected economic life. Moreover, to the extent possible, the City should design the repayment of debt so as to recapture rapidly its credit capacity for future use. The City shall strive to repay the principal amount of its long-term general obligation debt (both voter and non-voter approved) according to the following schedule: at least 20% in five years and 40% in ten years. The City may choose to structure debt repayment so as to wraparound existing obligations or to achieve other financial planning goals. Such alternative structures shall be subject to the approval of the Debt Manager and Director of the Office of Finance and Administration, in consultation with the involved Bureaus, before being recommended to the City Council.

B. Use of Variable-Rate Securities. When appropriate, the City may choose to issue securities that pay a rate of interest that varies according to a pre-determined formula or results from a periodic remarketing of the securities. The decision to issue such securities must be reviewed and approved by the Debt Manager and the Director of the Office of Finance and Administration, in consultation with the City Treasurer, before Council is requested to approve their issuance.

C. Pledge of Restricted Funds to Secure Debt. The City has the power to make an irrevocable pledge of a security interest in an account created exclusively for the security of holders of City obligations. Before such funds are used to secure a prospective financing, policies regarding the use of such restricted funds shall be developed by the affected Bureau and the Debt Manager, subject to approval by the Director of the Office of Finance and Administration, to ensure that the use of such funds to secure bonds does not violate restrictions on such funds and that underlying program commitments can be maintained in addition to meeting debt service obligations on debt secured by the restricted funds. These policies shall be presented as recommendations to Council prior to or at the time issuance of the secured debt is to be authorized.

DEBT MANAGEMENT POLICIES

D. Use of Subordinate Lien Obligations. Creation of a subordinate lien financing structure, if appropriate, shall be based on the overall financing needs of a particular bureau, expected credit ratings, relative cost of a subordinate lien structure, and impacts on the City as determined by the Debt Manager and the Director of the Office of Finance and Administration, in consultation with the involved Bureau. The results of this review shall be presented in the form of recommendations to Council for consideration prior to or at the time such bonds are being authorized.

V. METHOD OF SALE

A. Competitive Sale. The City, as a matter of policy, shall seek to issue its debt obligations in a competitive sale unless it is determined by the Debt Manager that such a sale method will not produce the best results for the City. In such instances where the City in a competitive bidding for its debt securities (whether general obligation or non-general obligation debt) deems the bids received as unsatisfactory or does not receive bids, it may, at the election of the City Council, enter into negotiation for sale of the securities.

B. Negotiated Sale. When determined appropriate by the Debt Manager and approved by the Director of the Office of Finance and Administration, the City may elect to sell its debt obligations through a negotiated sale. Such determination may be made on an issue by issue basis, for a series of issues, or for part or all of a specific financing program. Selection of the underwriting team shall be made pursuant to selection procedures set forth in these Debt Policies, consistent with City Code.

C. Private Placement. When determined appropriate by the Debt Manager and approved by the Director of the Office of Finance and Administration, the City may elect to sell its debt obligations through a private placement or limited public offering. Selection of a placement agent shall be made pursuant to selection procedures developed by the Debt Manager, consistent with City Code.

D. Official Bid Form. The City shall design an official bid form to be made part of each official notice of sale published in conjunction with the sale of debt securities in a competitive sale by the City.

VI. SHORT-TERM DEBT AND INTERIM FINANCING

A. Lines and Letters of Credit. Where their use is judged by the Debt Manager to be prudent and advantageous to the City, the City has the power to enter into agreements with commercial banks or other financial entities for purposes of acquiring lines or letters of credit that shall provide the City with access to credit under terms and conditions as specified in such agreements. Before entering into any such agreements, takeout financing for such lines or letters of credit must be planned for and determined to be feasible by the Debt Manager. Any agreements with financial institutions for the acquisition of lines or letters of credit shall be approved by the City Council. Lines and letters of credit entered into by the City shall be in support of projects contained in the approved Capital Improvement Plan.

B. Bond Anticipation Notes. Where their use is judged by the Debt Manager to be prudent and advantageous to the City, the City may choose to issue Bond Anticipation Notes as a source of interim construction financing. Before issuing such notes, takeout financing for such notes must be planned for and determined to be feasible by the Debt Manager. Bond Anticipation Notes may be sold in either a competitive or negotiated sale, subject to authorization and approval by the City Council.

DEBT MANAGEMENT POLICIES

C. **Tax and Revenue Anticipation Notes.** Where their use is judged by the Debt Manager to be prudent and advantageous to the City, the City may choose to issue Tax and Revenue Anticipation Notes to fund internal working capital cashflow needs. Before issuing such notes, cashflow projections will be prepared by the appropriate City Bureaus and reviewed by the Debt Manager. Tax and Revenue Anticipation Notes may be sold in either a competitive or negotiated sale, subject to authorization and approval by the City Council.

D. **Tax Exempt Commercial Paper.** The City may choose to issue Tax Exempt Commercial Paper as a source of interim construction financing for projects contained in the City's approved Capital Improvement Plan only after the Debt Manager, in consultation with the City Treasurer, determines that such a financing represents the least cost interim financing option for the City. Furthermore, Tax Exempt Commercial Paper shall not be issued for City capital programs unless it is of sufficient economic size as determined by the Debt Manager. A report recommending the issuance of Tax Exempt Commercial Paper must first be approved by the Director of the Office of Finance and Administration, before recommendations are made to City Council authorizing the establishment of such a program.

VII. IMPROVEMENT DISTRICT AND ASSESSMENT CONTRACT FINANCING

A. **Financing Policies.** The policies guiding the City's improvement district and assessment contract financing program shall be guided by City Council Resolution No. 34847, as amended.

B. **Interest Rates on Improvement Assessment Loans.** The contract interest rate on loans made from the proceeds of Improvement Assessment Bonds shall be equal to the effective interest rate paid on the bonds sold to finance such loans plus an additional percentage markup to cover self-insurance and loan servicing costs. The self-insurance and servicing charge markup shall be adjusted annually based upon the historical Improvement Assessment Bond collection history and consultation among the Auditor's Office, the Debt Manager, and the City Treasurer. The contract interest rate shall be determined on the day of the sale of Improvement Assessment Bonds for those assessment contracts financed with proceeds of the sale.

C. **Interim Assessment Contract Interest Rates.** The interim assessment contract interest rate is the interest rate set on contracts that precede the sale of Improvement Assessment Bonds. This rate shall be set at a level deemed reasonable and prudent by the Debt Manager and the Auditor's Office to insure that funds collected through assessment contract payments are sufficient to meet that portion of future debt service requirements on Improvement Assessment Bonds attributable to such contracts.

D. **Commitment to Self-Supporting Improvement District Financings.** Consistent with the concept of Improvement Assessment financing, all of the City's Improvement Assessment indebtedness shall be self-supporting. Prior to the issuance of Improvement Assessment Bonds, the Auditor's Office shall review projected cash flows which incorporate scheduled assessment contract payments, prepayments, delinquencies, and non-payments with the Debt Manager to ensure that the proposed Bonds shall meet the City's self-support requirement.

DEBT MANAGMENT POLICIES

VIII. REFUNDING OF CITY INDEBTEDNESS

A. Debt Service Savings--Advance Refundings. The City may issue advance refunding bonds (as defined for federal tax law purposes) when advantageous, legally permissible, prudent, and net present value savings, expressed as a percentage of the par amount of the refunding bonds, equal or exceed 5 percent. Exceptions to this requirement shall be made only upon the approval of the Debt Manager and the Director of the Office of Finance and Administration.

B. Debt Service Savings--Current Refundings. The City may issue current refunding bonds (as defined for federal tax law purposes) when advantageous, legally permissible, prudent, and net present value savings equal or exceed \$100,000.

C. Restructuring of Debt. The City may choose to refund outstanding indebtedness when existing bond covenants or other financial structures impinge on prudent and sound financial management. Savings requirements for current or advance refundings undertaken to restructure debt may be waived by the Debt Manager and the Director of the Office of Finance Administration upon a finding that such a restructuring is in the City's overall best financial interests.

D. Open Market Purchase of City Securities. The City may choose to defease its outstanding indebtedness through purchases of its securities on the open market when market conditions make such an option financially feasible. The Debt Manager and the City Treasurer shall be responsible for developing procedures for executing open market purchases and the savings objectives to be achieved by undertaking such actions.

IX. USE OF CREDIT ENHANCEMENT

The City shall seek to use credit enhancement (letters of credit, bond insurance, surety bonds, etc.) when such credit enhancement proves cost-effective. Selection of credit enhancement providers shall be subject to a competitive bid process developed by the Debt Manager. Credit enhancement may be used to improve or establish a credit rating on a City debt obligation even if such credit enhancement is not cost effective if, in the opinion of the Debt Manager, the use of such credit enhancement meets the City's debt financing goals and objectives.

X. REBATE REPORTING AND COVENANT COMPLIANCE

The Debt Management Group in the Office of Finance and Administration shall establish a system of record keeping and reporting to meet the arbitrage rebate compliance requirements of the federal tax code. This effort shall include tracking investment earnings on bond proceeds, calculating rebate payments in compliance with tax law, and remitting any rebatable earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the City's outstanding debt issues. Additionally, general financial reporting and certification requirements embodied in bond covenants shall be monitored to ensure that all covenants are complied with.

DEBT MANAGEMENT POLICIES

XI. CONDUIT FINANCINGS

The City may sponsor conduit financings for those activities (i.e., economic development, housing, health facilities, etc.) that have a general public purpose and are consistent with the City's overall service and policy objectives as determined by the Portland Development Commission. All conduit financings must insulate the City completely from any credit risk or exposure and must first be approved by the Debt Manager and the Director of the Office of Finance and Administration before being submitted to City Council for authorization and implementation.

XII. FINANCING PROPOSALS

Any capital financing proposal made to a City Bureau, Agency, or Commission involving a pledge or other extension of the City's credit through the sale of securities, execution of loans or leases, or making of guarantees or otherwise involving directly or indirectly the lending or pledging of the City's credit shall be referred to the Debt Manager, who in a timely manner shall be responsible for analyzing the proposal, responding to the proposal, and recommending to the Director of the Office of Finance and Administration the required action to be taken.

XIII. DERIVATIVE PRODUCTS

The City may in the future choose to enter into contracts and financing agreements involving interest rate swaps, floating/fixed rate auction or reset securities, or other forms of debt bearing synthetically determined interest rates as authorized under Oregon statutes. Before entering into such contracts or agreements, a review team consisting of the Debt Manager, the City Treasurer, and appropriate bureau staff and outside consultants shall be formed to review the risks and benefits of such financing techniques and expected impacts on the City's long-term financial operations and credit ratings. The report, when completed, shall be presented to the Director of the Office of Finance and Administration for review and approval before any recommendations are submitted to the City Council for authorization and implementation.

XIV. OTHER POLICIES AND REQUIREMENTS

A. **Annual Audit of City.** The annual audit of the City shall describe in detail all funds and fund balances established as part of any direct debt financing of the City. The audit may also contain a report detailing any material or rate covenants contained in any direct offering of the City and whether or not such covenants have been satisfied.

XV. CREDIT RATINGS

A. **Rating Agency Relationships.** The Debt Manager shall be responsible for maintaining relationships with the rating agencies that currently assign ratings to the City's various debt obligations. This effort shall include providing periodic updates on the City's general financial condition along with coordinating meetings and presentations in conjunction with a new debt issuance.

B. **Use of Rating Agencies.** The Debt Manager shall be responsible for determining whether or not a rating shall be requested on a particular financing, and which of the major rating agencies shall be asked to provide such a rating.

DEBT MANAGMENT POLICIES

C. Minimum Long-Term Rating Requirements. The City's minimum rating requirement for its direct, long-term, debt obligations is a rating of "A" or higher. If such a debt obligation cannot meet this requirement based on its underlying credit strength, then credit enhancement shall be sought to ensure that the minimum rating is achieved. If credit enhancement is unavailable or is determined by the Debt Manager to be uneconomic, then the obligations may be issued without a rating.

A lower rating standard may be accepted for indirect or conduit obligations, subject to the approval of the Debt Manager.

XVI. ONGOING DISCLOSURE

The Debt Manager shall be responsible for providing ongoing disclosure information to established national information repositories and for maintaining compliance with disclosure standards promulgated by state and national regulatory bodies.



CITY OF PORTLAND INVESTMENT POLICY

Resolution No. 35440

Adopt City of Portland Investment Policy.(Resolution)

WHEREAS, the City of Portland is allowed under State of Oregon law to invest its idle funds in United States Government or United States Agency securities; time deposits and bankers' acceptances of financial institutions located within Oregon; in commercial paper of financial institutions and corporations; and in the Local Government Investment Pool; and

WHEREAS, State of Oregon law (ORS 294.135) requires that the City of Portland annually adopt a formal Investment Policy; and

WHEREAS, there is a need to clearly define the criteria for operation of the City's investment portfolio; and

WHEREAS, the primary objective of the Investment Policy is to establish a conservative set of investment criteria that will prudently protect the City's principal sums and enable the City to generate a fair rate of return; and

WHEREAS, the Public Finance and Treasury Division of the Office of Finance and Administration is charged with responsibility for managing the City's investments; and

WHEREAS, the Office of Finance and Administration has developed a formal Investment Policy after seeking the advice of the City's Investment Advisory Committee; and

WHEREAS, the City of Portland is required under State of Oregon law (ORS 294.135) to submit the Investment Policy for review by the State of Oregon Short-Term Fund Board;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Portland, Oregon that:

1. The Investment Policy, attached hereto as Exhibit I, fulfills all State of Oregon, City Charter and Code mandated requirements, and is hereby adopted as the City of Portland's Investment Policy.
2. The City Treasurer shall submit the adopted Investment Policy to the State of Oregon Short-Term Fund Board for their review.
3. The City Treasurer shall be responsible for the implementation of the Investment Policy.
4. Amendments to the Investment Policy must be approved by the City Council.
5. This resolution shall remain in effect from the date of adoption unless a change is directed by Council.

Sept 7, 1995
Mayor Vera Katz

Barbara Clark
Auditor of the City of Portland, Oregon

EXHIBIT I**INVESTMENT POLICY
CITY OF PORTLAND, OREGON****PURPOSE**

This Policy sets forth current criteria for the operation of the investment portfolio. As economic conditions change, the Policy may need to be amended to reflect new trends and opportunities within the framework of this Policy. It will be recognized that the primary objective of the Investment Policy is to establish a conservative set of investment criteria that will prudently protect the City's principal sums and enable the City to generate a fair rate of return from its investment activities. This Policy applies to all funds on deposit at the City's Treasury.

RESPONSIBILITY

The City Treasurer will be responsible for the implementation of this Policy. In the absence of the City Treasurer, the City's Debt Manager shall perform the investment duties. Any amendments to this Policy must be approved by the City Council after seeking the advice of the Director of the Office of Finance and Administration, the City Treasurer, and the City's Investment Advisory Committee. The Director of the Office of Finance and Administration (or designee) will establish the maximum investment level with each Oregon financial institution after consulting with the Investment Advisory Committee. The City Council will adopt a City Investment Policy annually.

TYPES OF INVESTMENT AND DIVERSIFICATION

The following types of investments will be permitted in the City's investment portfolio:

◆ United States Treasury Debt Obligations

- Maximum % of Portfolio 100%
- Maximum Maturity 7 Years
- Securities held for safekeeping at the City's custodian Bank or successor.

September 1996

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◆ **United States Agency Debt Obligations**

- Maximum % of Portfolio 100%
- Maximum Maturity 2 Years
- Maximum % of Portfolio Per Issuer 25%
- Securities held for safekeeping at the City's custodian Bank or successor.

◆ **Repurchase Agreements Secured by United States Treasury Debt Obligations**

- Maximum % of Portfolio 30%
- Maximum Maturity 30 days
- Repurchase agreements with brokerage firms will only be executed with dealers from the list of Government Security Dealers reporting to the Market Reports Division of the Federal Reserve Bank of New York.
- Repurchase agreements cannot exceed 2% of brokerage firm's liabilities.
- A signed repurchase agreement will be obtained in advance of the initial execution of an investment.
- Securities which serve as collateral for repurchase agreements must be delivered to the City's Trust Account at the City's custodian bank or successor on a delivery versus payment basis.
- Only United States Treasury Securities shall be used in conjunction with the re-purchase agreement and such securities shall have a maturity of not longer than three years.
- The price paid by the Treasurer for United States Treasury Securities in the repurchase agreement shall not exceed amounts or percentages prescribed by written policy of the Oregon Investment Council or the Oregon Short-Term Fund Board created by ORS 294.885.

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◆ **Time Deposits in State of Oregon Financial Institutions Collateralized 25% by Securities as Required by Oregon Revised Statutes**

- Maximum % of Portfolio 50%
- Maximum Maturity 1 Year
- Maximum % of Portfolio Per Issuer 25%
- Securities held in vault at the City's Treasury

◆ **Bankers' Acceptance Issued by Financial Institutions in Compliance With the Provisions of ORS 294.035**

- Maximum Percent of Portfolio 50%
- Maximum Maturity 6 Months
- Maximum Percent of Portfolio Per Issuer 25%
- Securities held for safekeeping at the City's custodian Bank or successor Bank.

◆ **State of Oregon Local Government Investment Pool**

\$30.63 million maximum, with the exception of pass-through funds which must be withdrawn within ten (10) business days

◆ **Commercial Paper Issued by United States Corporations in Compliance With the Provisions of ORS 294.035**

- Investment Rating A-1, P-1
- Maximum Percent of Portfolio 25%
- Maximum Maturity 90 Days
- Maximum Percent of Portfolio Per Issuer 5%
- Securities held for safekeeping through the City's custodian Bank or successor

September 1996

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DISTRIBUTION OF PORTFOLIO MATURITIES

Distribution, by maturity, of the investments is illustrated below:

<u>Maturity</u>	<u>Percentage of Funds</u>
0-2 Years	50-100%
2-7 Years	0- 50%

This maturity structure applies to the Treasury's estimate of the lowest cash balance that the portfolio will reach during the next seven years. If, for example, the projected lowest cash balance is \$200 million, then up to \$100 million may be invested in the two to seven-year maturity range. All other funds must be invested in less than two year maturities and must meet the City's cash flow requirements. The City's Investment Advisory Committee will be consulted prior to implementing a strategy of purchasing securities with maturities beyond two years. The weighted average maturity shall never exceed eighteen (18) months.

BROKERAGE ALLOCATION

The Treasury will maintain a current list of all brokerage firms that have been approved by the Director of the Office of Finance and Administration (or designee) to conduct investment business with the City. The Treasury will obtain a minimum of three quotes from different brokers before it executes a government securities transaction, or purchases commercial paper issued by a corporation outside of Oregon on the national market. The allocation of brokerage business will be based upon which brokerage firm offers the best price to the City on each particular transaction. Where two or more brokers have offered the same best price, allocation will go to the investment firm that has provided the best service to the City.

When purchasing bankers' acceptances or commercial paper, the Treasury will compare interest rates on similar investments from other investment dealers. The Treasury will also determine that the rates being offered the city are rates comparable to those available for similar investments in the national market.

When purchasing time deposits, the Treasury will obtain interest rate bids from all Oregon financial institutions approved to do business with the City. The time deposits will be allocated to the highest interest rate offered the City, consistent with the maximum deposit levels set for each financial institution by the Director of the Office of Finance and Administration (or designee).

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METHOD OF ACCOUNTING

The City shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP). The accounting principles are those contained in the pronouncements of authoritative bodies including but not necessarily limited to, the American Institute of Certified Public Accountants (AICPA); the Financial Accounting Standards Board (FASB); and the Government Accounting Standards Board (GASB).

REPORTING REQUIREMENTS

The City Treasurer will provide the following reports on a monthly basis to the City's Investment Advisory Committee and the Director of the Office of Finance and Administration (or designee):

- ◆ A list of securities owned, with all maturities over one year priced at both cost and market value.
- ◆ A list of all investment transactions showing the net gain or loss on each investment.

PERFORMANCE EVALUATION

The City's investment performance shall be reviewed monthly by the Director of the Office of Finance and Administration.

ANALYSIS OF INVESTMENT RISKS

In analyzing the City's Investment Portfolio, there are three major risks that the City incurs through its investment activities. The first risk that the City faces is the interest rate risk. This risk is the uncertainty of the size of future incomes from securities caused by fluctuations in the general level of interest rates in the capital markets. Interest rates have fluctuated dramatically over the last ten years and, therefore, the City's Investment Policy is designed to minimize the interest rate risk. This is accomplished by limiting investments to a maximum maturity of seven years, and by investing to meet the City's cash flow requirements.

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The second risk that the City faces can be termed the purchasing power risk. This risk can be defined as the uncertainty of the purchasing power of interest and principal to be received in the future. It can be easily recognized that if the amount of income from a security in current dollars remains unchanged over a period of time while the price index is rising, then the amount of income in constant dollars declines and the constant value of the principal to be received also declines.

The final risk is the financial risk of not receiving principal and interest when due from an issuer. The design of the types of investments permitted by the Investment Policy seeks to minimize this risk by the conservative nature of the permissible investments and by establishing safe limits on the level of investments with Oregon financial institutions and issuers of commercial paper. A portfolio policy stressing a relatively short maturity serves to additionally minimize the financial risk.

Thus, it is the conclusion that the shorter the portfolio is in maturity, the less risk the City is incurring with regard to the three major risks that it faces. The policy of keeping 100% of the funds in seven year or less maturities leaves open the flexibility to earn capital gains on the City's investments by shifting funds out to longer maturity when interest rates are falling, yet avoids the extreme amount of exposure to the interest rate risk and purchasing power risk that we would incur in an even longer-term portfolio.

CITY OF PORTLAND INVESTMENT POLICY

Resolution No. 35440

September 17, 1996

MEMORANDUM

TO: Mayor Vera Katz
Commissioner Charlie Hales
Commissioner Gretchen Miller Kafoury
Commissioner Mike Lindberg
City Auditor Barbara Clark

FROM: Tim Grewe

SUBJECT: Council Resolution on Investment Policy

Attached is the Investment Policy developed by the Office of Finance and Administration. Oregon law pertaining to the investment of public funds requires the annual adoption of an Investment Policy. The City's Investment Advisory Committee has reviewed the Policy and recommends its adoption by Council.

The Investment Policy continues to reflect the conservative strategies the City has utilized since adoption of the first Policy nearly two decades ago. The Policy protects the City's financial reserves, while allowing the City to generate a market rate of return on its investments. The Policy's investment parameters and strategies have not changed from the previous Policy; however, some housekeeping changes related to format have been included.

If you have any questions, please call David Smith directly at 823-4584.

TG:DS:jb
Attached

GENERAL RESERVE FUND USE POLICY

Resolution No. 34722

Adopt a General Reserve Use Policy. (Resolution)

WHEREAS, over the past three years, and continuing with the approved FY 1990-91 budget the City Council has endeavored to rebuild General Fund reserves; and

WHEREAS, as a result of annual transfers and one-time unexpected revenues Council was able to achieve a five percent General Reserve in just three years; and

WHEREAS, the Auditor's Annual Financial Condition Report has recommended establishment to reserve levels equal to 10 to 15 percent of annual General Fund operating revenues, and a written financial management policy that includes policies on reserve requirement; and

WHEREAS, an increase in the City's reserves decreases the City's need for short-term borrowing which is an indication of the City's financial health; and

WHEREAS, actions taken in the FY 1990-91 Approved Budget transfer \$2 million toward a second five percent reserve; and

WHEREAS, it is important for Council to adopt a policy governing Council's use of the General Fund Reserve Fund.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Portland, Oregon that the attached General Fund Reserve Fund Use Policy (summarized below) be adopted:

1. The first five percent reserve is defined as an **emergency reserve** available to fund one-time , emergency, unanticipated expenditure requirements or offset unanticipated revenue fluctuations occurring within a fiscal year.
2. The **emergency reserve** will only be accessed when the result of emergency expenditures or an unexpected revenue reduction would likely result in a negative ending balance for the General Fund.
3. **Emergency Reserve** resources must begin to be restored in the fiscal year following their use. Restoration will be consistent with the Council's past practice of budgeting transfers totaling a minimum of \$1 million dollars a year to the General Reserve Fund.
4. The second five percent reserve is defined as **counter cyclical reserve** available to either maintain General Fund current service level programs or transition expenditure growth to match slower revenue growth during the first 18 to 24 months of a recession.
5. The **counter cyclical reserve** may be used when basic revenue growth (where "basic revenue" is defined as the sum of General Fund property tax, business license, utility license/franchise

GENERAL RESERVE FUND USE POLICY

Resolution No. 34722

fees, cigarette and liquor taxes, transient lodging taxes, and interest income) falls to below 5.5 percent for two consecutive quarters or the Financial Forecast estimates basic revenue growth will be below 5.5 percent for the next fiscal year, and one or more of the following conditions occurs in conjunction with slower revenue growth:

- * The Portland Metropolitan Area unemployment rate is reported above 6.5 percent for two consecutive quarters or the Financial Forecast estimates unemployment will average in excess of 6.5 percent for the next fiscal year.
 - * The property tax delinquency rate exceeds 8 percent.
 - * Actual business license year-to-year revenue growth falls below 5.5 percent for two consecutive quarters of the Financial Forecast estimates Business License revenue growth at less than 5.5 percent for the next fiscal year.
6. The Council should begin to restore **counter cyclical reserves** within 24 months of their first use.
 7. Revenue shortfalls associated with bureau service reimbursement income, contract income, or cost recovery income may not be offset by a transfer of resources from the General Reserve Fund.

Adopted by Council, May 3, 1990
Mayor J.E. Bud Clark
April 26, 1990
SCB:TG:RR

Barbara Clark
Auditor of the City of Portland

INTRODUCTION

Over the past three years and continuing with the proposed FY 1990-91 budget the Council, through past actions, established the General Reserve Fund to house and clearly identify the discretionary reserve within the budget. As a result of annual transfers and one-time unexpected revenues Council was able to achieve a five percent General Reserve in just three years. A general fund reserve is needed for two reasons:

- * To insulate General Fund programs and current service levels from large and unanticipated one-time expenditure requirements, a revenue reduction due to a change in state or federal legislation, resulting from adverse litigation, or similar unforeseen action.
- * To temporarily insulate General Fund programs and current service levels from slower revenue growth that typically occurs during an economic recession.

This reserve is not intended to be used because General Fund expenditure growth exceeds normal revenue growth.

The level of the reserve fund is measured as a percentage of the budgeted General Fund revenues net of short-term borrowing receipts. Analysis attached as Appendix A of the December 1989 **Financial Forecast** shows that a 10 percent reserve level is required.

The following paragraphs set out policy guidelines that could govern Council's use of reserve funds.

EMERGENCY RESERVE

The Council reserves the first five percent, or one half of the overall reserve as an Emergency Reserve. The emergency reserve is available to fund one-time emergency, unanticipated expenditure requirements or offset unanticipated revenue fluctuations occurring within a fiscal year. The reserve avoids the need to make budget adjustments outside of normal budget hearing process. The Council can withdraw funds from the emergency reserve after the General Fund's budgeted contingency is exhausted. The emergency reserve will only be accessed when the result of emergency expenditures or an unexpected revenue reduction would be that the General Fund would likely end the fiscal year with a negative ending fund balance.

Revenue shortfalls associated with bureau service reimbursement income, contract income, or cost recovery revenues may not be offset by a transfer of resources from the General Reserve Fund.

Restoration of the Emergency Reserves will begin the fiscal year following their use. Restoration will be consistent with the Council's past practice of budgeting transfers totaling a minimum of \$1 million dollars a year to the General Reserve Fund.

USE OF THE COUNTER CYCLICAL RESERVE

The second 5 percent of the reserve is designated as a **counter cyclical**. The Council will use this half of the reserve to either maintain General Fund current service level programs or transition expenditure growth to match slower revenue growth during the first 18- to 24 months of a recession. The counter cyclical reserve is designated for use as “bridge financing” necessary to offset slower revenue growth during a recession.

For purposes of this policy, slower or recessionary revenue growth triggers Council’s assessment of use of the reserve when:

- * Basic revenue growth falls to below 5.5 percent for two (2) consecutive quarters or the Financial Forecast estimates basic revenue growth will be below 5.5 percent for the next fiscal year. Basic Revenue is defined as the sum of General Fund property tax, business license, utility license/franchise fees, cigarette and liquor taxes, transient lodging taxes, and interest income.

In addition, one or more of the following conditions must occur in conjunction with slower basic revenue growth:

- * The Portland Metropolitan Area (PMSA) unemployment rate is reported above 6.5 percent for two (2) consecutive quarters or the Financial Forecast estimates PMSA unemployment will average in excess of 6.5 percent for the next fiscal year.
- * The property tax delinquency rate exceeds 8 percent.
- * Business license year-to-year revenue growth falls below 5.5 percent for two (2) consecutive quarters or the Financial Forecast estimates Business License revenue growth at less than 5.5 percent for the next fiscal year.

Exhibit A summarizes these indicators on an annual fiscal year basis for the period FY 1969-70 through FY 1998-89. Exhibit A shows that basic revenue growth below 5.5 percent occurred three times in the past two decades. Exhibit A should not be construed to suggest that use of reserves would avoid the need to reduce expenditure growth or possibly the absolute level of expenditures over a multi-year period.

Declines in Bureau specific cost recovery revenues, contract income, or service reimbursement income may not be offset by transfer of counter cyclical reserve resources.

The Council should begin to restore Counter cyclical Reserves used under the guidelines with 24 months after their first use.

GENERAL RESERVE FUND USE POLICY

Resolution No. 34722

City of Portland - History of Counter Cyclical Reserve Use Indicators								
Basic Revenues			PMSA Unemployment Rate		Property Tax Delinquency Rate		Business License Revenue	
Fiscal Year	Growth (%)	Below 5.5%	Rate (%)	Over 6.5%	Rate (%)	Over 8.0%	Growth (%)	Below 5.0%
1971	4.9%	Below 5.5%	7.6%	Over 6.5%	8.2%	Over 8.0%	0.6%	Below 5.0%
1972	9.1%	NA	6.9%	Over 6.5%	7.1%	NA	5.4%	Below 5.0%
1973	9.3%	NA	5.6%	NA	6.8%	NA	14.9%	NA
1974	7.0%	NA	5.8%	NA	12.2%	Over 8.0%	33.4%	NA
1975	4.9%	Below 5.5%	7.8%	Over 6.5%	10.7%	Over 8.0%	-11.9%	Below 5.0%
1976	13.6%	NA	9.6%	Over 6.5%	9.7%	Over 8.0%	24.8%	NA
1977	8.5%	NA	7.7%	Over 6.5%	8.6%	Over 8.0%	42.9%	NA
1978	7.1%	NA	5.7%	NA	8.9%	Over 8.0%	10.9%	NA
1979	10.6%	NA	5.3%	NA	7.9%	NA	19.4%	NA
1980	7.1%	NA	5.7%	NA	11.7%	Over 8.0%	5.3%	Below 5.0%
1981	10.6%	NA	7.1%	Over 6.5%	5.9%	NA	4.8%	Below 5.0%
1982	2.3%	Below 5.5%	9.1%	Over 6.5%	6.7%	Over 8.0%	-10.9%	Below 5.0%
1983	-0.1%	Below 5.5%	10.4%	Over 6.5%	8.6%	Over 8.0%	-0.8%	Below 5.0%
1984	8.9%	NA	8.7%	Over 6.5%	8.3%	NA	5.4%	Below 5.0%
1985	12.1%	NA	7.6%	Over 6.5%	7.6%	NA	24.4%	NA
1986	8.5%	NA	7.4%	Over 6.5%	8.4%	NA	1.7%	Below 5.0%
1987	14.3%	NA	6.2%	NA	7.5%	NA	16.7%	NA
1988	9.2%	NA	5.0%	NA	7.1%	NA	19.3%	NA
1989	7.9%	NA	4.4%	NA	6.5%	NA	11.4%	NA

Note: "Basic Revenues" include General Fund property taxes, business licenses, utility licenses, transient lodging taxes, cigarette and liquor taxes, and interest income revenues.
NA: Not Applicable

Table 1 - Counter Cyclical Reserve Use Indicators

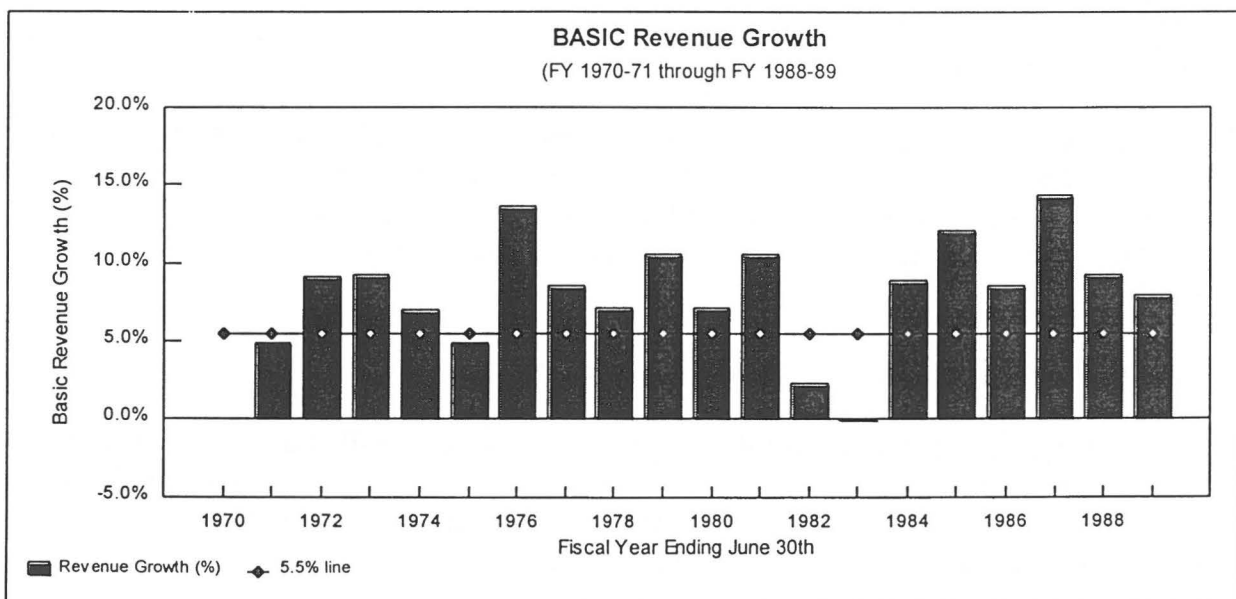


Figure 1 - Basic Revenue Growth vs. 5.5%

APPENDIX A

A DISCUSSION OF REQUIRED GENERAL FUND RESERVE LEVEL

General

The Council, at present, is operating with a goal of funding the General Reserve Fund at 5 percent of the General Fund revenues net of short-term borrowing proceeds. As noted in the Financial Forecast, the General Reserve Fund will probably end FY 1989-90 at or very close to the desired 5 percent goal. Table 1 shows that estimated year-end balance in the General Reserve

City of Portland General Fund Reserve Fund				
Item	Audit FY 1997-88	Actual FY 1988-89	Adopted Budget FY 1989-90	Estimated Year-End FY 1989-90
GENERAL RESERVE FUND DETAIL				
Beginning Fund Balance	\$0	\$1,000,000	\$2,433,894	\$2,434,967
Transfers-IN	\$4,950,000	\$1,340,283	\$1,000,000	\$9,667,952
Transfers-OUT	(\$3,950,000)	\$0	\$0	(\$4,000,000)
Interest Income	\$0	\$94,684	\$103,017	\$472,481
Ending Fund Balance	\$1,000,000	\$2,434,967	\$3,536,911	\$8,575,400
Ending Fund Balance As Percent of Net Revenues	0.623%	1.409%	2.034%	4.926%
Net Revenues	\$160,591,017	\$172,784,494	\$173,926,367	\$174,087,688
5% Reserve Level (5.000%)	\$8,029,551	\$8,639,225	\$8,696,318	\$8,704,384
Over (Under)	(\$7,029,551)	(\$6,204,258)	(\$5,159,407)	(\$128,984)
(*) Total General Fund revenues less short-term borrowing proceeds				

Table 1 -General Reserve Fund Status

Fund will be somewhere around 4.9 percent. The forecast for the fund currently assumes that \$3 million will be needed to fund Police and Fire retirements expected to result from recent vote approval of Fire and Police, Disability and Retirement pension reform. Another \$1 million of possible expenditures, requiring a transfer from the reserve to the General Fund, were outlined in the FY 1988-89 **Fourth Quarter Report**.

There are two principal reasons for building a reserve;

- * First, large unexpected one-time expenditures are more easily funded from a reserve. Temporary or permanent reductions in programs are avoided. For example, the current reserve allows funding of Fire and Police retirement related personal services expenses without disruption of General Fund programs.
- * Second, a "counter-cyclical" reserve is required to ameliorate the effects of an economic downturn on General Fund revenue growth. A slower regional economy will slow

GENERAL RESERVE FUND USE POLICY

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revenue growth relative to expenses. The result is a resource gap that, in the absence of a reserve, can probably only be eliminated by expenditure reductions. In addition it should be noted that actions by the State Legislature or the Public Utilities Commission (PUC) can also adversely affect revenue growth.

The General Reserve Fund is now at a level that allows the Council to use reserves to counteract one-time fluctuations in revenues and expenditures or meet large unexpected one-time expenditures. The 5 percent level is not adequate to offset the combination of slower revenue growth and fund large unexpected expenditures. That is it would not provide any insulation against the effects of an economic downturn. The following paragraphs develop alternative estimates of General Reserve Fund levels that would provide a reserve capable of funding extraordinary one-time expenditure requirements and ameliorate the effects of an economic downturn, adverse legislation, or adverse PUC decisions.

Revenue History FY 1974-75 To FY 1988-89

Table 2 summarizes historical General Fund discretionary revenue growth characteristics. In table 2 revenue is summarized for the "Big Four" revenues and "All Other" discretionary revenues. Two discretionary revenue streams are shown in Table 2. The top line of Table 2 represents "unadjusted" discretionary revenues, i.e., total revenues less short-term borrowing, contracts, service reimbursements, and grants and donations. The "adjusted" line, at the bottom of Table 2 nets out Federal Revenue Sharing transfers to the General Fund, other irregular or one-time transfers, and construction permit revenues.

City of Portland General Fund Revenue Growth Characteristics, FY 1974-75 to FY 1988-89				
		Growth Rates (%).....		
Item		Compound Annual	Maximum	Minimum
General Fund Discretionary		5.5%	12.2%	0.6%
Big Four Revenue		9.2%	14.4%	2.1%
Property Taxes	811-814	7.7%	13.2%	2.4%
Transient Lodgings	821	12.0%	31.4%	-9.2%
Business Licenses	831	11.7%	42.9%	-10.9%
Utility License	832	13.3%	22.1%	2.9%
All Other Discretionary (**)		-2.8%	16.9%	-7.4%
Adjusted Discretionary (*)		8.5%	14.5%	0.0%
(*) Net of Federal Revenue Sharing, one-time or irregular transfers and construction permits.				
(**) Average of 6 negative changes				

Table 2 -General Fund Revenue Growth

GENERAL RESERVE FUND USE POLICY

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This line more accurately reflects the General Fund's current organizational make-up and revenue mix.

Table 2 shows that overall, General Fund discretionary revenues have at worst gone flat or grown only marginally during the periods of slower regional growth. The compound annual growth rate over the past 15 years has been about 5.5 percent. The worst year of growth for the "unadjusted" discretionary revenue stream was apparently FY 1976-77 at the tail end of a recession. The "adjusted" discretionary revenue stream showed no growth during FY 1982-83. A larger Federal Revenue Sharing transfer (up \$1.4 million) and other one-time transfers (up about \$3.4 million) totaling an estimated \$4.8 million, allowed the City to temporarily support higher expenditure levels.

The Big Four revenues have never failed to grow and the lowest overall year-to-year growth appears to be about 2.1 percent. It is interesting to note the difference in growth characteristics. Property Taxes and Utility Franchise/License Fees appear to have a growth floor in the 2 to 2.5 percent range. Transient Lodging and Business License Taxes both declined during the last recession. Transient Lodging taxes declined by about 9 percent between FY 1979-80 and FY 1980-81 (at \$10.03 million) and did not reach a new high until FY 1984-85 (at \$11.5 million). All Other discretionary revenues appears to be more volatile but the long run trend appears to be downward. This probably reflects the fact that miscellaneous fees and charges are not indexed to a price index and are not regularly reviewed to reflect rising costs.

Alternative Reserve Level Calculations

Table 2 seems to show that during an economic downturn revenue growth will at best slow considerably. How much depends on the nature, severity, timing, and length of the downturn. Tables 3 and 4 use the information above and other **Financial Forecast** information to develop three cases or alternative reserve level calculations.

CASE 1

Case 1 uses the Lower Bound revenue forecast shown in Figures 4 and 5 of the **Financial Forecast**.

The onset of an economic downturn during late FY 1989-90 creates an estimated gap, during FY 1990-91 of about \$2.8 million between expenditures and revenues. During the second year (FY 1991-92) the estimated gap widens to \$5.6 million. Creation of a reserve large enough to get through the first year translates into a General Reserve Fund totaling about \$11.5 million. This would be composed of a 5 percent element for unexpected expenses plus a \$2.8 million counter-cyclical element. This works out to a total reserve level that is 6.6 percent of Net Revenues as defined above.

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Adding the insurance of a second year raises the required reserve level to about \$17.1 million. This works out to a total reserve level of just under 10 percent. A conservative approach argues for the 10 percent level. The reason for this is timing. A recession is likely to result in slower revenue growth during or within a fiscal year. This requires some initial use of the counter cyclical reserve element to get through a part of a year. Adding the second year, really the first full year, would give Council the opportunity to make revenue and expenditure adjustments with the implementation of a new budget. Thus, under the two-year column in Table 3, the \$8.35 million counter cyclical reserve would be used to adjust to slower revenue growth over and 18 to 24 month period. The other reserve elements, the "unexpected expenses" reserve would still be available for the extraordinary one-time expenditure requirements.

The "Case 1" calculations are attractive because they "fall out" of the annual **Financial Forecast**. This calculation can be replicated from year to year. The major drawback associated with the approach is that it depends on a specific (DRI) recession forecast. The specifics and details of the recession forecast that produces the lower bound revenue forecast are different every forecast cycle. Calculations from year-to-year may result in variations in the required reserve level.

CASE 1	
Cyclical Reserve Calculations	
Use Lower Bound Revenue Forecast	
FY 1990-91 General Fund Net Revenues	\$174,087,688
Item	Required Reserve
Unexpected Expense..(5.00%)	\$8,704,384
Counter cyclical Reserve.....	\$9,912,685
Required Reserve Fund Level.....	\$18,617,070
Reserve Level Percentage.....	10.7%

Table 3 - Case 1 Reserve Calculation

CASE 2

Case 2 uses the lowest overall historical year-to-year growth rate of 0.6 percent to compute a counter cyclical reserve element. Under this alternative the difference between the "Most Likely" forecast and lower 0.6 percent discretionary revenue growth translates into about \$7.7 million gap between revenues and expenditures. As shown at the top of table 4, the required reserve level amounts to about \$16.4 million or about 9.4 percent of revenues. The counter cyclical reserve element would total about \$7.7 million. Comparison with Case 1, suggests that this would be large enough to get through a 12 to 18 month period of slow revenue growth.

CASE 3

Case 3 uses the lowest growth rate for each major category shown in Table 2 and estimated year-end FY 1989-90 revenues to compute an overall lower bound revenue estimate for FY 1990-91. For example, Transient Lodging Taxes are forecast to increase by about 7 percent during FY 1990-91. Table 2 shows a worst case growth of -9.2 percent. The difference between the forecast and negative growth results in a revenue gap. Doing this for other major categories yields an estimated shortfall of about \$9.9 million. The required reserve level for this case is \$18.6 million. This equates to about 10.7 percent of forecast FY 1990-91 General Fund revenues net of short-term borrowing. A counter-cyclical reserve totaling \$9.9 million would, judging from Case 1, probably be sufficient to offset slower revenue growth over an 18 to 24 month period.

CASE 2	
Cyclical Reserve Calculation	
Use Lowest Year-to-Year Overall Growth	
Item	Required Reserve
Unexpected Expense..(5.00%)	\$8,704,384
Counter cyclical Reserve.....	\$7,699,782
Required Reserve Fund Level.....	\$16,404,167
Reserve Level Percentage.....	9.4%
CASE 3	
Cyclical Reserve Calculations	
Use Lowest Year-to-Year Overall Growth	
Item	Required Reserve
Unexpected Expense..(5.00%)	\$8,704,384
Counter cyclical Reserve.....	\$9,912,685
Required Reserve Fund Level.....	\$18,617,070
Reserve Level Percentage.....	10.7%

Table 4 - Cases 2 and 3 Reserve Levels

Conclusion

The three different reserve level calculations shown above suggest that the desired General Reserve Fund level is about 10 percent of total annual General Fund Revenues net of short-term borrowing receipts. About 5 percentage points constitutes a reserve for large unexpected one-time expenditures. An additional 5 percentage points would provide a counter-cyclical reserve. A 10 percent General Reserve Fund level would give the Council flexibility to contend with the combination of large one-time unexpected expenditures and slower revenue growth due to an economic downturn. The analysis above suggests that the 5 percent counter-cyclical reserve element would provide about 12 to 24 months of leeway in adjusting to the effects of slower revenue growth due to an economic slowdown.

INTERAGENCY AGREEMENT POLICY

Resolution No. 35089

Revise Interagency Agreement Policy for the City of Portland (Resolution No. 35089)

WHEREAS, an Interagency Agreement Policy was adopted by Council (Resolution No. 34580), effective July 1, 1989 upon acknowledging the need for such a policy, consisting of a set of standards and guidelines governing the Interagency Agreement process throughout each fiscal year.

WHEREAS, the IBIS Interagency Agreement Committee, in conjunction with the Bureau of Financial Planning, proposes updates to the policy and revisions to the billing dispute resolution process described under Guideline V of the City's policy.

WHEREAS, the Council of the City of Portland acknowledges a need to revise the Interagency Agreement Policy.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Portland, Oregon that:

1. The Revised Interagency Agreement Policy (Exhibit I) shall be adopted by the Council and shall be in full force and effect, beginning December 9, 1992.
2. All Interagency Agreements entered into by bureaus/agencies of the City of Portland after December 8, 1992 shall follow the revised policy standards and guidelines set forth therein.

Adopted by the Council, Dec. 16, 1992

Mayor Bud Clark
JEC:LMS
December 4, 1992

Barbara Clark
Auditor of the City of Portland

EXHIBIT I

Revised November 2, 1992

INTRODUCTION

The City of Portland has a budgeting process that establishes controls at organizational and programmatic levels called appropriation units. These units are cost centers that collect all the appropriate costs associated with the organization or program. Frequently, one organizational unit is better equipped either logistically or economically to provide services that fulfill the organizational or programmatic need of another organizational unit. Due to specific funding requirements and in order to hold managers responsible for the budgets, programs and organizations that they control, there is a need to insure that costs are allocated among appropriate cost centers. The method of assigning these costs is call an Interagency Agreement.

BACKGROUND

The Interagency Agreement (I/A) was first implemented by the City of Portland during FY 1974-75. In its current form, an Interagency Agreement is akin to a contractual agreement between two city agencies/bureaus for either the provision of services or the purchase or replacement of equipment from any of the internal service funds. The receiver is a bureau of the City receiving specific services from another City bureau through an Interagency Agreement. The provider is a bureau of the City which provides specific services to another bureau of the City through an Interagency Agreement.

In theory, the receiver agency requests a specific level of service from a provider agency. Upon reaching the tentative agreement, the provider offers a cost estimate to the receiver. If the receiver agency is in agreement with the cost estimate of the providers agency for the services requested, the bureau manager signs and returns the Interagency Service Agreement (Bud 5) to the provider agency. Also, the fact that rates periodically change to reflect increased/decreased costs in materials and labor must be taken into consideration when providers/receivers are entering into new agreements. Bud 5's should provide a clear and detailed description of the services to be provided and received.

Further, most of the internal service funds were established by ordinance during FY 1974-75. Internal service fund interagencies are unique in that the internal service bureaus (i.e. Communications Services, Printing and Distribution Services, Fleet Services, Insurance and Claims, Worker's Compensation, Computer Services, Justice Center) furnish receiver bureaus with a Bud 5 indicating the budgeted amount of service for the current fiscal year and an estimate based on the current level of service for the subsequent fiscal year.

INTERAGENCY AGREEMENT POLICY

Resolution No. 35089

An internal service fund, the Intermediate Debt Service Fund, has been established for the acquisition of equipment under the Master Lease program. This fund is management by the Office of Finance and Administration (OF&A) and is used to collect lease payments from bureaus financing acquisitions through this program. OF&A's Debt Management Division is responsible for preparing BUD 5's for bureaus acquiring equipment and/or facilities under an existing Master Lease or the 1984 Facilities Lease Purchase.

Sometimes the receiver bureau wishes to obtain additional services or to delete existing services with the provider, generally after consultation. When this occurs, the receiver bureau makes the necessary changes on the BUD 5 and returns a copy to the provider bureau for its approval. After the provider bureau has agreed to these service changes and both bureaus have signed the agreement, the receiver bureau may then include the revised figure in its budget request. If the receiver agency does not agree with the provider agency's cost estimate, it must resolve the disagreement with the provider agency. In terms of the calendar for the Budget Process, a three-week turn-around is provided for the receiver bureaus to notify the provider bureaus of any changes in service level requests.

In practice, because of the short time frame involved, the I/A process can break down due to:

1. The lateness of the BUD 5's to the receivers,
2. The bureaus not signing their interagency agreements,
3. Disagreement as to the content of the agreement,
4. Bureaus not informing each other when changes have occurred, etc.

When there are requests for new or replacement equipment from Fleet Services, Printing and Distribution and Distribution Services, or Communication Services, the receiver agency includes only the additional rental or replacement charges for that equipment in its interagency agreement for services. In addition, the BUD 6 Form allows bureaus to provide a description of any equipment to be purchased and the purchase amount. This form is a Cash Transfer (BUD 6). The cost of purchasing the equipment is also listed on the Line Item Worksheet (BUD 1), Line Item 573000 (Equipment Cash Transfers).

In summary, the Interagency Agreement (BUD 5) establishes a mutually agreed upon budget amount for anticipated services to be provided or received. The Cash Transfer (BUD 6) establishes the amount of equipment purchases in much the same manner.

Due to the numerous problems incurred in recent years and the ever-increasing usage of the Interagency Agreements, it became necessary to establish formal policy citing standards and guidelines to allow for a more efficient and effective Interagency Agreement process and to provide a method for conflict resolution. The process was first introduced in FY 1989-90.

GUIDELINE I: FORMAT OF THE INTERAGENCY AGREEMENT

The format of a complete Interagency Agreement (I/A) will include the following:

1. The I/A will be written, not verbal, and will be completed on the BUD 5 form provided by OF&A or its equivalent.
2. The I/A will reasonably define the service to be provided in quantitative terms and whenever possible, qualitative terms.
3. The I/A will clearly state the price and quantity or elements of the service(s) to be provided so that any necessary amendments/adjustments may be made easily. This will also assist bureaus in reducing or increasing services to meet their program needs. This requirement may be fulfilled by making reference to procedures manuals or an indication that documentation is available upon request.
4. The I/A will define the process by which amendments/adjustments may be made to the original agreement.
5. In the case of an unanticipated mid-year amendment, the proper supporting documentation with respect to the changes will be provided. The Interagency Service/Cash Transfer Agreement for includes columns labeled "original", "revised", and "adjustment" to accommodate policy requirements.
6. The I/A will define the billing process and schedule.

Interagency Agreements will only be accepted by the Office of Finance and Administration, Bureau of Financial Planning, if they have been completed according to the above requirements and if they have been signed by both the providers' and the receiver's authorized bureau representative, thus indicating they have entered into an agreement. **If a completed Interagency Agreement is not received by OF&A, it will not be put in the budget.**

Copies of any subsequent signed I/A Change Forms to amend an agreement shall be sent to all parties involved, i.e., the provider, receiver, budget analyst, etc.

GUIDELINE II: RATE SETTING

Brief summary of RATE METHODOLOGY -- Since there are typically no General Fund or other subsidies built in provider budgets, Interagency providers must charge the full cost of services provided. This includes not only current services, but also the planning for future provision of services.

INTERAGENCY AGREEMENT POLICY

Resolution No. 35089

Rates will be developed based on the cost-of-services data. Each service category must be identified at a level which can be measured (in terms of cost and quantity) and, if possible, comparable to similar externally-provided services. Cost must include both direct and indirect costs. Indirect costs may include elements of both General Fund and bureau administrative overhead.

As a result, every rate structure must be composed of two or more elements, with the elements dependent on the type of associated costs (fixed or variable) involved. The computation will also include direct and indirect administrative costs which are part of the rates. Direct costs cover the supervisory functions (i.e., personnel and related materials and supplies) directly associated with managing work production. Indirect costs include administrative support functions like accounting, budgeting, payroll, billing, rental space, personnel and the like. These tasks are performed by a central administrative staff within the providing bureau. (The Office of Finance and Administration is nearing the completion of the **Cost of Service Manual** that describes rate setting methodologies and procedures. The anticipated distribution date is December 1992.)

In the case of General Services, the Interagency Agreement (BUD 5) separately identifies a charge for General Fund Overhead which has not been included as part of the service rate computations. The General Fund Overhead is a cost to an internal service fund for certain centralized services not covered under Interagency Agreements. Services of this kind include central accounting, treasury, purchasing, payroll, legal services and personnel. General Fund Overhead will continue to be included, in some way, as a part of the rate computations, denoting the true cost of all services provided to the receivers.

The basic premise of the rate development philosophy is that the rates of Interagency providers will reflect the true cost of operations.

Each year, prior to the development of bureau budgets and in conformance with the budget calendar, providers will contact receiving bureaus and present estimates of service costs. This contact will include the following:

1. Notification to receivers of any major changes in their rate methodology. Rate development by the provider bureaus will be timed to meet the requirements of the fiscal year budget calendar considering the availability of overhead targets and budget costs.
2. An estimate of the service quantity and quality that is to be provided in the subsequent year.
3. Providers will make available to receiver's information concerning the development of their interagency rates. This includes detail concerning the methodology of rate construction and cost basis of rates. Upon request by receiver bureaus, other providers will also make this information available.

4. This information will provide the basis of discussions between the provider and receiver to arrive at a mutually agreeable level of service and associated costs.

Annually, after bureau budget submission to OF&A, providers will hold work sessions with receivers to review and explore modifications to rate methodologies for implementation in the following budget process. This rate methodology review will involve:

1. Notice of work sessions regarding the development of their rate methodology annually after submittal of the budget. Any agreed upon changes in methodology will apply to the following year's budget process.
2. Providers must develop rates in any one of several ways consistent with the provider's service: flat rates, fixed plus variable rates, rates based on prior experience, etc. Whatever the methodology chosen, the objective of the r

GUIDELINE III: RATE APPLICATION

For each class of I/A receivers, rates will be uniformly applied. Special arrangements or any sort of exception from standard rates or components of rates for the provision of services by provider bureaus will not be made unless otherwise directed by Council.

GUIDELINE IV: BILLING PROCEDURES

Billing documents and supporting data will be submitted to the Accounting Division in a timely manner and in conformance with the processing schedules set forth by the Office of Finance and Administration. There will be a full description of the type of service provided, reference made to authorizing work order numbers, as well as a breakdown of either the quantity and rate being charged or the actual costs being billed. Billings will indicate the period of time during which the services were provided and the date of the billing transaction (within the current accounting period). All billings must have an appropriate authorized signature along with the name, position and telephone number of the person preparing the billing.

Billings for the interagency services fall into three categories: premium/dedicated/cash transfers, charges driven by inventories, and charges based upon specific services or usage. The first category includes insurance premiums and dedicated interagency appropriation. The second category includes billings for assigned equipment (vehicles, telephones, radios), rent and lease financing charges. The third category covers work order charges and other variable cost services like fuel, motor pool, and long distance. In addition, equipment cash transfers would fall into the third category. (These examples are not exhaustive.)

INTERAGENCY AGREEMENT POLICY

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Documents submitted to record direct billings for a service, i.e., printing services, telephone service, etc., must include the following:

1. Description of the service which was provided
2. The price elements of the service(s) which was (were) provided including quantity and any other direct and indirect charges applied.

The Accounting Division of the Office of Finance and Administration will only accept and process billings which are billed in the same FY for which the services/purchases were provided/made. Therefore, the final billing of all internal services must be complete and submitted to the Accounting Division in time to be included in **Period 13, Run 1. If actual amounts are not known in time for Run 1, then estimates may be substituted and adjusted to actuals in Run 2. If a receiver wants to challenge a billed amount, it must be filled and resolved prior to Run 2.**

GUIDELINE V: DISPUTE RESOLUTION PROCESS

There are two separate types of dispute resolution processes:

- A. Policy Disputes - including rate methodology; and,
- B. Billing disputes - involving the application of set rates, and/or serving provision within an existing Interagency Agreement.

In both cases, parties are encouraged to resolve dispute between themselves. However, experience has shown the need for a dispute resolution process.

A. Policy Dispute Resolution

In cases of disputes relating to policy issues such as rate methodology, either party may submit issues to the Interagency Review Board (IARB), comprised of non-involved Bureau Managers appointed by the OF&A Director on a case-by-case basis for resolution. The IARB will issue a report of its finding and recommendations. Parties to the dispute will have ten (10) days to accept its recommendations. If not, the report and issues will be placed on the Council agenda for final resolution.

B. Billing Dispute Resolution

In the case of billing disputes, the following procedure will be utilized:

Step 1 - Receiver Agency:

1. Formally objects to billing in dispute by writing to provider describing the billings and why receiver believes they are incorrect.

Step II - Provider Agency:

1. Receives written description of disputed billings from receiver. Provider and receiver agencies then have 20 working days to resolve the dispute. To the degree the dispute is resolved in the receiver's favor, provider will return the cash **plus interest**.

Step III - Provider and Receiver Agencies:

1. If the dispute is not resolved within 20 working days as noted above, provider and receiver shall submit written justification for their positions to the Office of Finance and Administration in conformance with the following process:
 - a. **Position papers must be submitted within 10 working days which clearly:**
 1. **Defines the dispute**
 2. **Provides relevant information in support of the Bureau's position.**
 3. **States the steps that were taken in an attempt to resolve the disputed issues.**

Step IV - Office of Finance and Administration:

1. Issues a decision on the dispute within 10 working days after receiving the request. (During the budget season, from January 1 through March 31, this 10-day period may need to be extended indefinitely, dependent upon available staff within OF&A.) If the provider and receiver agencies do not accept the decision of OF&A, OF&A will submit its report to the Commissioner-In-Charge of the respective bureaus, with a copy to the rest of Council. When the dispute is finally resolved, to the degree the resolution is in the receiver's favor, provider will make cash restitution **plus interest**.

NOTE: Again, it must be determined by the Office of Finance and Administration that the bureaus in dispute have taken all possible steps to resolve the disputed issues. Also, bureaus are encouraged to settle any and all apparent I/A disputes prior to the beginning of the Budget Process, either by stipulation or arbitration. Arbitration prior to the submission of the bureau's budgets will yield a maximum level of agreement. However, once the Budget Process begins, time for arbitration of disputes will be very, very limited, if non-existent.

Establish a Local Improvement District Financing Policy for evaluating, forming and financing local improvement projects. (Resolution)

THE COUNCIL OF THE CITY OF PORTLAND FINDS THAT

1. WHEREAS, the City of Portland forms, finances and constructs more than \$1 million in voluntary local improvement district projects, annually; and
2. WHEREAS, the City of Portland has provided financial security for local improvement projects by pledging the City's taxing authority; and
3. WHEREAS, Ballot Measure 5 imposes new restrictions and conditions on the use of the City's taxing authority by requiring City-wide voter approval of unlimited tax general obligation improvement bonds; and
4. WHEREAS, existing local improvement district financing policies do not address the changing requirements of Ballot Measure 5; and
5. WHEREAS, it is critical to the long-term financial health of the City to have financial policies which protect City resources, and provide adequate security for City bondholders; and
6. WHEREAS, the local improvement district program is an important method for financing local transportation, sewer, water and other capital improvements; and
7. WHEREAS, the City's local improvement district financing policy must be responsive to the varied financial requirements of each local improvement district; and
8. WHEREAS, the Auditor's Office convened a Policy Committee consisting of the Auditor's Office, Office of Transportation, Bureau of Environmental Services, Water Bureau, Office of Finance and Administration, and Public Financial Management, the City's financial advisor; and
9. WHEREAS, the Policy Committee reviewed the issues affecting the City's LID Program and developed recommendations to be included in the LID Financing Policy; and
10. WHEREAS, the Auditor's Office presented the Policy Committee recommendations to the Auditor's Office Budget Advisory Committee on April 23, 1991, and to City Council in informal session on April 30, 1991;

NOW, THEREFORE, BE IT RESOLVED THAT

1. The City of Portland adopts the Local Improvement District Financing Policy, as set forth in Attachment A; and

LOCAL IMPROVEMENT DISTRICT FINANCING POLICY

Resolution No. 34847

2. The Local Improvement District Financing Policy governs all future local improvement projects, including projects which City Council has formed by ordinance, and for which City Council has not awarded a construction contract; and
3. The Local Improvement District Financing Policy supplements all existing City policies related to local improvement districts, assessments and assessment financing; and
4. The Auditor's Office is directed to work with participants on the Policy Committee, existing advisory bodies, property owners and other interested citizens to obtain public review and comment; and
5. The Auditor's Office is directed to prepare City Charter and Code amendments, as needed, to codify this policy after receiving public review and comment.

Attachment A

**City of Portland
Local Improvement District Financing Policy****A. Purpose and Intent.**

The LID Financing Policy is intended to facilitate the use of the local improvement district process in a manner which protects the City's financial condition. The Policy prescribes a process to (1) evaluate the financial feasibility of local improvement projects, (2) measure financial risk of project default, and (3) identify sources of financial security for long-term assessment financing. Through this process, the City will be able to make reasoned policy decisions about the purpose of the local improvement, the responsibilities of property owners, the contributions (if any) of City resources, and the means of responding to financial risk.

B. Findings.

1. The City of Portland forms, finances and constructs more than \$1 million in voluntary local improvement district projects, annually.
2. The City of Portland has provided financial security for local improvement projects by pledging the City's taxing authority.
3. Ballot Measure 5 imposes new restrictions and conditions on the use of the City's taxing authority by requiring City-wide voter approval of general obligation improvement bonds.
4. Existing local improvement district financing policies do not address the changing requirements of Ballot Measure 5.
5. It is critical to the long-term financial health of the City to have financial policies which protect City resources, and provide adequate security for City bondholders.
6. The local improvement district program is an important method for financing local transportation, sewer, water and other capital improvements.
7. The City's local improvement district financing policy must be responsive to the varied financial requirements of each local improvement district.

C. Responsibilities.

The following general responsibilities will govern the evaluation of a proposed local improvement project prior to City Council adoption of an ordinance to form a local improvement district:

1. The chief petitioners shall be responsible for responding to any financial concerns or conditions raised by the City as a result of a technical or financial evaluation of the proposed local improvement project.
2. The lead public works bureau shall be responsible for assisting property owners with the

procedures to file a petition to form a local improvement district. To the greatest extent possible, the bureau should attempt to identify financing issues early in the petition process, and include the Auditor's Office in a review of possible financial options.

3. The Auditor's Office shall be responsible for evaluating the financial feasibility and measuring the financial risk of a proposed local improvement project based on this Policy.

D. Feasibility Tests.

The City Auditor shall use the following tests when evaluating the financial feasibility of a local improvement project. These tests, and any resulting financial security issues, shall be completed and addressed before the Auditor's Office prepares and files an ordinance to form a local improvement district. The Auditor's Office will perform the financial evaluation with assistance and involvement from public works bureaus, the Office of Finance and Administration, the Portland Development Commission, petitioners and other interested parties.

Feasibility Test	Standard or Condition
Value to Assessment Ratio	Individual properties must have a value to assessment ratio of 2:1 or greater. Exceptions to this standard will be accepted for aberrant ratios as noted under Waiver Criteria.
Aberrant Value to Assessment Ratio	Ratios below 2:1 will be accepted on properties representing no more than 5% of estimated assessments. No individual aberrant property may represent more than 2% of estimated assessments. No individual aberrant property may have a ratio less than 1.5:1.
Diversity of Ownership	The City will require additional security for projects where 3 or less property owners represent more than 50% of estimated assessments.
Diversity of Development	The City may require additional security for projects involving vacant property which represents more than 25% of total assessments.
Bankruptcy	The City will require additional security for properties which are involved in a bankruptcy proceeding.
Waiver Criteria	<ul style="list-style-type: none"> •Project involving less than 12 properties, and for which more than 75% of assessment estimates are on residential property. •The value to assessment and aberrant ratio standards may be waived if affected property owners file financial statements demonstrating ability to pay assessments, and if total real market property value exceeds total taxes and assessment liens. •Publicly owned property is exempt from all feasibility tests. •The project advances expressed City goals or objectives, and adequate security is identified by City Council. •The project is included in an urban renewal area, and is secured by the Portland Development Commission.
Conditions for Developer LIDs	<ul style="list-style-type: none"> •Developer/chief petitioner files current financial statements. •No delinquent property taxes or assessments. •Bond, letter of credit or other security equal to total project costs.

E. Improvement Bond Program Security and Structure

The City Council shall use the following security arrangements and bonding structure when approving long-term financing of local improvement assessments. These guidelines are intended to provide adequate financial securities to market limited general obligation improvement bonds at the lowest possible interest cost to property owners. In addition, the guidelines set forth the order of security to be provided in the event that a property owner defaults on a local improvement assessment loan.

Security or Structural Consideration	Standard or Condition
Lien Enforcement	The City shall use active collection and foreclosure practices to collect delinquent local improvement assessments.
Primary Security	The City places a municipal lien on property to secure local improvement assessments. Additional security is pledged by developers based on the value to lien ratio test of 2:1.
Secondary Security	The City shall adjust the interest rate on local improvement assessment loans to provide for insurance for improvement bonds. The adjustment shall be determined by City Council, based on a recommendation of the Office of Finance and Administration, the Auditor's Office and the City's financial advisor. The interest rate adjustment shall be fixed at the time the Auditor's Office sets the permanent interest rate on assessment loans, following a bond sale. Proceeds shall be deposited in a dedicated reserve account to be used to cover debt service payments in the event of an assessment loan default.
Ultimate Security	The General Fund shall be ultimately responsible for securing improvement bonds. In the event that a property owner default of an assessment loan requires debt service payments beyond the coverage established in improvement bond reserve account, City enterprise funds shall make payments on behalf of the General Fund as set forth in the bond sale ordinance. Participation by each enterprise fund shall be proportionate based on the types of local improvement projects involved in the bond sale.
Interest Rate Bump	The Auditor's Office and Office of Finance and Administration shall provide that the interest rate adjustment authorized by City Code is sufficient to administrative costs, cash flow requirements and the reserve requirements set forth in City Code and this Policy.
Contract versus Bond Length	The City shall structure improvement bonds to mature at least 2 years following the last scheduled installment payment of an assessment loan financed by the bond sale.
Bond Amortization Schedule	The City shall offer monthly and semi-annual installment plans for the convenience of property owners. The City shall encourage early payoff and prepayment of assessment loans and use of 10 year loan terms wherever possible.

E. Definitions

The following definitions are used for the purposes of this Policy:

Aberrant Value	Exceptions to set criteria.
Assessment	Share of public improvement costs apportioned to LID property based on the total Actual Cost (defined in HB 2550) less any project subsidy.
Bare Land LID	An LID which includes predominantly unimproved land.
Bond Reserve Fee	A separate fee (distinct from Financing Fees) charged to property owners to provide a separate reserve fund as additional security for the bonds issued to finance assessment contracts.
Contingent Liability	Potential debt service payments (including unrecovered principal repayment after the foreclosure and sale of property) to be paid if assessment payments are not made on a timely basis.
Developer LID	Local Improvement District formed to install public improvements (streets, sidewalks, lighting, sewers, or water) <u>before</u> private improvements are constructed or completed.
Financing Fees	Charges to LID participants who elect to finance assessments which cover the cost incurred by the City in the provision of such financing. These costs include, but are not limited to, fees to consultants, bond counsel, underwriters and paying agents, and the cost of preparing and printing the official statement.
Letters of Credit	An irrevocable commitment by a credit worthy bank or financial institution to make payments upon demand. Generally required by a developer wishing to proceed with an LID which does not conform to financial criteria established by the City. The Letter of Credit (LC) is generally posted for the estimated total cost of the improvements and subject to draw by the City without further approval.
Lien	Legally enforceable claim on the property second only to taxes and superior to other mortgage liens.
Property	Land, identified by a discrete tax lot number, plus any existing improvements to the land.
Property Value	Real Market Value as determined by Assessor in conformance with HB 2550 or an appraisal by a certified (MAI) appraiser of the market value of the property as of the completion of the public improvements.
Total Liens	All taxes due (current, deferred and delinquent), existing and proposed City assessments, mortgage, and any other legal claim on the property, regardless of lien position.
Value to Lien Ratio	The value of the property, less any taxes or co-equal liens, compared to the estimated LID assessment.

Budget Ordinances



OFFICE OF
AUDITOR OF THE CITY OF PORTLAND

Room 140 City Hall
1221 SW 4th Avenue
Portland, Oregon 97204

COPY CERTIFICATE

STATE OF OREGON }
COUNTY OF MULTNOMAH }
CITY OF PORTLAND } ss

I, **BARBARA CLARK**, Auditor of the City of Portland, do hereby certify that I have compared the following copy of Ordinance No. 172387 passed by the Portland City Council on June 17, 1998, adopting the annual budget of the City of Portland and establishing appropriations for the fiscal year beginning July 1, 1998, with the original thereof and that the same is a full, true and correct copy of such original Ordinance and of the whole thereof as the same appears on file and of record in my office and in my care and custody. IN WITNESS WHEREOF, I have hereunto set my hand and seal of the City of Portland affixed this 19th day of June, 1998.

BARBARA CLARK
Auditor of the City of Portland

By *Betta Olson*
Deputy





*Adopt the annual budget of the City of Portland and establish appropriations for the fiscal year beginning July 1, 1998. (Ordinance)

The City of Portland ordains:

Section 1. The Council finds that:

1. The Multnomah County Tax Supervising and Conservation Commission (TSCC) held its public hearing on the City of Portland's FY 1998-99 budget on June 10, 1998 and certified the City's FY 1998-99 budget and proposed levies on that date.
2. The FY 1998-99 Adopted Budget document presents the first year of a two year financial plan and budget. For FY 1998-99 the document provides specific position authorization and line item expenditure and revenue detail for all City bureaus and funds.
3. After the preparation, approval, public notice, and presentation to the TSCC of the City's Approved Budget, it is advisable to update the estimates of resources and requirements contained in the FY 1998-99 Budget prior to final adoption as allowed under Oregon State budget statutes.
4. The changes to be incorporated in the Adopted Budget include:
 - a. The carryover of appropriations for certain activities or projects previously authorized in the FY 1997-98 Budget but not expected to be expended by June 30, 1998;
 - b. Technical adjustments including program revenue adjustments; updated estimates for interagency agreements; updated estimates for General Fund overhead recovery; and numerous minor adjustments needed in order to make the resource and requirement estimates as up-to-date and technically accurate as possible prior to adoption of the FY 1998-99 Budget.
5. The budget should be adopted so that there is no delay in establishing budget authority for conducting City business on July 1, 1998.
6. The Council expresses specific direction to bureaus to ensure proper attention is given to work items in the form of Budget Notes included in the Adopted Budget document.

NOW, THEREFORE, the Council directs:

- a. The Fiscal Year 1998-99 budget of the City of Portland is hereby adopted.

- b. To authorize expenditures in accordance with the annual budget adopted in Section 1.a of this Ordinance, amounts are hereby appropriated for the fiscal year beginning July 1, 1998, from the funds and for the purposes listed in Table 1, attached hereto, and summarized below. This schedule of appropriations incorporates the changes referred to in the Findings of this ordinance.

TOTAL REVENUES - All Funds	FY 1998-99
External Revenues	
Property Taxes	\$222,672,506
Other Taxes	\$12,187,979
Licenses and Permits	\$102,952,562
Service Charges	\$255,089,720
Intergovernmental	\$106,202,897
Miscellaneous	\$55,467,487
Debt Proceeds	\$148,774,800
Total External Revenues	\$903,347,951
Transfers from Other Funds	
Service Reimbursements	103,789,498
Cash Transfers	320,132,895
Total Transfers from Other Funds	423,922,393
Beginning Fund Balances	357,060,265
TOTAL BUDGET	\$1,684,330,609
Less Interfund Transfers and Tax Anticipation Notes	(443,922,393)
NET BUDGET	\$1,240,408,216
TOTAL EXPENSES - All Funds	
Bureau Expenses	
Personal Services	346,068,336
External Materials & Services	278,492,707
Internal Materials & Services	103,789,498
Capital Outlay	177,666,703
Equipment Cash Transfers	819,356
Total Bureau Expenses	906,836,600
Fund-Level Expenses	
Debt Service	166,568,399
Fund Level Cash Transfers	319,313,539
Contingency	246,141,115
Inventory Increases	140,000
Total Fund-Level Expenses	732,163,053
TOTAL APPROPRIATED BUDGET	1,638,999,653
Unappropriated Ending Balance	45,330,956
TOTAL BUDGET	\$1,684,330,609
Less Interfund Transfers and Tax Anticipation Notes	(443,922,393)
NET BUDGET	\$1,240,408,216

- c. The Mayor and the Auditor are hereby authorized to draw warrants on the appropriations made in Section 1.b of this Ordinance as provided in Section 2-508 of the City Charter.
- d. The number of authorized full-time positions is hereby limited to the number of such positions listed for each fund and bureau in the FY 1998-99 Adopted Budget unless otherwise authorized by Council.

The Mayor, the Commissioners and the Auditor, within their respective jurisdictions, are authorized to fill vacant positions in accordance with Chapter 4.04 of the Code of the City of Portland unless otherwise directed by Council. Salaries for each appointee shall be set in accordance with the Compensation Plan of the City of Portland unless otherwise directed by the Council.

- e. Special expenditure limitations are hereby established as follows:
 - i. Expenditures may not exceed the amounts listed for the major object categories in the FY 1998-99 Adopted Budget, as amended throughout the fiscal year by the appropriate authority. The "major object categories" include personal services, external materials and services, internal materials and services, capital outlay, equipment cash transfers, contingency, fund-level cash transfers, debt retirement, and inventory increases.
 - ii. Bureau managers may adjust their line item budgets as needed, subject to the limitations described below.
 - (a) Line item budget adjustments may not change the appropriation amounts shown in Table 10 except with approval from the City Council as provided for in ORS 294.450, 294.326, or 294.455 or through the Supplemental Budget process provided for in ORS 294.455 and ORS 294.480.
 - (b) Line item budget adjustments may only change the totals for the major object categories of the bureau program budget with written authorization from the Commissioner-in-Charge and subsequent reporting in the trimester Budget Monitoring Reports that bureaus submit to the Office of Finance and Administration.
 - iii. Expenditures for internal materials & services (line items 551000 through 559000) may only be used to obtain services from City of Portland agencies. Any line item budget adjustment that changes an internal materials & services amount must be agreed to by both the bureau providing the service and the bureau receiving the service, in accordance with the City's policy on interagency agreements adopted by the City Council on June 21, 1989 and revised on December 4, 1992.

- iv. Fund-level cash transfers may not exceed the amounts detailed in the FY 1998-99 Adopted Budget without approval from the City Council.
- v. The capital outlay category is to be used for the purchase of "fixed assets," which are defined as tangible assets having a unit cost of at least \$5,000 and an expected life of at least one year. The capital outlay category is subdivided into land, buildings, improvements, and equipment/furniture. "Improvements" are fixed assets other than buildings that add value to land, cost at least \$10,000, and have an expected life of at least 10 years. "Equipment and furniture" (line item 564000) is defined as fixed assets other than land, buildings, and improvements.
- vi. Expenditures on Federal and State grant projects are limited to those grants which have been accepted and approved by the City Council.
- f. Special budget monitoring provisions are hereby authorized for FY 1998-99:

The Financial Planning Division is directed to prepare a trimester report to Council regarding budgetary performance and fiscal status and is authorized to require City bureaus to submit such information as is necessary to prepare this report, including the status of budget notes included in the FY 1998-99 Adopted Budget.
- g. The FY 1998-99 Adopted Budget will be prepared in accordance with Council policy directions and state budget law.
- h. The FY 1998-99 Budget will include the Budget Notes as presented in Attachment #2, titled Budget Notes.

Section 2. The Council declares that an emergency exists, as it necessary to adopt the Fiscal Year 1998-99 Budget and establish appropriation without delay in order to provide authority to transact the financial affairs of the City of Portland for Fiscal Year 1998-99; therefore, this ordinance shall be in force and effect from and after the start of the Fiscal Year beginning July 1, 1998.

Passed by the Council,
Mayor Vera Katz
Office of Finance and Administration
Tim Grewe:Ken Rust:J. Bell
June 8, 1998

JUN 17 1998

Barbara Clark

Auditor of the City of Portland
By

Bette Olson
Deputy

APPROPRIATION SCHEDULE - FY 1998-99

Table 1

This Table summarizes the major fund level requirements for FY 1998-99, by fund, bureau, and special appropriation.
Bureau level expenses are detailed in Table 6.

	Bureau Program Expenses	Fund Requirements				Total Appropriation
		Contingency	Interfund Cash Transfers	Debt Retirement	Inventory Increase	
GENERAL FUND						
Office of the City Attorney	4,242,719	0	0	0	0	4,242,719
Office of the City Auditor	4,556,917	0	0	0	0	4,556,917
Office of Cable Communications	1,586,740	0	0	0	0	1,586,740
Commissioner #1-Public Utilities	598,711	0	0	0	0	598,711
Commissioner #2-Public Works	598,711	0	0	0	0	598,711
Commissioner #3-Public Affairs	598,711	0	0	0	0	598,711
Commissioner #4-Public Safety	598,711	0	0	0	0	598,711
Bureau of Community Development	5,337,146	0	0	0	0	5,337,146
Energy Office	1,024,156	0	0	0	0	1,024,156
Office of Finance and Administration	23,399,714	0	0	0	0	23,399,714
Bureau of Fire, Rescue & Emrg Svcs	58,937,670	0	0	0	0	58,937,670
Bureau of General Services	1,327,710	0	0	0	0	1,327,710
Governmental Relations	654,243	0	0	0	0	654,243
Bureau of Licenses	2,991,766	0	0	0	0	2,991,766
Office of the Mayor	1,385,911	0	0	0	0	1,385,911
Office of Neighborhood Involvement	3,372,033	0	0	0	0	3,372,033
Bureau of Parks	34,081,469	0	0	0	0	34,081,469
Bureau of Planning	8,545,672	0	0	0	0	8,545,672
Bureau of Police	105,478,157	0	0	0	0	105,478,157
Bureau of Purchases and Stores	2,400,025	0	0	0	0	2,400,025
Total General Fund Bureaus	261,716,892	0	0	0	0	261,716,892
Special Appropriations						
Public Safety						
Justice Council	25,845	0	0	0	0	25,845
Graffiti Removal	280,069	0	0	0	0	280,069
RDI General Fund Contribution	25,650	0	0	0	0	25,650
RDI: 1998 Federal Grant	141,392	0	0	0	0	141,392
RDI: 1998 Federal Grant Gresham	22,750	0	0	0	0	22,750
Community Development						
Block by Block Weatherization	188,743	0	0	0	0	188,743
Business License Refunds	3,667,760	0	0	0	0	3,667,760
Civil Rights Mediation	50,000	0	0	0	0	50,000
Downtown Services	844,093	0	0	0	0	844,093
EID Assessments	16,961	0	0	0	0	16,961
Fair Housing Enforcement	42,077	0	0	0	0	42,077
MERC / PCPA	620,277	0	0	0	0	620,277
North Macadam	156,000	0	0	0	0	156,000
PDC - 2040	1,090,981	0	0	0	0	1,090,981
PDC - NE Workforce Center	97,966	0	0	0	0	97,966
PDC - Econ Devel Loan Prog-OSE Le	467,566	0	0	0	0	467,566
PDC - Targeted Industry Jobs	110,381	0	0	0	0	110,381
PDC - Business Development	432,164	0	0	0	0	432,164
PDC - Business Districts	50,000	0	0	0	0	50,000
PDC - Waterfront Dev. Activities	443,208	0	0	0	0	443,208
Portland Area Schools	350,000	0	0	0	0	350,000
Legislative/Administrative						
City Membership and Dues	273,418	0	0	0	0	273,418
IRS Rebate	93,600	0	0	0	0	93,600
Council Emergency Funds	7,000	0	0	0	0	7,000
Neighborhood Improvement Districts	134,000	0	0	0	0	134,000
Employee Suggestion Program	31,014	0	0	0	0	31,014
Innovations Fund	94,897	0	0	0	0	94,897
DCTU Training	300,000	0	0	0	0	300,000
Leaders Roundtable	10,000	0	0	0	0	10,000
ITSP Capital	195,000	0	0	0	0	195,000
Management Council	5,453	0	0	0	0	5,453
Compensation Adjustments	6,634,884	0	0	0	0	6,634,884

APPROPRIATION SCHEDULE - FY 1998-99

Table 1

This Table summarizes the major fund level requirements for FY 1998-99, by fund, bureau, and special appropriation
Bureau level expenses are detailed in Table 6

	Bureau Program Expenses	Fund Requirements				Total Appropriation
		Contingency	Cash Transfers	Debt Retirement	Inventory Increase	
Unemployment Insurance	200,000	0	0	0	0	200,000
Parks						
Cultural Tourism	200,000	0	0	0	0	200,000
OMSI Debt Service	325,000	0	0	0	0	325,000
Oregon Historical Society	35,000	0	0	0	0	35,000
Schools Land Purchase	7,050,000	0	0	0	0	7,050,000
RACC	2,342,944	0	0	0	0	2,342,944
Transportation						
Employee Transit Program	129,490	0	0	0	0	129,490
Total Special Appropriations	27,185,583	0	0	0	0	27,185,583
Fund Requirements	0	10,390,157	34,463,708	0	0	44,853,865
TOTAL GENERAL FUND	288,902,475	10,390,157	34,463,708	0	0	333,756,340
OTHER FUNDS						
Operating Funds						
Arena Operating	608,696	7,863,489	656,395	2,682,584	0	11,811,164
Assess Collection	0	36,424	782	0	0	37,206
Buildings	21,676,732	1,661,161	687,372	0	0	24,025,265
Cable Fund	2,546,072	17,799	14,011	0	0	2,577,882
Emergency Communications	12,781,076	161,524	320,534	0	0	13,263,134
Golf	5,553,105	887,529	462,464	0	0	6,903,098
Hydropower Operating	509,709	272,126	352,465	0	0	1,134,300
P I R	854,975	70,073	50,160	0	0	975,208
Parking Facilities	4,710,905	5,814,211	9,814,418	0	0	20,339,534
Property Management	2,781,747	10,000	0	0	0	2,791,747
Public Safety	1,435,461	0	210,039	0	0	1,645,500
Refuse Disposal	2,039,261	3,494,829	526,031	0	0	6,060,121
Sewer Operating	156,842,248	4,619,734	76,882,149	0	0	238,344,131
Transportation	100,516,676	16,317,851	3,360,847	0	100,000	120,295,374
Water	73,725,347	14,389,293	28,059,422	0	40,000	116,214,062
Total Operating Funds	386,582,010	55,616,043	121,397,089	2,682,584	140,000	566,417,726
Internal Service Funds						
Communication Operat'g	9,331,737	4,698,026	225,900	466,390	0	14,722,053
Computer Services	5,194,139	985,015	227,604	42,621	0	6,449,379
Facilities Service Fund	38,561,357	7,116,187	974,819	7,585,636	0	54,237,999
Fleet Services Oprtng	18,712,264	1,486,816	634,321	78,953	0	20,912,354
Health Insurance	20,973,606	32,620,788	117,439	0	0	53,711,833
Insurance and Claims	5,053,760	8,658,348	121,739	0	0	13,833,847
Printing and Distribution	6,466,758	859,607	229,574	0	0	7,555,939
Workers' Compensation	4,222,660	11,889,715	105,258	0	0	16,217,633
Total Internal Service Funds	108,516,281	68,314,502	2,636,654	8,173,600	0	187,641,037
Agency and Trust Funds						
Environmntl Remediation	725,707	47,031	23,191	988,174	0	1,784,103
Housing Investment Fund	6,530,000	0	960,502	0	0	7,490,502
Hydro Renew & Replace	0	7,639,750	190,000	0	0	7,829,750
Parks Memorial Trust	1,477,868	2,915,258	0	0	0	4,393,126
Sewer Rate Stabilization	0	4,050,984	9,000,000	0	0	13,050,984
Sewer Revolving Loan	675,000	0	0	0	0	675,000
Sewer Safety Net	415,500	2,074,519	0	0	0	2,490,019
Water Growth Impact	0	0	0	0	0	0
Total Agency and Trust Funds	9,824,075	16,727,542	10,173,693	988,174	0	37,713,484

APPROPRIATION SCHEDULE - FY 1998-99

Table 1

This Table summarizes the major fund level requirements for FY 1998-99, by fund, bureau, and special appropriation.
Bureau level expenses are detailed in Table 6.

	Bureau Program Expenses	Fund Requirements				Inventory Increase	Total Appropriation
		Contingency	Cash Transfers	Debt Retirement	Interfund		
Construction Funds							
Capital Improvement Fund	20,000	0	1,256,105	0		0	1,276,105
L I D Construction	9,622,504	903,821	4,196,707	12,660,000		0	27,383,032
Parks Bond Construction	15,274,286	5,746,633	25,000	0		0	21,045,919
Parks Construction Fund	1,853,564	0	0	0		0	1,853,564
Sewer Construction	1,420,738	46,392,390	96,820,863	0		0	144,633,991
Water Construction	0	4,330,170	28,867,803	0		0	33,197,973
Total Construction Funds	28,191,092	57,373,014	131,166,478	12,660,000		0	229,390,584
Debt Service Funds							
Bonded Debt	0	0	0	5,970,383		0	5,970,383
Waterfront Renewal	15,000	0	0	13,421,262		0	13,436,262
South Park Debt	0	0	0	6,769,422		0	6,769,422
Airport Way Debt	0	0	0	6,025,860		0	6,025,860
Gas Tax Bond Rdmpn	0	0	0	826,584		0	826,584
Central Eastside	0	0	0	3,293,923		0	3,293,923
Bancroft Bond	0	0	0	7,474,993		0	7,474,993
Convention Center	0	0	0	6,571,716		0	6,571,716
Sewer Debt	0	0	0	48,768,354		0	48,768,354
Golf Revenue	0	0	0	305,274		0	305,274
Hydropower Debt	0	0	0	3,720,557		0	3,720,557
Water Bond Sinking	0	0	0	11,356,221		0	11,356,221
Wash Co Supply Bond	0	0	0	1,784,466		0	1,784,466
Morrison Park West	0	0	0	338,235		0	338,235
Morrison Park East	0	0	0	407,238		0	407,238
Fourth & Yamhill Debt	0	0	0	278,991		0	278,991
Old Town Parking	0	0	0	667,568		0	667,568
Governmental Bond	0	0	0	3,732,994		0	3,732,994
Total Debt Service Funds	15,000	0	0	121,714,041		0	121,729,041
Federal Funds							
Federal Grants	0	0	18,178,716	0		0	18,178,716
Hsng & Cmnty Develop't	22,213,396	53,494	335,890	0		0	22,602,780
HOME Grant Fund	4,137,523	51,477	0	0		0	4,189,000
Total Federal Funds	26,350,919	104,971	18,514,606	0		0	44,970,496
Retirements Funds							
FPD&R	56,421,055	3,587,826	70,541	20,350,000		0	80,429,422
FPD&R Reserve	0	0	750,000	0		0	750,000
FPD&R Supplemental	10,000	0	135,000	0		0	145,000
Total Retirement Funds	56,431,055	3,587,826	955,541	20,350,000		0	81,324,422
Revenue and Reserve Funds							
Convention and Tourism	2,023,693	67,564	5,770	0		0	2,097,027
General Reserve Fund	0	33,373,609	0	0		0	33,373,609
Transportation Reserve	0	585,887	0	0		0	585,887
Total Revenue and Reserve Funds	2,023,693	34,027,060	5,770	0		0	36,056,523
TOTAL APPROPRIATIONS	906,836,600	246,141,115	319,313,539	166,568,399		140,000	1,638,999,653

These Budget Notes express specific City Council direction to the bureaus given as part of the budget development process. Budget Notes are developed and structured to ensure proper attention is given to work items Council identifies as priorities within the two year budget cycle. For FY 1998-99 the City Council directions include:

PUBLIC SAFETY

Fire

- The Fire Bureau will submit a General Obligation(GO) bond request to the voters to fund the construction of new fire stations and apparatus for the stations. Include within the bond measure provision for the construction of four stations. The Fire bureau will present Council with a complete financial plan, including, identification of all operating, maintenance, and equipment replacement schedules and costs prior to the bond election. Construction of the new stations will only proceed if the GO Bond is approved and if new recurring resources become available to support operation of the stations.

Operational support for the one new station will be a priority in the next budget cycle. To support that, the Office of Finance and Administration will present scenarios incorporating fire station operating costs in conjunction with future financial forecasts.

Operational support for the second new station will be a priority in the budget cycle beginning fiscal year 2003-2004. To support that, the Office of Finance and Administration will present scenarios incorporating fire station operating costs in conjunction with future financial forecasts.

PARKS, RECREATION AND CULTURE

Parks

- Parks will present the plan for their outreach efforts for recreation programs, which identifies expected outcomes by August 31, 1998. Parks will report to Council on the actual outcomes upon completion of the outreach efforts.
- The Juvenile Justice package is being developed in coordination with city police and the appropriate county agencies. Outcomes and performance measures will be developed as part of this plan. The plan will be presented to Council by September 30, 1998.
- The Parks Bureau will produce a 5 year financial plan that outlines all operating and maintenance costs resulting from the Parks SDC (System Development Charge) requirements and any successful GO Bond. Revenue options will be detailed as part of this plan. The plan will also identify how Parks is dealing

with any increased costs of GOBI projects. The draft plan will be completed and presented to the Office of Finance and Administration (OFA) by September 30, 1998.

- The Regional Arts and Culture Council (RACC) will administer funding for the NW Business Committee for the Arts Stabilization Project and the Oregon Ballet Theater (OBT). Progress reports on goals and outcomes will be provided to the City Council annually.
- RACC will continue to work with the Portland Development Commission (PDC), OBT, and other arts organizations and city agencies on a shared arts facility development plan. If the plan is successful and a facility for OBT is earmarked, funding currently allocated to OBT will be transferred to RACC for operating grants beginning in FY 00-01

PUBLIC UTILITIES

Water

- The Water Bureau will identify the cost savings and improvements anticipated due to the new billing information system and present this information for Council review by December 31, 1998.

COMMUNITY DEVELOPMENT AND SERVICES

Energy

- Energy will work in partnership with the Economic Development department of PDC on the Sustainability/Green industries effort.

Citywide

- The Economic Development Department of the Portland Development commission will work with neighborhood business district associations and community development organizations to develop a draft neighborhood business improvement district strategy for City Council consideration by December 15, 1998.
- The bureaus of Planning, Transportation, BES, Water, the PDC and OFA will work together to develop a process and criteria for directing capital funds to Main Streets, Town Centers and Regional Centers. This will be completed by March 1, 1999.

TRANSPORTATION AND PARKING

Transportation

- Transportation will reinstate the preparation of a 5 year financial plan as required under the City's Comprehensive Financial Policies. The financial plan being developed for the Streetcar project will be included as part of the overall five year financial plan. The financial plan will be submitted to the Office of Finance and Administration by December 15, 1998.

- Additional Gas Tax Revenue funds received beyond the current estimates will be used to offset the General Fund commitment.

LEGISLATIVE/ADMINISTRATIVE & SUPPORT SERVICESLicenses

- License will facilitate council consideration of implementation of the options for Special Events financing presented in the "Report to City council: Film/Video and Special Events Cost Recovery Analysis by Council by September 30, 1998.







172386

ORDINANCE No.

*Levy taxes for the City of Portland for the fiscal year beginning July 1, 1998, and direct Director of Financial Management to submit said tax levy and other certifications to the County Assessors of Multnomah, Clackamas, and Washington Counties. (Ordinance)

The City of Portland ordains:

Section 1. The City Council finds that:

1. The FY 1998-99 Budget for the City of Portland was adopted and appropriations made by the City Council on June 17, 1998 by Ordinance.
2. The City has approved a \$35,000,000 tax increment collection. The collection will be used to pay existing urban renewal debt service requirements and other urban renewal indebtedness.
3. The Department of Revenue has issued a Form "UR-50 Certification to Assessor" in addition to the Notice of Property Tax Levy (Form LB-50), on which the City is required to categorize its levies by Option selected, either 1, 2, or 3. The form UR-50 also requires the City to certify the Maximum to Collect From All Methods, the Amount of Special Levy, and the Maximum to Collect From the Division of Taxes method.
4. In no case will an urban renewal district receive more than the amount of increment revenue allowed under the statutory formula outlined in ORS 457.440.

NOW, THEREFORE, the Council directs:

- a. In accordance with Oregon State law implementing Measure 50 (SB 1215) the City levies its permanent tax rate of \$4.5770 per \$1,000 of assessed value.
- b. In accordance with the FY 1998-99 annual budget of the City of Portland and the June 10, 1998 certification by the Multnomah County Tax Supervising and Conservation Commission, taxes are hereby levied for municipal purposes for the fiscal year beginning July 1, 1998, on all taxable property, both real and personal, within the corporate limits of the City of Portland as follows:

For the payment of the general expenses of the City of Portland not otherwise provided for, to be credited to the GENERAL FUND, the sum of one hundred twenty eight million, eight hundred sixty seven thousand, one hundred twenty five dollars.
\$128,867,125

For the purchase, payment or redemption of the bonded indebtedness of the City of Portland, not otherwise provided for, and for the payment of interest, not otherwise provided for, accruing on the bonded indebtedness of the City of Portland, to be credited to the BONDED DEBT INTEREST AND SINKING FUND, the sum of five million, eight hundred nine thousand, forty one dollars. **\$5,809,041**

For the benefit of sworn firefighting personnel and their families authorized under the provisions of the Charter of the City of Portland now in force, to be levied for the FIREMEN'S RELIEF AND PENSION FUND and to be credited to the FIRE AND POLICE DISABILITY AND RETIREMENT FUND, the amount of thirty cents per one thousand dollars shall be levied on the assessed valuation of the property in the City of Portland not exempt from taxation. (This amount shall be computed by the Multnomah County Assessor.)

For the benefit of sworn firefighting personnel and sworn police personnel for the payment of pensions and to provide for members eligible for retirement in the Bureau of Fire, Rescue, and Emergency Services and the Bureau of Police authorized under the provisions of the Charter of the City of Portland now in force, to be credited to the FIRE AND POLICE DISABILITY AND RETIREMENT FUND, the amount which when added to the levy for FIREMEN'S RELIEF AND PENSION FUND will total fifty eight million, eight hundred seventy one thousand, six hundred eight-eight dollars. (This amount shall be computed by the Multnomah County Assessor.) **\$58,871,688**

TOTAL ALL LEVIES: One hundred ninety three million, five hundred forty seven thousand, eight hundred fifty four. **\$193,547,854**

- c. The Director of Financial Management is hereby directed to certify on the Form LB-50 the tax levies made in Section 1.a hereof to the Assessors of Multnomah, Clackamas, and Washington Counties.
- d. In order to continue the City's active urban renewal districts and provide for potential future tax revenue for obligations of the Waterfront Renewal Bond Sinking Fund, the Central Eastside Industrial District Debt Fund, the Airport Way Debt Service Fund, the South Park Renewal Debt Service Fund, and the Oregon Convention Center Area Debt Service Fund, the Assessors of Multnomah, Clackamas, and Washington Counties are hereby instructed to implement the procedures specified by ORS 457.420 to ORS 457.440 and other applicable state law relative to tax increment financing of urban renewal indebtedness, subject to the certifications contained in section 1.e.
- e. The Director of Financial Management is hereby directed to certify that the City of Portland requests that tax increment revenue be collected for urban renewal bonded indebtedness and other indebtedness in FY 1998-99 for Airport Way, Central

Eastside, Convention Center, South Park Blocks and Downtown Waterfront debt service requirements as outlined below. This means that on Form M-5, the following amounts will be certified for urban renewal collections:

Urban Renewal District	Tax Increment Available for Urban Renewal Debt	Amount Certified	Amount Estimated to be Collected
Airport Way	\$ 6,170,000	\$ 6,170,000	\$ 5,841,756
Central Eastside	\$ 3,350,000	\$ 3,350,000	\$ 3,171,780
Convention Center	\$ 5,740,000	\$ 5,740,000	\$ 5,434,632
South Park Blocks	\$ 6,640,000	\$ 6,640,000	\$ 6,286,752
Downtown Waterfront	\$ 13,100,000	\$ 13,100,000	\$ 12,314,773
Totals	\$ 35,000,000	\$ 35,000,000	\$ 33,049,693

Collection of the tax increment revenues is contingent on the actual assessed value growth. The City will certify and collect the tax increment revenues only if the increase in assessed value is sufficient to allow the tax increment collection without forcing the City's other levies into compression under the \$10 limit.

- f. The Multnomah County Assessor is hereby instructed, with respect to the tax code area defined in Ordinance 163210 as the "Ash Grove Cement West Property," to calculate for FY 1998-99 a tax for city purposes at a rate that is 45% of the highest rate for city purposes elsewhere in the City, as provided for in ORS 222.111 and the associated Administrative Rules of the Oregon Department of Revenue, as agreed to at the time of annexation by the City Council in Resolution 34692.

<u>Tax Year</u>	<u>Ratio</u>
FY 1990-1991	5%
FY 1991-1992	10%
FY 1992-1993	15%
FY 1993-1994	20%
FY 1994-1995	25%
FY 1995-1996	30%
FY 1996-1997	35%
FY 1997-1998	40%
FY 1998-1999	45%
FY 1999-2000	100%

Section 2. The Council declares that an emergency exists inasmuch as it is necessary to certify the above amounts to the County Assessors by July 15, 1998; therefore, this Ordinance shall be in force and effect from and after its passage.

Passed by the Council, JUN 17 1998

Mayor Katz
Office of Finance and Administration
Tim Grewe:Ken Rust: J. Bell
June 8, 1998

BARBARA CLARK
Auditor of the City of Portland

By *Britta Olson*
Deputy





Room 140 City Hall
1221 SW 4th Avenue
Portland, Oregon 97204

STATE OF OREGON }
COUNTY OF MULTNOMAH } ss
CITY OF PORTLAND }

I, **BARBARA CLARK**, Auditor of the City of Portland, do hereby certify that I have compared the following copy of Ordinance No. 172385 passed by the Portland City Council on June 17, 1998, to create one new fund in FY 1998-99, close three City funds and transfer the remaining balances effective June 30, 1998, with the original thereof and that the same is a full, true and correct copy of such original Ordinance and of the whole thereof as the same appears on file and of record in my office and in my care and custody.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of the City of Portland affixed this 19th day of June, 1998.

By Britta Olson
Deputy



172385

ORDINANCE No.

*Create one new fund in FY 1998-99, close three City funds and transfer the remaining balances effective June 30, 1998. (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City's independent auditors have consistently recommended that the City control the number of funds to streamline its financial management and accounting.
2. The closure of the three (3) funds listed below will enable the City to improve financial management and accounting.
3. Establishment of one (1) new fund will improve the financial management and accounting of the City.

NOW, THEREFORE, the Council directs:

- a. The Fire and Police Disability and Retirement Supplemental Fund (Fund 203) is to be closed and any remaining balance to be transferred to the Fire and Police Disability and Retirement Fund (Fund 651).
- b. The Fire and Police Disability and Retirement Supplemental - Debt Service Fund (Fund 304) is to be closed and any remaining balance is to be transferred to the Fire and Police Disability and Retirement Fund (Fund 651).
- c. The Autoport Fund Fund(Fund 158) is to be closed and all remaining balances transferred to the Parking Facilities Fund.
- d. Create the Parks Construction Fund (Fund 505) and include in the FY1998-99 Adopted Budget. The fund is established to improve and streamline the financial management and accounting for all capital expenditures in the Parks bureau.

Section 2. The Council declares that an emergency exists inasmuch as it is necessary to close the above City funds on the designated effective dates in order to properly transact the financial affairs of the City of Portland as budgeted for the FY 1998-99, and close the FY 1997-98 year; therefore, this ordinance shall be in force and effect from and after its passage by the Council.

Passed by the Council, JUN 17 1998

Mayor Katz
Office of Finance and Administration
Tim Grewe:Ken Rust: J. Bell
June 8, 1998

BARBARA CLARK
Auditor of the City of Portland

By *Barbara Olson*
Deputy









Commissioners

Richard Anderson
Anthony Jankans
Nancy Conrath
Charles Rosenthal
Ann Sherman

TAX SUPERVISING & CONSERVATION COMMISSION
MULTNOMAH COUNTY, OREGON

421 S.W. Fifth Avenue, Room 724
Portland, Oregon 97204-2189

Telephone: (503) 248-3054 Facsimile: (503) 248-3053
E Mail: TSCC@aol.com Web Site: www.multnomah.lib.or.us/tsc/

June 10, 1998

Mayor and Council
City of Portland
1220 SW 5th
Portland, Oregon 97204

Dear Mayor and Council Members:

The Tax Supervising and Conservation Commission met on June 10, 1998 to review, discuss, and conduct a public hearing on the City of Portland 1998-99 Annual Budget. This hearing was conducted pursuant to ORS 294.605-705 to confirm compliance with applicable laws and to determine the adequacy of estimates necessary to support efficient and economical administration of the city.

The 1998-99 budget, filed May 8, 1998, is hereby certified with no objections and the following recommendations. Aside from the items noted, estimates were judged to be reasonable for the purposes shown and the document was found to be in substantial compliance with the law.

Recommendations:

1. Budgeting for Anticipated COPS Grant Revenue

It's been a long term practice of the city not to include certain grant revenues in its proposed / approved and adopted budgets. Rather, these amounts have historically been recognized mid-term once the previous year's costs were known along with carry-forward amounts. While we fully agree with the city's desire to limit grant expenditures to available resources, the current practice is not ideal. At times, it excludes from the budget process revenues that the city knows it will realize. This leads to a less complete picture of planned revenue and spending. For example, it appears that the 98/99 proposed and approved budgets don't include approximately \$2.5m of anticipated COPS MORE grant revenue. The related expenditures, however, seem to be budgeted.

Local Budget Law (ORS 294.361(3)) was changed last session. It now requires that grants be included as budget resources if by the time of budget approval they can be reasonably estimated. We recommend the city change the way it budgets for grant revenues. The city can administratively control expenditures pending calculation of final carry-over totals.

2. Police Budget Estimates - Position Vacancies

The approved police budget appears to be based upon the level of service anticipated when the city recently received a local law enforcement block grant. However, our understanding is that police officer retirements combined with hiring delays brought on by the passage of Measure 47 have impacted the city's ability to increase sworn staffing to planned levels. Vacancies are reported to range from 69 to 120 positions. We realize that some of the "savings" may be offset by higher than budgeted overtime and capital outlay costs.

Expenditure estimates should be based upon reasonable expectation. We recommend that the city place the estimated police vacancy savings in contingency. Council could subsequently approve via contingency transfer the use of these savings for purposes other than what was specifically outlined in the police budget. This type budgeting places control with Council and provides the public a better view of how their tax dollars devoted to law enforcement will actually be spent next year. Additionally, the city should analyze whether it is obligated to defer recognition of grant revenue while sworn staff levels remain below their pre-grant award level.

3. Health Insurance Fund Reserves

The Health Insurance fund's beginning balance continues to grow. The 1998/99 fund balance is estimated at \$31.4m. This is approximately \$25.2m in excess of the various claims reserves identified on page 345 of the proposed budget and approximately 120% of annual requirements. The size of the reserve now rivals the city's rainy day fund.

Note that internal service funds must be operated to avoid any element of profit or loss. See ORS 294.470 (5). We recommend the city establish a formal policy guiding the level of reserves in this fund - especially if medical inflation doesn't subsequently draw down this balance as planned.

4. Use of Dedicated Revenues

The proposed budget includes the use of approximately \$2.3m of parking facility revenue for streetcar or other transportation capital expenses. It's our understanding that state law allows the city a fair return on its investment in its parking facility for the purpose of making additional parking and traffic improvements. Care should be taken to ensure that transfers out of the fund are at a level not in excess of that deemed "fair," and that improvements financed with these revenues are consistent with the above noted limitations. Otherwise ORS 223.845 states that the governing body shall reduce the parking rates charged for the use of the facility.

The budget also includes some non-traditional use of city enterprise revenues. For example, it appears that water fund dollars are being budgeted to help finance the streetcar project, sewer fund dollars for the Tanner Creek park project, and hydro dollars for PCPA debt service. Also, the city is increasingly looking towards urban renewal for assistance in back-filling for general government shortfalls. The budget's use of urban renewal taxes for police horse stable relocation and transit mall maintenance are two examples. We recommend you thoroughly document the planned use of these dedicated revenues and as well as their compliance with applicable state laws.

5. List of Prioritized Services

It appears that the allocation of the current year budget surplus was almost as difficult to manage as last year's budget cuts. Citizens last year gave the city an extensive amount of feedback on their perceptions and priorities. We recommend that the Mayor and Council develop a prioritized list of city services. The list could serve as a guideline when unexpected revenues or shortfalls occur, and assist with future deliberations.

We appreciate the open and candid discussion at our hearing.

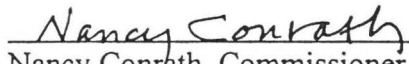
The certified budget estimates and tax levies are identified on the attached schedule.


Yours very truly,

TAX SUPERVISING & CONSERVATION COMMISSION


Charles W. Rosenthal, Commissioner


Richard Anderson, Commissioner


Nancy Conrath, Commissioner


Anthony Jankans, Commissioner

City of Portland 1998-99 Budget Certification
Schedule of Funds and Budget Estimates

	<u>Unappropriated Balances</u>	<u>Fund Totals Certified</u>
Budget Estimates:		
<i>Operating Funds:</i>		
General Fund		323,416,729
Water Fund		116,183,347
Sewer Operating Fund		238,390,148
Transportation Fund		120,380,374
Assessment Collection Fund		37,206
Arena Operating Fund		12,077,643
Buildings Operating Fund		27,543,231
Unappropriated Balance	(4,488,736)	
Cable TV Fund		3,161,835
Unappropriated Balance	(583,953)	
Business Property Management Fund		2,795,742
Unappropriated Balance	(3,995)	
Emergency Communications Fund		15,133,304
Unappropriated Balance	(1,870,170)	
Golf Fund		6,903,098
Hydroelectric Power Fund		1,134,300
Parking Facilities Fund		20,337,974
Portland International Raceway Fund		975,208
Public Safety Fund		1,645,500
Refuse Disposal Fund		6,060,121
<i>Sub-Total Operating Funds</i>	(6,946,854)	896,175,760
<i>Internal Service Funds:</i>		
Communications Fund		14,602,577
Information Systems Services Fund		6,449,379
Facilities Services Fund		54,195,499
Fleet Services Fund		26,189,994
Unappropriated Balance	(6,006,575)	
Health Insurance Fund		53,711,833
Insurance and Claims Fund		13,833,847
Printing & Distribution Fund		7,555,939
Workers' Compensation Fund		16,217,633
<i>Sub-Total Internal Service Funds</i>	(6,006,575)	192,756,701
<i>Agency & Trust Funds:</i>		
Environmental Remediation Fund		2,384,103
Unappropriated Balance	(600,000)	

	Unappropriated <u>Balances</u>	Fund Totals <u>Certified</u>
Housing Investment Fund		7,490,502
Hydro Power Renewal & Replacement Fund		7,829,750
Portland Parks Trusts Fund		4,413,693
Unappropriated Balance	(25,567)	
Sewer Rate Stabilization Fund		13,050,984
Sewer Revolving Loan Fund		1,363,076
Unappropriated Balance	(688,076)	
Sewer Safety Net Fund		2,490,019
Water Growth Impact Fund		1,386,459
Unappropriated Balance	(1,386,459)	
<i>Sub-Total Agency & Trust Funds</i>	<u>(2,700,102)</u>	<u>40,408,586</u>
<i>Construction Funds:</i>		
Capital Improvement Construction Fund		1,372,478
Unappropriated Balance	(204,133)	
LID Construction Fund		27,383,032
Parks Bond Construction Fund		21,045,919
Sewer System Construction Fund		145,909,723
Water Construction Fund		42,149,636
Unappropriated Balance	(8,951,663)	
<i>Sub-Total Construction Funds</i>	<u>(9,155,796)</u>	<u>237,860,788</u>
<i>Debt Service Funds:</i>		
Airport Way Debt Fund		6,857,712
Unappropriated Balance	(519,408)	
Bancroft Bond Interest & Sinking Fund		17,794,643
Unappropriated Balance	(10,319,650)	
Bonded Debt Interest & Sinking Fund		6,252,821
Unappropriated Balance	(282,438)	
Central Eastside Debt Fund		3,213,379
Convention Center Area Debt Fund		6,340,004
Fourth & Yamhill Bond Redemption Fund		287,250
Unappropriated Balance	(8,259)	
Golf Revenue Bond Redemption Fund		536,097
Unappropriated Balance	(230,823)	

City of Portland 1998-99 Budget Certification
Schedule of Funds and Budget Estimates

Page 3

	Unappropriated <u>Balances</u>	Fund Totals <u>Certified</u>
Hydropower Bond Redemption Fund		7,976,901
Unappropriated Balance	(4,256,344)	
Gas Tax Bond Redemption Fund		826,584
Government Bond Redemption Fund		4,025,039
Unappropriated Balance	(37,045)	
Morrison Park East Bond Redemption Fund		867,683
Unappropriated Balance	(460,445)	
Morrison Park West Bond Redemption Fund		698,111
Unappropriated Balance	(359,876)	
Old Town Parking Bond Redemption Fund		677,106
Unappropriated Balance	(9,538)	
Sewer System Debt Redemption Fund		48,768,354
South Park Block Bond Redemption Fund		7,677,231
Unappropriated Balance	(1,179,801)	
Washington County Supply Bond Redemption Fund		3,161,420
Unappropriated Balance	(1,376,954)	
Water Bond Sinking Fund		11,356,221
Waterfront Renewal Bond Sinking Fund		18,570,302
Unappropriated Balance	(3,350,000)	
<i>Sub-Total Debt Service Funds</i>	(22,390,581)	145,886,858
<i>Federal Funds:</i>		
Federal and State Grants Fund		12,810,278
Home Grant		4,189,000
Housing and Community Development Fund		22,602,780
<i>Sub-Total Federal Funds</i>	-	39,602,058
<i>Retirement Funds:</i>		
Fire & Police Disability & Retirement Fund		80,428,170
Fire & Police Disability & Retirement Reserve Fund		750,000
Supplemental Retirement Program Trust Fund		469,184
Unappropriated Balance	(324,184)	
<i>Sub-Total Retirement Funds</i>	(324,184)	81,647,354
<i>Revenue & Reserves:</i>		
Convention & Tourism Fund		2,097,027
General Reserve Fund		33,373,609
Transportation Reserve Fund		585,887
<i>Sub-Total Revenue & Reserves</i>	-	36,056,523
Totals - City of Portland	(47,524,092)	1,670,394,628

City of Portland 1998-99 Budget Certification
Schedule of Funds and Budget Estimates

Page 4

	<u>Unappropriated Balances</u>	<u>Fund Totals Certified</u>
Portland Development Commission:		
Airport Way Urban Renewal Fund		31,579,304
Central Eastside Industrial District Fund		5,528,572
Convention Center Area Fund		16,919,946
South Park Urban Renewal Fund		17,880,850
Waterfront Renewal Bond Redevelopment Fund		26,367,641
Enterprise Loans Fund		37,163,270
Housing and Community Development Contract Fund		12,518,405
HOME Grant Fund		2,935,000
Oregon Arena Fund		56,740
Regional Strategies Fund		241,529
Urban Redevelopment Fund		15,872,971
Total	<u>-</u>	<u>167,064,228</u>
Grand Total	<u>(47,524,092)</u>	<u>1,837,458,856</u>
Tax Levy:		
General Fund - Permanent Rate	\$4.5770	
Bonded Debt Fund - Not Subject to Limit		5,809,041
Fire & Police Disability & Retirement - Outside Tax		
Base - Continuing Levy		58,870,357
Urban Renewal Sequestered Taxes:		
Downtown Waterfront	Option 3	7,710,000
South Park Blocks	Option 3	6,640,000
Central Eastside	Option 1	3,300,000
Airport Way	Option 3	2,870,000
Convention Center	Option 3	6,200,000
Subtotal - Sequestered Taxes		<u>26,720,000</u>
Urban Renewal Special Levies:		
Downtown Waterfront		5,390,000
South Park Blocks		980,000
Airport Way		3,630,000
Subtotal - Special Levy		<u>10,000,000</u>
Total (All Property Tax Levies - Excluding Rate Based)		101,399,398



Funds Listed by Type

Fund	Name	Service Area
<u>Agency and Trust Funds</u>		
161	Environmental Remediation Fund	Public Utilities
209	Housing Investment Fund	Community Development
602	Portland Parks Memorial Trust	Parks, Recreation and Culture
632	Water Growth Impact Charge	Public Utilities
632	Sewer System Rate Stabilization	Public Utilities
633	Sewer System Safety Net	Public Utilities
635	Hydropower Renewal and Replacement	Public Utilities
636	Sewer Revolving Loan Fund	Public Utilities
<u>Construction Funds</u>		
502	LID Construction	Community Development
503	Capital Improvement Fund	Legislative/Admin/Support Services
504	Parks Bond Construction	Parks, Recreation and Culture
505	Parks Construction	Parks, Recreation and Culture
552	Sewer System Construction	Public Utilities
554	Water Construction	Public Utilities
<u>Debt Service Funds</u>		
302	Bonded Debt Interest and Sinking	Parks, Recreation and Culture
303	Waterfront Renewal Bond Sinking	PDC
306	South Park Renewal Debt	PDC
307	Airport Way Debt	PDC
308	Gas Tax Bond Redemption	Transportation and Parking
310	Central Eastside Industrial District	PDC
311	Bancroft Bond Interest and Sinking	Community Development
312	Convention Center Area Debt	PDC
351	Sewer System Debt Redemption	Public Utilities
353	Golf Revenue Bond Redemption	Parks, Recreation and Culture
354	Hydropower Bond Redemption	Public Utilities
355	Water Bond Sinking	Public Utilities
356	Washington County Supply Bond	Public Utilities
357	Morrison Park West Bond Redemption	Transportation and Parking
358	Morrison Park East Bond Redemption	Transportation and Parking
360	Fourth and Yamhill Debt Redemption	Transportation and Parking
362	Old Town Parking Bond Redemption	Transportation and Parking
702	Governmental Bond Redemption Fund	Legislative/Admin/Support Services
<u>Federal Funds</u>		
252	Federal Grants	Distributed
254	Housing and Community Development	Community Development
255	HOME Grant Fund	Community Development
<u>Historical Funds</u>		
111	Northwest I-405	Parks, Recreation and Culture
113	Street Lighting	Transportation and Parking
119	Parks System Improvement	Parks, Recreation and Culture
158	Auto Port	Transportation and Parking

Funds Listed by Type

Fund	Name	Service Area
<u>Historical Funds continued</u>		
192	Exposition/Recreation Commission	Parks, Recreation and Culture
203	FPD&R Supplemental Fund	Public Safety
204	Parking Meter Fund	Transportation and Parking
205	State Revenue Sharing Fund	Revenue and Reserves
206	Sewer System Debt Proceeds	Public Utilities
207	Street Light Replacement Fund	Transportation and Parking
251	Federal Revenue Sharing Fund	Revenue and Reserves
253	CETA Fund	Community Development
301	Short Term Interest and Sinking	Revenue and Reserves
304	FPD&R Supplemental Debt Redemption	Public Safety
305	St. John's Riverfront Bond Redemption	PDC
309	System Development Interest & Sinking Fund	Public Utilities
352	Tennis Facilities Bond Redemption	Parks, Recreation and Culture
359	Parking Facilities Bond Redemption	Transportation and Parking
361	PIR Bond Redemption	Parks, Recreation and Culture
363	Arena Debt Service	Parks, Recreation and Culture
501	Transportation Construction	Transportation and Parking
551	Performing Arts Center Construction	Parks, Recreation and Culture
555	Washington County Supply	Public Utilities
556	Arena Construction	Public Utilities
601	MC Economic Development Trust	Community Development
603	Sundry Trust Fund	Parks, Recreation and Culture
628	Public Arts Trust Fund	Parks, Recreation and Culture
634	St. Johns Landfill End Use	Public Utilities
703	City Facilities Acquisition Fund	Legislative/Admin/Support Services
710	Justice Center operating	Legislative/Admin/Support Services
712	DCTU Benefits	Legislative/Admin/Support Services
<u>Internal Service Funds</u>		
701	Health Insurance	Distributed
704	Facilities Service Fund	Legislative/Admin/Support Services
705	Fleet Services operating	Legislative/Admin/Support Services
706	Printing and Distribution services	Legislative/Admin/Support Services
707	Communications Services Operating	Legislative/Admin/Support Services
708	Insurance and Claims operating	Legislative/Admin/Support Services
709	Worker's Comp. Operating	Legislative/Admin/Support Services
711	Computer	Legislative/Admin/Support Services
<u>Operating Funds</u>		
101	General Fund	Distributed
112	Transportation Operating	Transportation and Parking
114	Assessment Collection	Community Development
115	Emergency Communications	Public Safety
116	Buildings Fund	Community Development
117	Property Management License Fund	Community Development
118	Public Safety	Public Safety
120	Cable	Community Development
151	Sewage System Operating	Public Utilities

Funds Listed by Type

Fund	Name	Service Area
<u>Operating Funds continued</u>		
152	Hydropower Operating	Public Utilities
153	Water	Public Utilities
154	Golf	Parks, Recreation and Culture
156	Portland International Raceway	Parks, Recreation and Culture
157	Refuse Disposal	Public Utilities
159	Parking Facilities	Transportation and Parking
160	Arena/Coliseum Operating	Parks, Recreation and Culture
<u>Retirement Funds</u>		
651	Fire & Police Disability & Retirement	Public Safety
652	FPD&R Reserve	Public Safety
654	Supplemental Retirement Program Trust	Public Safety
<u>Revenue & Reserve Funds</u>		
201	Convention and Tourism	Community Development
202	General Reserve Fund	Revenue and Reserves
208	Transportation Reserves	Transportation and Parking

Funds Listed by Number

Fund	Name	Service Area
101	General Fund	Distributed
111	Northwest I-405	Parks, Recreation and Culture
112	Transportation Operating	Transportation and Parking
113	Street Lighting	Transportation and Parking
114	Assessment Collection	Community Development
115	Emergency Communications	Public Safety
116	Buildings Fund	Community Development
117	Property Management License Fund	Community Development
118	Public Safety	Public Safety
119	Parks System Improvement	Parks, Recreation and Culture
120	Cable	Community Development
151	Sewage System Operating	Public Utilities
152	Hydropower Operating	Public Utilities
153	Water	Public Utilities
154	Golf	Parks, Recreation and Culture
156	Portland International Raceway	Parks, Recreation and Culture
157	Refuse Disposal	Public Utilities
158	Auto Port	Transportation and Parking
159	Parking Facilities	Transportation and Parking
160	Arena/Coliseum Operating	Parks, Recreation and Culture
161	Environmental Remediation Fund	Public Utilities
192	Exposition/Recreation Commission	Parks, Recreation and Culture
201	Convention and Tourism	Community Development
202	General Reserve Fund	Revenue and Reserves
203	FPD&R Supplemental Fund	Public Safety
204	Parking Meter Fund	Transportation and Parking
205	State Revenue Sharing Fund	Revenue and Reserves
206	Sewer System Debt Proceeds	Public Utilities
207	Street Light Replacement Fund	Transportation and Parking
208	Transportation Reserves	Transportation and Parking
209	Housing Investment Fund	Community Development
251	Federal Revenue Sharing Fund	Revenue and Reserves
252	Federal Grants	Distributed
253	CETA Fund	Community Development
254	Housing and Community Development	Community Development
255	HOME Grant Fund	Community Development
301	Short Term Interest and Sinking	Revenue and Reserves
302	Bonded Debt Interest and Sinking	Parks, Recreation and Culture
303	Waterfront Renewal Bond Sinking	PDC
304	FPD&R Supplemental Debt Redemption	Public Safety
305	St. John's Riverfront Bond Redemption	PDC
306	South Park Renewal Debt	PDC
307	Airport Way Debt	PDC
308	Gas Tax Bond Redemption	Transportation and Parking
309	System Development Interest & Sinking Fund	Public Utilities
310	Central Eastside Industrial District	PDC
311	Bancroft Bond Interest and Sinking	Community Development
312	Convention Center Area Debt	PDC
351	Sewer System Debt Redemption	Public Utilities

Funds Listed by Number

Fund	Name	Service Area
352	Tennis Facilities Bond Redemption	Parks, Recreation and Culture
353	Golf Revenue Bond Redemption	Parks, Recreation and Culture
354	Hydropower Bond Redemption	Public Utilities
355	Water Bond Sinking	Public Utilities
356	Washington County Supply Bond	Public Utilities
357	Morrison Park West Bond Redemption	Transportation and Parking
358	Morrison Park East Bond Redemption	Transportation and Parking
359	Parking Facilities Bond Redemption	Transportation and Parking
360	Fourth and Yamhill Debt Redemption	Transportation and Parking
361	PIR Bond Redemption	Parks, Recreation and Culture
362	Old Town Parking Bond Redemption	Transportation and Parking
363	Arena Debt Service	Parks, Recreation and Culture
501	Transportation Construction	Transportation and Parking
502	LID Construction	Community Development
503	Capital Improvement Fund	Legislative/Admin/Support Services
504	Parks Bond Construction	Parks, Recreation and Culture
505	Parks Construction	Parks, Recreation and Culture
551	Performing Arts Center Construction	Parks, Recreation and Culture
552	Sewer System Construction	Public Utilities
554	Water Construction	Public Utilities
555	Washington County Supply	Public Utilities
556	Arena Construction	Public Utilities
601	MC Economic Development Trust	Community Development
602	Portland Parks Memorial Trust	Parks, Recreation and Culture
603	Sundry Trust Fund	Parks, Recreation and Culture
628	Public Arts Trust Fund	Parks, Recreation and Culture
632	Water Growth Impact Charge	Public Utilities
632	Sewer System Rate Stabilization	Public Utilities
633	Sewer System Safety Net	Public Utilities
634	St. Johns Landfill End Use	Public Utilities
635	Hydropower Renewal and Replacement	Public Utilities
636	Sewer Revolving Loan Fund	Public Utilities
651	Fire & Police Disability & Retirement	Public Safety
652	FPD&R Reserve	Public Safety
654	Supplemental Retirement Program Trust	Public Safety
701	Health Insurance	Distributed
702	Governmental Bond Redemption Fund	Legislative/Admin/Support Services
703	City Facilities Acquisition Fund	Legislative/Admin/Support Services
704	Facilities Service Fund	Legislative/Admin/Support Services
705	Fleet Services operating	Legislative/Admin/Support Services
706	Printing and Distribution services	Legislative/Admin/Support Services
707	Communications Services Operating	Legislative/Admin/Support Services
708	Insurance and Claims operating	Legislative/Admin/Support Services
709	Worker's Comp. Operating	Legislative/Admin/Support Services
710	Justice Center operating	Legislative/Admin/Support Services
711	Computer	Legislative/Admin/Support Services
712	DCTU Benefits	Legislative/Admin/Support Services

Funds Listed by Name

Fund	Name	Service Area
307	Airport Way Debt	PDC
556	Arena Construction	Public Utilities
363	Arena Debt Service	Parks, Recreation and Culture
160	Arena/Coliseum Operating	Parks, Recreation and Culture
114	Assessment Collection	Community Development
158	Auto Port	Transportation and Parking
311	Bancroft Bond Interest and Sinking	Community Development
302	Bonded Debt Interest and Sinking	Parks, Recreation and Culture
116	Buildings Fund	Community Development
120	Cable	Community Development
503	Capital Improvement Fund	Legislative/Admin/Support Services
310	Central Eastside Industrial District	PDC
253	CETA Fund	Community Development
703	City Facilities Acquisition Fund	Legislative/Admin/Support Services
707	Communications Services Operating	Legislative/Admin/Support Services
711	Computer	Legislative/Admin/Support Services
201	Convention and Tourism	Community Development
312	Convention Center Area Debt	PDC
712	DCTU Benefits	Legislative/Admin/Support Services
115	Emergency Communications	Public Safety
161	Environmental Remediation Fund	Public Utilities
192	Exposition/Recreation Commission	Parks, Recreation and Culture
704	Facilities Service Fund	Legislative/Admin/Support Services
252	Federal Grants	Distributed
251	Federal Revenue Sharing Fund	Revenue and Reserves
651	Fire & Police Disability & Retirement	Public Safety
705	Fleet Services operating	Legislative/Admin/Support Services
360	Fourth and Yamhill Debt Redemption	Transportation and Parking
652	FPD&R Reserve	Public Safety
304	FPD&R Supplemental Debt Redemption	Public Safety
203	FPD&R Supplemental Fund	Public Safety
308	Gas Tax Bond Redemption	Transportation and Parking
101	General Fund	Distributed
202	General Reserve Fund	Revenue and Reserves
154	Golf	Parks, Recreation and Culture
353	Golf Revenue Bond Redemption	Parks, Recreation and Culture
702	Governmental Bond Redemption Fund	Legislative/Admin/Support Services
701	Health Insurance	Distributed
255	HOME Grant Fund	Community Development
254	Housing and Community Development	Community Development
209	Housing Investment Fund	Community Development
354	Hydropower Bond Redemption	Public Utilities
152	Hydropower Operating	Public Utilities
635	Hydropower Renewal and Replacement	Public Utilities
708	Insurance and Claims operating	Legislative/Admin/Support Services
710	Justice Center operating	Legislative/Admin/Support Services
502	LID Construction	Community Development
601	MC Economic Development Trust	Community Development
358	Morrison Park East Bond Redemption	Transportation and Parking

Funds Listed by Name

Fund	Name	Service Area
357	Morrison Park West Bond Redemption	Transportation and Parking
111	Northwest I-405	Parks, Recreation and Culture
362	Old Town Parking Bond Redemption	Transportation and Parking
159	Parking Facilities	Transportation and Parking
359	Parking Facilities Bond Redemption	Transportation and Parking
204	Parking Meter Fund	Transportation and Parking
504	Parks Bond Construction	Parks, Recreation and Culture
505	Parks Construction	Parks, Recreation and Culture
119	Parks System Improvement	Parks, Recreation and Culture
551	Performing Arts Center Construction	Parks, Recreation and Culture
361	PIR Bond Redemption	Parks, Recreation and Culture
156	Portland International Raceway	Parks, Recreation and Culture
602	Portland Parks Memorial Trust	Parks, Recreation and Culture
706	Printing and Distribution services	Legislative/Admin/Support Services
117	Property Management License Fund	Community Development
628	Public Arts Trust Fund	Parks, Recreation and Culture
118	Public Safety	Public Safety
157	Refuse Disposal	Public Utilities
151	Sewage System Operating	Public Utilities
636	Sewer Revolving Loan Fund	Public Utilities
552	Sewer System Construction	Public Utilities
206	Sewer System Debt Proceeds	Public Utilities
351	Sewer System Debt Redemption	Public Utilities
632	Sewer System Rate Stabilization	Public Utilities
633	Sewer System Safety Net	Public Utilities
301	Short Term Interest and Sinking	Revenue and Reserves
306	South Park Renewal Debt	PDC
205	State Revenue Sharing Fund	Revenue and Reserves
207	Street Light Replacement Fund	Transportation and Parking
113	Street Lighting	Transportation and Parking
634	St. Johns Landfill End Use	Public Utilities
305	St. John's Riverfront Bond Redemption	PDC
603	Sundry Trust Fund	Parks, Recreation and Culture
654	Supplemental Retirement Program Trust	Public Safety
309	System Development Interest & Sinking Fund	Public Utilities
352	Tennis Facilities Bond Redemption	Parks, Recreation and Culture
501	Transportation Construction	Transportation and Parking
112	Transportation Operating	Transportation and Parking
208	Transportation Reserves	Transportation and Parking
555	Washington County Supply	Public Utilities
356	Washington County Supply Bond	Public Utilities
153	Water	Public Utilities
355	Water Bond Sinking	Public Utilities
554	Water Construction	Public Utilities
632	Water Growth Impact Charge	Public Utilities
303	Waterfront Renewal Bond Sinking	PDC
709	Worker's Comp. Operating	Legislative/Admin/Support Services



Your City - Your Choice
Community Involvement



Davis & Hibbitts, Inc.

Market and Public Opinion Research

921 S.W. Morrison, Suite 424, Portland, OR 97205

Phone (503) 220-0575, FAX 220-0576

e-mail: davishib@fa.com

January 7, 1998

TO: City of Portland

FROM: Davis & Hibbitts, Inc.

RE: Results: 1997-98 Your City, Your Choice Survey

SUMMARY

Following are key findings from a telephone survey conducted during December, 1997 to assist the City of Portland with its biennial budget development process and future planning.

The sample for the survey was 401 randomly selected respondents identified as over age 18 and living within the City of Portland. For a sample size of 401, if the respondents answered a particular question in the proportion of 90% one way and 10% the other, the margin of error would be +/- 2.94%. If they answered 50% each way, the margin would be +/- 4.89%. Telephone numbers were selected by random digit dialing.

A substantial portion of the questionnaire used for this study was originally administered in December 1993, to Portland residents in a sample of the same size and general demographic character. A similar questionnaire was also administered in December 1995.

- City residents rated their neighborhood and the city 74 degrees on a 0 (cold-negative)-to-100 (warm-positive) thermometer. Two-thirds of respondents (67%) felt the city is headed in the right direction.
- The neighborhood rating is higher than two years ago and the city rating is about the same.
- Improved traffic flow/traffic congestion has increased as a need at the neighborhood and city levels over recent years.
- Although public safety has declined in importance relative to other concerns, it still remains a priority concern of city residents.
- The highest rated city goals were support quality education and ensure a safe and peaceful community.
- Financial stability as a city goal appears to be more important now than in previous years, perhaps reflecting concern about the impact of BM 47 on the delivery of city services.
- Specific projects that city residents were most willing to pay more for were keeping existing parks and open spaces in good condition, keeping neighborhood streets in good repair, and building new fire stations in under-served areas.
- Bridges were rated the most important city structures to make earthquake safe.

I. INTRODUCTION

Statement of Limitations. Any sampling of opinions or attitudes is subject to a margin of error, which represents the difference between a sample of a given population and the total population (here, the City of Portland). For a sample size of 401, if the respondents answered a particular question in the proportion of 90% one way and 10% the other, the margin of error would be +/- 2.94%. If they answered 50% each way, the margin would be +/- 4.89%. The reason for the difference lies in the fact that when response categories are relatively even in size, each is numerically smaller and thus slightly less able - on a statistical basis - to approximate the larger population.

These plus-minus error margins represent differences between the sample and total population at a confidence interval, or probability, calculated to be 95%. This means that there is a 95% probability that the sample taken for this study would fall within the stated margins of error if compared with the results achieved from surveying the entire target population.

Any conclusion based on comparisons with previously conducted surveys should be considered speculative; differences in sample sizes and question wording often make such comparisons difficult. Results reported below were carefully reviewed for validity.

The survey findings were reviewed for subgroup differences that were statistically significant (i.e., caused by something other than random chance). Only statistically significant differences are reported below.

Description of Sample. As will be noted in the accompanying tables, a substantial quantity of demographic data was collected during the survey enabling various subgroup comparisons to be made. Major characteristics of the sample were as follows:

- (a) The overall sample consisted of 48% male and 52% female.
- (b) Age was grouped into four categories. For the sample as a whole, 27% fell in the 18-34 age group, 26% were between 35 and 44, 30% were between 45 and 64, and 18% were 65 and older.
- (c) Thirty-two percent (32%) reported having at least one child age 18 or under at home and 68% reported households with no children.
- (d) Length of residence was divided into two groups. Twenty-eight percent (28%) reported living in the Portland area for 10 years or less, and 72% said they had lived in the area for 11 or more years.
- (e) Ethnicity revealed 90% of the sample as Caucasian, leaving 10% Other.
- (f) Zip code was divided into three groups. For the full sample, the breakdown was North and Inner East (58%), West (19%), and Central plus Outer East (23%).
- (g) Income was grouped into four categories. For the sample as a whole, 35% reported incomes under \$30,000, 29% fell in the \$30-50,000 range, 16% fell in the \$50-75,000 range, and 11% earned \$75,000 and over. Ten percent (10%) did not report incomes.
- (h) By education, 55% had not completed 4 years of college, while 45% were college graduates.

(i) Almost two-thirds of the sample (65%) were working, leaving 35% not working (including students and the retired).

(j) A large percentage reported being registered to vote (88.5%), leaving 11.5% not registered to vote.

The latter three demographic variables are not included in the accompanying tables, but they are reported below when significantly interacting with an attitudinal variable.

The sample accurately reflects the city's population and is demographically quite similar to the previous surveys.

Questionnaire. A copy of the survey questionnaire is attached as Appendix A. In gathering the responses, DHI employed quality control measures which included questionnaire pretesting, callbacks, and verification. The substantive areas of questioning included general feelings related to the respondent's neighborhood and city, importance ratings and rankings for city goals and projects, and earthquake safety priorities. Each is discussed in a separate section below. This report will highlight noteworthy findings. Beyond this, only subgroup variations which appeared useful for planning and policy-making purposes are discussed.

A set of tables has been prepared in order to provide the full range of subgroup analyses. Data in the tables indicate the raw frequency totals, as well as means when appropriate, for the full sample, gender, age, children at home, length of residency, ethnicity, zip code groups, and income. It should be noted that the sums of numbers in the subgroup columns for each table may not agree with the numbers in the Total column for that table because, except for income, non-responders were excluded from the analysis of demographic variations. Some tables display data that has been condensed into fewer sub-categories for ease of analysis. These are referred to below as "collapsed" tables.

II. GENERAL FEELINGS AND BIGGEST NEED

Your Neighborhood. Respondents were asked to rate their neighborhood and their city on a 0 (cold-negative)-to-100 (warm-positive) scale. With respect to the neighborhood rating, the overall mean was 74 degrees, and this suggests a somewhat warm attitude.

A statistically significant increase in warmth rating has been seen from the first two survey administrations (70 degrees in 1993-94 and 71 degrees in 1995-96). See Table 1.

West side residents (80 degrees) offered warmer neighborhood ratings as compared to either North/Inner East (73 degrees) and Central/Outer East (70 degrees) respondents. College graduates offered warmer ratings than non-graduates (77 to 71 degrees).

Respondents were asked what is the one biggest need in their neighborhood which the city council should do something about over the next two years and 29% of respondents mentioned reducing crime violence and increasing public safety, 24% mentioned reducing traffic congestion and increasing road repair and maintenance, followed distantly by improving neighborhood quality (6%), increasing spending for social programs (6%), and increasing spending for education (5%). See Table 4 – Collapsed.

While caution must be exercised when comparing this open-ended question with past years' results (due to changing sub-categories making up the broader, collapsed categories used in this report), in 1993-94, crime and public safety accounted for 37%, while in 1995-96 it accounted for 32%. On the other hand, traffic-related problems were less noted in 1993-94 (18%) and 1995-96 (18%).

Considering this years' results for biggest neighborhood need, at the uncollapsed level, the results were increase road repair and maintenance, improvements (10%); ensure public safety against crime, shootings, general (9%); improve traffic flow, reduce congestion (6%); maintain safe speed limits, control speeding motorists (6%); and support/increase policing, more responsive police (6%). See Table 4 – Uncollapsed.

Your City. When it came to rating their city, respondents offered a temperature rating of 74 degrees (Table 1). This was significantly higher than the 69 degrees in 1993-94 but nearly equal to the 75 degrees in 1995-96. General feelings about the city have remained relatively constant since the last survey.

Females (77 degrees) offered warmer ratings than males (72 degrees), respondents age 18 to 34 (78 degrees) had warmer city feelings than did respondents age 65 and over (68 degrees), respondents of under 11 years had warmer city related feelings (79 to 73 degrees), and college graduates also had warmer feelings (79 to 71 degrees).

Respondents were asked if they thought things in Portland are on the right or wrong track. Two-thirds (67%) chose right track, 24% said wrong track, and 9% were unsure or did not respond (Table 2). This year's percent choosing right track split the difference from a lower 1993-94 figure (63%) and a higher 1995-96 percent (72%). College graduates were more likely to select right track than non-graduates (81% to 68%). The percent choosing wrong track is about the same as in 1995-96. There was a slight increase in don't know since 1995-96.

The 97 respondents who said Portland is on the wrong track were asked what was the one most important thing the city council should do over the next two years to get Portland headed in the right

direction (see Table 3 - Collapsed). Twenty-six percent (26%) mentioned reduced spending, taxes, and unemployment. This compares with 22% in 1995-96; this question was not administered in 1993-94. Twenty percent (20%) mentioned reduce crime and violence and increase public safety (12% in 1995-96), 16% said reduce traffic congestion and increase road repair and maintenance (9% in 1995-96), 14% mentioned reduce urban sprawl (8% in 1995-96), and 11% said to increase spending for education (11% in 1995-96). The top uncollapsed categories were manage urban sprawl, growth and overpopulation (14%); improve public safety, attack crime and drugs, and responsive police (10%); and reduce government spending and waste (10%). See Table 3 - Uncollapsed.

Dissatisfied Portlanders appear not to agree about what is wrong with the city or what to do about it; there is no consensus issue or solution. Rather, their responses suggest a wide range of individual concerns and remedies.

All respondents were asked, considering the city as a whole, what is the one biggest need the city council should do something about over the next two years (Table 5 - Collapsed). A marked change over previous years was observed, although care must be taken in making generalizations because of changes in the open-ended categories. This year, 24% mentioned reduce traffic congestion and increase road repair and maintenance (11% in 1993-94 and 13% in 1995-96), 16% said to increase spending for education (10% in 1993-94 and 5% in 1995-96), 14% mentioned reduce crime and violence and increase public safety (37% in 1993-94 and 20% in 1995-96), and 10% mentioned increase spending for social programs (14% in 1993-94 and 15% in 1995-96). The most mentioned uncollapsed comments were improve/increase mass transit and Tri-Met (11%); find funding for education (10%); improve traffic flow, reduce congestion (8%); manage growth to prevent urban sprawl (6%); and ensure public safety against crime shootings, general (6%). See Table 5 - Uncollapsed.

Compared to previous years, there was an increased emphasis on transportation issues and education funding and a reduced emphases on crime/violence and social programs.

III. CITY GOALS IMPORTANCE

Respondents were read a list of 12 city goals for the city council over the next 2 years, and were asked to rate them on a priority scale (1=low, 2=medium, 3=high, 4=urgent). Frequency results can be found in Table 6A to Table 6L and means in Table 6. The following table shows the ranking of the goals using two different approaches for validation purposes:

Table 1
Priority of City Goals
(Mean Priority: 1=Low Priority, 2=Medium Priority 3=High Priority, 4=Urgent Priority)
(Weighted Sum: 3 Points for Most Important, 2 Points for Second Most Important, 1 point for Third Most Important)

<u>GOAL</u>	<u>MEAN PRIORITY</u>	<u>WEIGHTED SUM</u>
Support quality education	3.25	675
Ensure a safe and peaceful community	3.07	390
Use good planning and well managed growth	2.81	194
Ensure decent and affordable housing	2.79	267
Maintain financial stability	2.73	136
Maintain and improve parks, green spaces, water and air sheds	2.66	175
Build a multi-modal transportation system	2.61	232
Promote economic vitality and quality jobs	2.60	148
Keep a vital central city	2.33	51
Include under-represented neighborhoods and groups	2.23	64
Become an effective partner in the region	2.02	8
Grow as an international city	1.87	23

Mean Score. Quality education and a safe and peaceful community stood above the others, with the next 6 goals being relatively similar but still high in priority. Only growing as an international city received a less-than-medium priority rating.

Quality education was of a higher priority for females (3.33 to 3.16), for respondents age 18 to 34 (3.47) as compared to respondents age 45 to 64 (3.15) and age 65 and over (3.01), for respondents with children (3.41 to 3.17), for residents of under 11 years (3.43 to 3.17), and for respondents living in the North/Inner East area compared to respondents living in the West area (3.36 to 3.05).

Ensuring a peaceful community was of a higher priority for college non-graduates (3.14 to 2.99) and for respondents who were not working (3.17 to 3.02).

Maintaining and improving parks, green spaces, water and air sheds was rated a higher priority for respondents living in the North/Inner East area as compared to respondents living in the West area (2.76 to 2.40).

Building a multi-modal transportation system was of a higher priority for shorter term residents (2.82 to 2.53).

Keeping a vital central city was higher in priority for respondents with no children (2.40 to 2.17) and for Caucasians (2.36 to 1.97).

Including under-represented neighborhoods and groups was a higher priority for respondents with no children (2.30 to 2.10).

Growing as an international city was higher in priority for non-Caucasians (2.14 to 1.84), for respondents living in the Central/Outer East area as compared to the West area (2.05 to 1.69), for non-college graduates (2.00 to 1.72), and for non-working respondents (1.95 to 1.83).

Weighted Sum Score. After rating each goal, respondents were re-read the list and were asked to choose the most important (Table 7A), second most important (Table 7B), and third most important (Table 7C) goal. The combined and weighted sum of these three importance levels can be found in Table 7 and is also set out on the previous page. A rating of most important received 3 points, second most important 2 points, and third most important 1 point.

Supporting quality education (675 points) stood far above the others, and a safe and peaceful community was very important as well (390 points). Decent and affordable housing (267) and a multi-modal transportation system (232) were similar and of high priority. Somewhat similar, in a third tier best considered as medium-to-high priority, were good planning and well managed growth (194), and parks, green spaces, water and air sheds (175). Economic vitality/quality jobs (148) and financial stability (136) were in a fourth tier.

Comparison within 1997. A comparison of the rankings for the above-mentioned weighted sums reveals good congruence with the two highest prioritized city goals: education and a safe community. Also, the four lowest rated goals were the four with the fewest weighted points. Thus, we find a strong degree of internal validity in these similar results to different questions.

Comparison with 1993-94. Goals were not considered in 1995-96. Six of these same goals were considered in 1993-94, but in some cases, wording was different, so caution must be exercised in this comparison. However, there was a strong level of agreement between survey versions, highlighted by quality education and a safe and peaceful community being rated (mean priority) and ranked (weighted sum) well above the other 1993-94 goals. The four other in-common goals (good planning and well managed growth, decent and affordable housing, financial stability, and economic vitality and quality jobs) fell into the same middle tier (medium-to-high priority) as did the 1997 goals.

Two subtle differences were noted here also. This year, we found that quality education was a little more important than a safe and peaceful community (slightly lower mean, but much lower weighted sum), while in 1993-94, these two goals were equally high in both mean (3.21 and 3.25) and weighted sum (667 and 628). The second difference was that, in 1993-94, while the mean priority of financial stability was similar to the other 3 same-tiered goals (all between 2.49 and 2.57), maintaining financial stability received comparably fewer (88) points in 1993-94.

IV. CITY PROJECTS IMPORTANCE

Respondents were read a list of ten specific city projects and were asked to rate each one on a willingness to pay over the next five years scale (1=not at all willing, 2=not very willing, 3=somewhat willing, 4=very willing). Table 8A to Table 8J contain the frequencies and the means are in Table 8.

Table 2.

Project Importance (Willingness to Pay)

(Mean Importance: 1=Not at all Willing, 2=Not Very Willing, 3=Somewhat willing, 4=Very Willing)

(Weighted Sum: 3 Points for Most Important, 2 Points for Second Most Important, 1 point for Third Most Important)

<u>PROJECT</u>	<u>MEAN IMPORT.</u>	<u>WEIGHTED SUM</u>
Keep existing parks and open spaces in good condition	3.23	400
Keep neighborhood streets in good repair	3.14	364
Build new fire stations in under served areas	2.98	369
Keep city buildings, community centers and landmarks in good repair and earthquake safe	2.81	179
Build and maintain new recreational facilities	2.70	215
Acquire and develop land for more parks and open spaces	2.52	181
Build facilities to encourage more bicycling and walking	2.49	94
Improve business districts in your neighborhood with street, sidewalk, lighting and parking projects	2.44	129
Develop a system of street cars between neighborhoods	2.28	174
Build traffic calming projects in neighborhoods	2.09	110

Mean Score. Rated between somewhat and very willing to pay more were keeping existing parks and open spaces in good repair (3.23) and repairing neighborhood streets (3.14). The other projects clearly rated on the willing to pay more side were new fire stations in under served areas (2.98), repaired and earthquake safe city buildings and community centers (2.81), and new recreational facilities (2.70). Rated on the cusp of willing versus not willing to pay more were acquiring and developing land for more parks and open spaces (2.52), building facilities to encourage more bicycling and walking (2.49), and improving business districts with street, sidewalk, lighting and parking projects (2.44). Respondents were less willing to pay for developing a system of street cars between neighborhoods (2.28) and for neighborhood traffic calming projects (2.09).

Residents of 10 years or less were more willing to pay more to keep existing parks and open spaces in good condition (3.43 to 3.15), as were college graduates (3.34 to 3.14)

Longer term residents were more willing to pay more to keep city buildings, community centers and landmarks in good repair and earthquake safe (3.04 to 2.73), as were respondents not registered to

vote (3.09 to 2.78).

Respondents age 18 to 34 were more willing to pay more for building and maintaining new recreational facilities than were respondents age 65 and over (3.01 to 2.38), as were respondents with children (2.95 to 2.58) and college graduates (2.82 to 2.60).

Respondents age 18 to 34 (2.75) and 35 to 44 (2.64) were more willing to pay more to acquire and develop land for more parks and open spaces than were respondents age 65 and over (2.12), as were college graduates (2.69 to 2.38) and working respondents (2.61 to 2.37).

Respondents age 65 and over (1.88) were less willing to pay more for building facilities to encourage more bicycling and walking as compared to all other age groups (2.79, 2.72, 2.38), but shorter term residents were more willing to pay more (2.85 to 2.35), as were North/Inner East residents compared to Central/Outer East residents (2.59 to 2.20), college graduates (2.73 to 2.29), working respondents (2.59 to 2.30), and respondents not registered to vote (2.89 to 2.44).

Youngest respondents were more willing to pay more to improve neighborhood business districts with street, sidewalk, lighting and parking projects as compared with oldest respondents (2.65 to 2.19), as were shorter term residents (2.61 to 2.37).

Caucasians were more willing to pay more to develop a system of street cars between neighborhoods (2.33 to 1.89), as were college graduates (2.45 to 2.14) and working respondents (2.37 to 2.13).

Oldest respondents (1.64) were less willing to pay more to build traffic calming projects in neighborhoods than all other respondents (2.29, 2.17, 2.09), but shorter term residents were more willing (2.36 to 1.98), as were respondents not registered to vote (2.52 to 2.04).

Weighted Sum Score. After rating each project, respondents were re-read the list and were asked to choose the most important (Table 9A), second most important (Table 9B), and third most important (Table 9C) project. We will use a combined and weighted sum for the three importance levels (Table 9), where a rating of most important received 3 points, second most important 2 points, and third most important 1 point.

Three projects stood similarly above the others: keeping existing parks and open spaces in good condition (400 points), keeping neighborhood streets in good repair (364), and building new fire stations in under served areas (369). A broad second tier consisted of build and maintain new recreational facilities (215), acquire and develop land for more parks and open spaces (181), keep city buildings, community centers and landmarks in good repair and earthquake safe (179), and develop a system of street cars between neighborhoods (174). The final three projects received fewer points (improve business districts in your neighborhood with street, sidewalk, lighting and parking at 129 points, build neighborhood traffic calming projects at 110 points, and build facilities to encourage more bicycling and walking at 94 points).

Comparison Within 1997. As with goals, there was excellent congruence within the top three projects. Collectively, keeping existing parks and open spaces in good repair, keeping neighborhood streets in good repair, and building new fire stations in under served areas can be considered as the projects with about equal and high importance (in terms of willingness to pay).

There was less congruence with the middle and lower rated and ranked projects, but we can say that keeping city buildings, community centers and landmarks in good repair and earthquake safe,

building and maintaining new recreational facilities, and acquiring and developing land for more parks and open spaces were firmly in the 'medium importance' category.

Comparison With 1993-94. Comparison to 1993-94 is difficult. Many projects had slight but important wording differences (such as 'keep city streets in good repair' versus 'keep neighborhood streets in good repair,' where data suggests neighborhood is more important to respondents than city), and some had a much different focus (such as 'build new fire and police stations' versus 'build new fire stations in under served areas'). Really, no project had identical wording. What can be said, however, is that, in 1993-94, respondents were most willing to pay more to build and maintain recreational facilities, and they were also willing to pay more to keep city streets in good repair and to build new fire and police stations. They were least willing to pay to keep city buildings in good repair.

V. EARTHQUAKE SAFETY PRIORITIES

As noted above, respondents were somewhat willing to pay more to keep city building, community centers and landmarks in good repair and earthquake safe.

Respondents were read a list of 5 types of city structures and were asked which was most important (Table 10A), second most important (Table 10B), and third most important (Table 10C) for the city to strengthen to withstand earthquakes. A weighted sums of importance score was computed for each item, where most important was assigned 3 points, second most important received 2 points, and third most important was given 1 point (Table 10).

Bridges scored well above other types of city structures (1006 points), followed by fire and police stations (667), city office buildings (417), community centers and park facilities (155), and landmarks and tourist attractions (115). It is suggested that, while bridges were alone in a top tier, fire, police and city office buildings made a respectable second tier, with community centers, parks, landmarks, and tourist attractions making up a lower third tier. There were no significant subgroup interactions.

