

City of Portland, Oregon

FINANCIAL IMPACT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Lisa Pellegrino		2. Telephone No. 503 823 2939	3. Bureau/Office/Dept. Children's Levy
4a. To be filed (date) July 14, 2010	4b. Calendar (Check One) <div style="display: flex; justify-content: space-around;"> Regular X Consent <input type="checkbox"/> 4/5ths <input type="checkbox"/> </div>		5. Date Submitted to FPD Budget Analyst:

1) Legislation Title:

*Approve funding recommendations for challenge grants in after-school, early childhood and child abuse prevention and intervention programs made by Children's Levy Allocation Committee.

2) Purpose of the Proposed Legislation:

To allow the Children's Levy to award a total of \$2,500,000 in challenge grants to fund the after-school, early childhood and child abuse prevention and intervention programs as recommended by the Children's Levy Allocation Committee and outlined in the memo entitled "Request for City Council Approval" and "Exhibit B: Portland Children's Levy – Additional Grant Awards".

3) Revenue:

Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If new revenue is generated please identify the source.

No.

4) Expense:

What are the costs to the City as a result of this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future years) (If the action is related to a grant or contract please include the local contribution or match required)

There are no costs to the City general fund. Children's Levy revenues are generated by a special property tax levy and it is a portion of the proceeds of this levy that the Children's Levy proposes to use to fund the allocations.

Staffing Requirements:

5) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation? (If new positions are created please include whether they will be part-time, full-time, limited term or permanent positions. If the position is limited term please indicate the end of the term.)

No.

6) Will positions be created or eliminated in *future years* as a result of this legislation?

No.

Complete the following section only if an amendment to the budget is proposed.

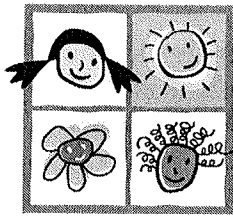
7) Change in Appropriations (If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Center Code column if new center needs to be created. Use additional space if needed.)

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Amount

John Kelly



APPROPRIATION UNIT HEAD (Typed name and signature)



Investing in our future
**portland
 children's
 levy**

Request for City Council Approval

Portland Children's Levy Background

In November of 2002, Portland voters approved the Portland Children's Levy (PCL). In the fall of 2008, voters renewed the levy for another five years. The levy generates approximately \$13 million annually for early childhood, after-school and mentoring, child abuse prevention and intervention and foster care programs. Administrative costs for the fund are capped at 5% of revenues and the fund obtains annual audits to assure compliance with the administrative cap. A copy of the 2008 ballot language for the Children's Levy is attached as Exhibit A.

An Allocation Committee governs the PCL and grants funds to programs serving children and families residing in the City of Portland. The Allocation Committee is comprised of a City Commissioner (Dan Saltzman), a County Commissioner (Deborah Kafoury), a representative of the Portland Business Alliance (Ron Beltz), a citizen member appointed by the County Board (Adrienne Livingston), and a citizen member appointed by the City Council (Alissa Keny-Guyer).

Request for City Council Approval

PCL is requesting that City Council accept the recommendations of the Allocation Committee to fund Challenge Grant investments made through its Leverage Fund in the amounts specified in the spreadsheet titled "Exhibit B: Portland Children's Levy – Leverage Fund Challenge Grant Awards".

Leverage Fund Challenge Grant Funding Process Background

The Allocation Committee designated \$2,500,000 of Levy revenues for Challenge Grants in an effort to leverage additional resources to fund services in PCL's program areas. Challenge grants could be 2 to 4 years in length, were for a minimum of \$250,000 from Levy funds, and required a 1:1 match of Levy funds requested by applicants. At least 50% of the match had to be cash and up to 50% was allowable from in-kind sources. There were other requirements on the types of funds and resources allowable as match and the timeframe under which match could be procured. Those additional requirements are provided for your reference as Exhibit C: Leverage Fund Challenge Grant Guidelines.

After an extensive planning and public input process (October 2009 – February 2010) Requests for Investment (RFI) in all program areas were published early March 2010 and applications were due in mid-April. The RFI's were based on the same template as used in the Levy's competitive granting and included a Leverage Plan section in which applicants had to detail their cash and in-kind leverage sources and how they intended to secure them.

CHIF received 40 applications for funding totaling \$16 million – over 6 times the funds available for the Challenge Grants. Over 30 community reviewers scored the main program sections of the applications and Levy staff scored the Leverage Plans based on a rubric and cross-checked scores with each other to be sure plans with similar characteristics were scored similarly.

Funding Decisions

Staff provided Allocation Committee members with summarized application data sheets, including assessments of the applicant's leverage plan, and staff recommendations for funding. Staff recommendations were based on high scoring applications with strong leverage plans. Staff was concerned about the viability of cash match that hinged in large part or entirely on county or school district funding due to the current and projected cuts in those sources.

Allocation Committee members submitted individual slates for funding to staff prior to the funding meeting, and staff aggregated the individual slates to determine the level of agreement/disagreement on funding individual applications.

Conditional Funding Awards

In June 2010 the Portland Children's Levy awarded funds totaling \$2.5 million (over three years) to 9 early childhood, child abuse prevention and intervention, and after-school programs. Decisions were made starting with applications all Committee members wanted to fund and proceeding to applications with lower levels of Committee support for funding. Committee members made preliminary funding decisions, invited public comment on the preliminary decisions, and then made final funding decisions.

Applicants have a limited time in which to secure their leverage sources. The RFI specifies timelines based on the length of the proposed grant. PCL will not enter into contracts until required funds are raised and in-kind match, if any, is verified. Staff will contact successful applicants to review the required timelines and documentation requirements. If applicants are not successful in meeting the requirements, then funds allocated to those proposals will return to the Leverage Fund for re-allocation by the Committee.