

MOTIONS

May 17, 2017

Item 516 Approval of the FY 2017-18 budget for the City of Portland

Motion to consider the changes to the Proposed Budget as presented in the memo filed with City Council, dated May 9, 2017, titled “Approval of the FY 2017-18 Budget for the City of Portland”. Moved by Fish and seconded by Fritz.

1. **Motion to amend Attachment D, specifically the budget note “Build Portland”.**
Moved by Wheeler and seconded by Fritz (Passed Y-5)

Build Portland

As part of the Build Portland initiative started in the FY 2017-18 Budget, the plan includes a schedule of periodic debt issuances for infrastructure repair, rehabilitation, and replacement ~~beginning in FY 2024-25~~. Council directs the City Budget Office to highlight for Council include in the General Fund forecast the future debt service costs as soon as the next proposed debt issuance falls within the five-year forecast timeframe and discuss with Council the costs and benefits of proceeding with the program. The cost estimate will be based on input from the Build Portland oversight committee and the City’s Debt Manager. Council expresses its intent to hold a work session during the Summer of 2017 to discuss Build Portland. In the fall of 2017, the Mayor will present to Council a binding resolution to formalize the City’s commitment to Build Portland.

2. **Motion to amend Attachment D, specifically to remove the budget note “Taxes Returned from Urban Renewal”.**
Moved by Wheeler and seconded by Fish (Passed Y-5)

Taxes Returned from Urban Renewal

~~Council directs the City Budget Office to work with the Portland Development Commission and the Office of Management and Finance to forecast and return to City Council with a plan to allocate a portion of the taxes returned from urban renewal beginning in 2021 to support citywide economic development activities managed by the Portland Development Commission. As part of that ongoing process, PDC will periodically review with Council how taxes returned supports PDC’s Long-Term Business Plan including planned economic development programming and outcomes.~~

3. **Motion to amend Attachment D, specifically to add the budget note “Achieve Full Cost Recovery for Police Secondary Employment”.** Moved by Wheeler and seconded by Fritz. Passed (Y-5)

Achieve Full Cost Recovery for Police Secondary Employment

Council directs the Portland Police Bureau to implement a rate model that achieves full cost recovery for the secondary employment hours worked by police officers that provide private benefit to a specific business, property, or individual. The cost recovery model shall include both direct and indirect costs, and full cost recovery rates shall be completely phased in by FY 2020-21.

4. **Motion to increase funding to Open Signal (formerly Portland Community Media). Moved by Fish and seconded by Eudaly. Passed (Y-5)**

Reverse the five percent reduction in the City's grant to Open Signal for community digital media and literacy services. Reversing this reduction will increase the City's FY 2017-18 grant to Open Signal by \$44,819, for a total grant amount of \$896,379. The funding source for this add will be a \$44,819 ongoing reduction to General Fund contingency. Amend attachments B, C, and E as necessary.

5. **Motion to amend Attachment D, specifically the budget note "Joint Office of Homeless Services Funding Conversation". Moved by Fish and seconded by Eudaly. Passed (Y-5)**

Joint Office of Homeless Services Funding Conversation

Council directs the City Budget Office to coordinate a work session to discuss the City's role in supporting the efforts of the Joint Office of Homeless Services, which will include a discussion of current and future funding levels, including funding sustainability.

6. **Motion to update Attachment D to change the reporting from Parks & Recreation. Moved by Fritz and seconded by Eudaly. Passed (Y-5)**

Long-Term Financial Plan

Council directs Portland Parks & Recreation to develop a long-term financial plan, which specifically outlines options to address SDC-funded system expansion and long-term major maintenance needs. This plan should outline alternative funding options and possible service tradeoffs if new resources for O&M and major maintenance needs are not available. ~~This plan should~~ A status report shall be submitted to Council along with the bureau's FY 2018-19 requested budget. The full long-term financial plan should be submitted to Council by December 2018.

7. **Motion to allocate a portion of proceeds from the tax on the sale of recreational marijuana to fund Vision Zero activities. Moved by Fritz and seconded by Saltzman. Passed (Y-5)**

Reduce the current ongoing Recreational Marijuana Tax fund allocation for the Service Coordination Team (SCT) by \$1,464,958, and reallocate to fund Vision Zero traffic safety work on an ongoing basis. Reduce one-time General Fund support for Vision Zero by \$1,464,958 and reallocate to the Portland Police Bureau to backfill the reduction in funding for the SCT on a one-time basis.

8. **Motion to amend Attachment D to add the following budget note. Moved by Fritz and seconded by Fish. Passed (Y-5)**

The FY 2017-18 budget includes \$500,000 in Recreational Marijuana Tax revenue to be allocated via a Participatory Budgeting process, to be managed by the City Budget Office with guidance from Commissioners Eudaly and Fritz. The project managers will implement the process using the Participatory Budgeting Project's guidelines and shall report to Council by November 30th, 2017 on their progress.

Funding allocated through this process will go toward the following: support for neighborhood small businesses, especially women-owned and minority-owned

businesses, including but not limited to business incubator programs, management training, and job training opportunities; and providing economic opportunity and education to communities disproportionately-impacted by cannabis prohibition.

9. **Motion to add the following budget note on funding levels for the Commissioner office budgets:** Moved by Fritz and seconded by Fish. Passed (Y -4, N-1 Saltzman)

Council directs the City Budget Office to evaluate funding levels for the Commissioner's office budgets relative to the Mayor's Office and make recommendations to adjust funding levels as appropriate. This may include but is not limited to establishing an appropriate ratio of Commissioner Office budgets to the Mayor's Office budget. This evaluation should be complete and submitted to Council for consideration by November 30th, 2017 in preparation of the FY 2018-19 budget.

10. **Motion to amend Attachment D, specifically the budget note "Funding for Youth Bus Pass":** Moved by Fritz and seconded by Eudaly, amended by Fish. Passed (Y-5)

Funding for Youth Bus Pass

~~The City is funding one-third of the costs of the Youth Bus Pass for all Portland Public Schools (PPS) high school students again in FY 2017-18, even though providing transportation to high school students is not a core City function. Council declares its belief that the program should only be available to high school students who qualify for free or reduced-price lunch, and if the program continues it should be expanded to other school districts in Portland. Furthermore, Council directs PBOT to complete an independent, objective analysis of TriMet's actual costs associated with the program, either through increased expenses or foregone revenues.~~

Council is funding \$967,000 in transportation services to lower-income high school students who attend the Parkrose, David Douglas, and Portland Public School Districts. Council expresses its intent to hold a work session to determine the appropriate allocation of these resources, followed by action to appropriate those funds. Furthermore, Council directs PBOT to complete an independent, objective analysis of TriMet's actual costs associated with the program, either through increased expenses or foregone revenues.

11. **Motion to amend Attachment D to add the following budget note.** Moved by Fritz and seconded by Eudaly. Passed (Y-5)

Open and Accountable Elections Program

The City's public matching campaign finance program is to be implemented in time for the 2020 election. Council directs the City Budget Office to conduct an analysis of the staffing and operational needs of the program and report back to Council with recommended funding levels for FY 2017-18 and beyond. CBO is also directed to make a recommendation as to the appropriate location of this function.

12. **Motion to amend Attachment D to add the following budget note.** Moved by Fritz and seconded by Fish. Passed (Y-5)

Office of Community Technology

The Office of Community Technology (OCT) is currently a division of the Bureau of Revenue and Financial Services. Council directs the City Budget Office to engage an external consultant that will evaluate options and make recommendations to Council on the optimal location and structure for OCT within the City's organizational framework.

13. **Motion to increase funding for Prosper Portland's Small Business Growth Program.** Moved by Eudaly and seconded by Fritz. Passed (Y-5).

Prosper Portland

Allocate \$87,500 of one-time General Fund resources to Prosper Portland to fund a second cohort of small business owners in Prosper Portland's Increase Project. The funding source for this add will be an \$87,500 one-time reduction to General Fund contingency.

14. **Motion to increase funding for Portland Parks Summer Free for All programming in Brooklyn Park.** Moved by Saltzman and seconded by Fish. Failed (Y-1, N-4: Fish, Eudaly, Fritz, Wheeler)

Allocate \$10,000 of one-time General Fund resources to Portland Parks & Recreation to fund Summer Free for All Parks Program in Brooklyn Park. The funding source for this add will be \$10,000 one-time reduction to General Fund contingency.

15. **Motion to approve the budget adjustments in Attachments B, C, and D, of the memo as amended.** Moved by Eudaly and seconded by Fritz. Passed (Y-5)

Motion to approve the Budget as Amended. Passed (Y-5)

Motion to approve the tax levies: moved by Saltzman and seconded by Eudaly. Passed (Y-5)

Approved Budget Amendments for Consideration

Mayor Wheeler

1. Motion to amend Attachment D, specifically the budget note "Build Portland":

Build Portland

As part of the Build Portland initiative started in the FY 2017-18 Budget, the plan includes a schedule of periodic debt issuances for infrastructure repair, rehabilitation, and replacement ~~beginning in FY 2024-25~~. Council directs the City Budget Office to highlight for Council include in the General Fund forecast the future debt service costs as soon as the next proposed debt issuance falls within the five-year forecast timeframe and discuss with Council the costs and benefits of proceeding with the program. ~~The cost estimate will be based on input from the Build Portland oversight committee and the City's Debt Manager.~~ Council expresses its intent to hold a work session during the Summer of 2017 to discuss Build Portland. In the fall of 2017, the Mayor will present to Council a binding resolution to formalize the City's commitment to Build Portland.

Commissioner Fish

1. Motion to increase funding to Open Signal (formerly Portland Community Media):

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1. Motion to update Attachment D to change the reporting from Parks & Recreation:

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Approved Budget Amendments for Consideration

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2. Motion to allocate a portion of proceeds from the tax on the sale of recreational marijuana to fund Vision Zero activities.

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Approved Budget Amendments for Consideration

6. Motion to amend Attachment D to add the following budget note:

Open and Accountable Elections Program

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Vote
#2

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Vote
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Achieve Full Cost Recovery for Police Secondary Employment

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IMPACT STATEMENT

Legislation title: Approval of the FY 2017-18 budget for the City of Portland (Report)

Contact name: Claudio Campuzano

Contact phone: 823-6848

Presenter name: Andrew Scott

Purpose of proposed legislation and background information:

The report includes changes to the FY 2017-18 Proposed Budget which must be approved by the City of Portland Budget Committee.

Financial and budgetary impacts:

The action of the Budget Committee (as requested in this report) will increase total requirements in various funds by \$50.0 million from the FY 2017-18 Proposed Budget. In total, a net of 10.51 positions are increased in the FY 2017-18 Approved Budget.

Community impacts and community involvement:

The Approved Budget includes multiple programmatic changes that will impact the community. A five-member Community Budget Advisory Board was invited to sit in on budget discussions with the Mayor and Council as the budget was developed. In addition, numerous public hearings were held throughout the budget process. Public testimony on the budget was accepted in person, in writing, and via email.

Budgetary Impact Worksheet

Does this action change appropriations?

YES: Please complete the information below.

NO: Skip this section

| Fund | Fund Center | Commitment Item | Functional Area | Funded Program | Grant | Sponsored Program | Amount |
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