

ORDINANCE No.

Amend the Portland Parks & Recreation FY 2020-21 Budget to allow expenditures related to the Parks Local Option Levy (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. Portland's parks, natural areas, trees, and recreational opportunities improve public health, add beauty to our city, are essential public assets, and connect people to place, nature, self, and community; and
2. The City of Portland's park system, which is managed by Portland Parks & Recreation (PP&R), includes 11,712 total acres, 8,000 acres of which are natural areas, across 5 watersheds, over 300 park properties, 12 community and art centers, 13 community pools, 1.2 million trees, and more, together serving Portlanders across the city; and
3. Portlanders treasure and care for this legacy and value equitable access for all Portlanders; and
4. Equity is achieved when one's identity cannot predict the outcome, and today's parks and recreation system is inequitable in its distribution of parks, playgrounds, tree canopy, and more; and
5. Portlanders value trees, and trees provide essential benefits by improving air quality, reducing heat island effects, decreasing heating and cooling costs, sequestering carbon, increasing property values, and more; but today, the benefits of the City's urban tree canopy are not equally distributed; and
6. Safety has been identified as a barrier to park visitation for 30% of all Portlanders, and a barrier to park visitation for 37% of Portlanders of color and 45% of East Portland residents; and
7. Cost is also an inequity and barrier to program access for 20% of Portlanders, but it is a larger barrier for Portlanders of color (25%) and East Portland residents (28%), and so long as PP&R relies on user fees to deliver programs, cost will continue to be a barrier; and
8. PP&R has not been appropriately funded to deliver the service levels that the community and City Council have called for, and the bureau's reliance on fees for program and service delivery is inequitable and causes a structural funding issue that resulted in service level cuts for several consecutive years, and would continue to lead to cuts in future budget years; and

9. In November 2019, Portland City Council held a Sustainable Future work session where PP&R shared their research into the financial trajectory of the bureau and outlined service level scenarios and potential sources for additional funding; and
10. The Coronavirus 2019 disease (COVID-19) is a global emergency that is unprecedented in modern history, profoundly impacting Portlanders daily lives and causing physical, social, psychological, and economic challenges; and
11. The COVID-19 pandemic has highlighted PP&R's overdependence on program fees and has resulted in recreation facilities and programs closing, and PP&R team members losing their jobs; and
12. COVID-19 has also highlighted the importance of parks and natural areas as essential community assets to community healing and health; and
13. While PP&R augments its funding by seeking grants, public-private and inter-bureau partnerships, and volunteerism, funding is still insufficient to deliver promised services and outcomes to the community and provide an equitable and affordable parks and recreation system; and
14. Over the last century, Portlanders have created and maintained today's parks and recreation system through a series of public investments, including voter-approved bonds and levies such as the last Portland Parks & Recreation levy, which was passed by voters in 2002 and expired in 2007; and
15. Portland City Council, on July 22, 2020, passed Resolution 37498 that referred a tax measure to the ballot that would, if passed, direct a five-year local option levy within the City of Portland at a rate of \$0.80 per \$1,000 of assessed value to support park operations; and
16. On November 3, 2020, the voters of the City of Portland overwhelmingly supported the passage of Measure 26-213, with 64% of ballots cast in favor; and
17. The Parks Levy is effective for five fiscal years beginning on July 1, 2021; and
18. Parks Levy tax revenues will be used to prevent ongoing reductions to park services and recreation programs, preserve and restore park and natural area health, and ensure equitable and affordable access for all Portlanders; and
19. The City Council passed Ordinance 190240 authorizing creation of the 2020 Parks Local Option Levy Fund (Parks Levy Fund) to be overseen by PP&R to budget for receipt of local option levy tax revenues; and

20. PP&R estimates that the Parks Levy will raise \$48 million per year, on average, over five years; and
21. PP&R expects to incur up to \$9,000,000 in total initial costs for staff and materials in FY 2020-21 and up to \$13,000,000 in FY 2021-22 prior to when Parks Levy tax revenues will begin to be received; and
22. The Parks Levy will center equity in PP&R's work and delivery of services; and
23. The Parks Levy allows PP&R to restart recreation and environmental education programming, end reliance on user fees to deliver programming, center equity and affordability as outcomes, and deliver essential public programs for Summer 2021, including serving over 100,000 free lunches to children in neighborhood parks and providing healthy recreation programs for families; and
24. The Parks Levy will help to keep parks and restrooms cleaner and safer for all Portlanders; and
25. The Parks Levy will provide resources to protect natural areas, improve the health and equitable distribution of our tree canopy, enable PP&R to proactively maintain existing park trees, and plant hundreds of new trees each year in parks and natural areas with low canopy; and
26. A Parks Levy Community Oversight Committee will be appointed to review Levy expenditures and report annually to the City Council, and the Levy will be audited to ensure that services and programs funded by the Levy are consistent with voter intent; and
27. The continuation of respective costs and positions requested in this ordinance and included in the PP&R's FY 2021-22 Requested Budget creates 50 new full-time equivalent positions (FTE) and preserves an estimated 69 FTE, and up to 1,850 summer seasonal and casual hires; and
28. PP&R has sufficient revenue in its System Development Charge Fund to lend monies to the 2020 Parks Local Option Levy Fund temporarily until the Parks Levy tax revenues are received beginning in FY 2021-22 and has agreed to make a loan to the 2020 Parks Local Option Levy Fund to be repaid with interest from local option levy tax revenues no later than January 31, 2022, subject to Council approval of the Interfund Loan Ordinance per City Financial Policy 2.18.

NOW, THEREFORE, the Council directs:

- a. The FY 2020-21 Appropriation Schedule is hereby amended by adjusting appropriations within the 2020 Parks Local Option Levy Fund and the Parks Construction Fund as follows:

2020 Parks Local Option Levy Fund

Fund – 232000

Business Area – PK

Loan Proceeds – \$9,000,000

Personal Services -\$4,600,000

External Materials and Services - \$4,400,000

Parks Capital Construction Fund, SDC Subfund

Fund - 402001

Business Area – PK

Contingency – (\$9,000,000)

Internal Loan Remittance - \$9,000,000

- b. The explanation of these changes is provided in the memorandum attached as Exhibit 1.
- c. The number of authorized positions in the FY 2020-21 Revised Budget is hereby amended to add 50 new FTE positions as presented in Exhibit 2.
- d. The actions amending the FY 2020-21 Revised Budget contained in this ordinance are binding City policy.

Passed by the Council:

Commissioner Carmen Rubio

Prepared by: Jason Smith

Date Prepared: February 2, 2021

Mary Hull Caballero

Auditor of the City of Portland

By

Deputy

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 Agenda No.
ORDINANCE NO.
 Title

Amend the Portland Parks & Recreation FY 2020-21 Budget to allow expenditures related to the Parks Local Option Levy (Ordinance)

<p style="text-align: center;">INTRODUCED BY Commissioner/Auditor: Commissioner Rubio</p>	<p>CLERK USE: DATE FILED <u>February 9, 2021</u></p>
<p style="text-align: center;">COMMISSIONER APPROVAL</p>	<p style="text-align: center;">Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <u>Keelan McClymont</u> <small>Digitally signed by Keelan McClymont Date: 2021.02.09 11:59:06 -08'00'</small> Deputy</p> <p>ACTION TAKEN:</p>
<p>Mayor—Finance & Administration - Wheeler</p>	
<p>Position 1/Utilities - Rubio <small>Carmen Rubio <small>Digitally signed by Carmen Rubio Date: 2021.02.09 10:28:55 -08'00'</small></small></p>	
<p>Position 2/Works - Ryan</p>	
<p>Position 3/Affairs - Hardesty</p>	
<p>Position 4/Safety - Mapps</p>	
<p style="text-align: center;">BUREAU APPROVAL</p>	
<p>Bureau: Parks and Recreation Bureau Head: <u>Adena Long</u> <small>Digitally signed by Adena Long Date: 2021.02.04 09:50:00 -08'00'</small></p>	
<p>Prepared by: <u>Jason Smith</u> Date Prepared: <u>2/2/2021</u></p>	
<p>Impact Statement Completed <input type="checkbox"/> Amends Budget <input checked="" type="checkbox"/></p>	
<p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>	
<p>City Auditor Office Approval: required for Code Ordinances</p>	
<p>City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter</p>	
<p>Council Meeting Date <u>February 17, 2021</u></p>	

AGENDA
<p>TIME CERTAIN <input checked="" type="checkbox"/></p> <p>Start time: <u>9:45</u></p> <p>Total amount of time needed: <u>60 minutes</u> (1 of 2) (for presentation, testimony and discussion)</p>
<p>CONSENT <input type="checkbox"/></p>
<p>REGULAR <input type="checkbox"/></p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Rubio	1. Rubio	
2. Ryan	2. Ryan	
3. Hardesty	3. Hardesty	
4. Mapps	4. Mapps	
Wheeler	Wheeler	

Exhibit 1

TO: Mayor Ted Wheeler
Commissioner Jo Ann Hardesty
Commissioner Mingus Mapps
Commissioner Dan Ryan

FROM: Commissioner Carmen Rubio and Director Adena Long

DATE: February 9, 2021

SUBJECT: Portland Parks & Recreation FY 2020-21 Supplemental Budget Request

Below, please find a summary of Portland Parks & Recreation's (PP&R) FY 2020-21 requested budget changes as part of the Parks Local Option Levy (Parks Levy) Supplemental Budget Ordinance. The changes are described within the various Parks Levy categories communicated previously to Council and the public. The changes proposed in this ordinance will be facilitated by an interfund loan of less than one year from the Parks System Development Charge fund. Loan proceeds will be repaid by January 2022 after property tax resources from the Parks Levy become available in November 2021. The amounts below are a conservative estimate of what would be needed in the final three months of FY 2020-21 (April, May, June) to facilitate the ramp up of Levy supported service delivery for summer 2021 and FY 2021-22.

Portland voters have played a critical role in supporting their parks and recreation system. Thanks to the public's recent overwhelming support for the Parks Levy, PP&R will be able to restore summer programs that support youth and families with a focus on Black, Indigenous, and People of Color (BIPOC), Immigrants and Refugees, and people living with low incomes. PP&R will begin recruiting in February for community members to serve on the Parks Levy Oversight Committee and looks forward to continued partnership with the community to ensure the Levy-funded services advance equity and meet community needs.

The Parks Levy will also provide living-wage employment to a growing number of people, including job opportunities for youth at a time when many in the community are facing economic distress. The supplemental budget ordinance and FY 2021-22 Requested Budget creates: 50 new FTE, prevents what would have otherwise been layoffs for an estimated 69 FTE, and up to 1,850 summer seasonal and casual hires. 34 of the 69 FTE positions are proposed to be preserved by the Levy in PP&R's FY 2021-22 Requested Budget through restoration of the Citywide General Fund reduction of 5%, or a cut for the bureau of \$3.7 million. The supplemental budget also reestablishes the PP&R as one of the largest youth employers in Portland. The newly created positions included in this ordinance are continued into FY 2021-22 as part of the bureau's FY 2021-22 Requested Budget submitted to the City Budget Office on January 29th, 2021. The supplemental budget ordinance totals \$9 million, with a breakdown below.

Recreation for All: \$3.5 million

PP&R will restore programs for summer 2021 including providing: more than 100,000 free lunch and play opportunities for children at 26 parks and ten mobile locations; lifesaving swimming lessons; recreation and art summer camps; fitness activities in parks; and “pop up” outdoor summer art and cultural events. PP&R is committed to ensuring that cost is not a barrier to program access. This part of the supplemental ordinance includes the creation of three new FTE, preserves over 35 FTE, and enables the hiring of up to 1,700 seasonal and casual staff.

Protect and Grow Nature: \$1.5 million

PP&R will keep parks and natural areas cleaner and safer; expand summer environmental education day camps and youth employment, volunteer, and internship opportunities; plant new trees to diminish the impacts of climate change, proactively care for existing trees for the first time ever, and improve tree emergency responses; and create new opportunities for environmental education partnerships with underserved communities. This part of the supplemental ordinance includes the creation of 16 new FTE and up to 150 seasonal and casual staff.

Community Partnerships: \$0.2 million

PP&R will invest in Community Partnerships to engage BIPOC, Immigrants and Refugees, and youth from families living with low incomes to participate in the bureau’s educational summer camps, environmental programs, and gain valuable work experience by joining the summer seasonal and casual workforce. PP&R will begin by deepening relationships with current community partners to assist in diversifying program registrations and hiring.

Organizational Support: \$3.8 million

PP&R will build organizational capacity to prepare for service expansion and address existing potential points of critical failure. To support its values of equity, safety, maintenance, and financial sustainability, PP&R needs to refresh its strategies, policies, and procedures. Increasing the capacity of PP&R to hire and onboard diverse direct service staff; support the need for technology, workspace, equipment, and safety and equity training; and enhance PP&R’s capacity for transparency and accountability in its budgeting and performance monitoring. This part of the supplemental ordinance includes creation of 31 new FTE.

Exhibit 2 : FTE Positions FY 2020-21 Parks Levy Supplemental Ordinance

Recreation For All

Job Class - Name	FTE
30003028 - Coordinator II	1
30003028 - Coordinator II	1
30003028 - Coordinator II	1
	3

Protect & Grow Nature

Job Class - Name	FTE
30000759 - Parks Maintenance Supervisor	1
30000333 - Development Services Tech II	1
30000759 - Parks Maintenance Supervisor	1
30003011 - Business Systems Analyst II	1
30000338 - Environmental Technician II	1
30000319 - Botanic Spec II-Environmental Ed	1
30000759 - Parks Maintenance Supervisor	1
30003103 - Supervisor I - E	1
30003103 - Supervisor I - E	1
30000319 - Botanic Spec II-Environmental Ed	1
30000342 - GIS Technician II	1
30003007 - Analyst II	1
30003028 - Coordinator II	1
30003028 - Coordinator II	1
30003103 - Supervisor I - E	1
30000081 - Parks Technician	1
	16

Organizational Support

Job Class - Name	FTE
30003235 - Coordinator I - E	1
30003235 - Coordinator I - E	1
30003007 - Analyst II	1
30003028 - Coordinator II	1
30003027 - Coordinator I - NE	1
30003003 - Administrative Specialist II	1
30003002 - Administrative Specialist I	1
30000342 - GIS Technician II	1

30003006 - Analyst I	1
30003028 - Coordinator II	1
30003028 - Coordinator II	1
30003007 - Analyst II	1
30003007 - Analyst II	1
30003099 - Risk Specialist I	1
30000061 - Accounting Technician	1
30003007 - Analyst II	1
30000448 - Business Systems Analyst	1
30003235 - Coordinator I - E	1
30003011 - Business Systems Analyst II	1
30003008 - Analyst III	1
30003028 - Coordinator II	1
30003028 - Coordinator II	1
30003029 - Coordinator III	1
30003008 - Analyst III	1
30003007 - Analyst II	1
30003029 - Coordinator III	1
30003006 - Analyst I	1
30003028 - Coordinator II	1
30003029 - Coordinator III	1
30003235 - Coordinator I - E	1
30003011 - Business Systems Analyst II	1

IMPACT STATEMENT

Legislation title: Amend the Portland Parks & Recreation FY 2020-21 Budget to allow expenditures related to the Parks Local Option Levy (Ordinance)

Contact name: Claudio Campuzano – Finance Property and Technology Manager
Jason Smith – Financial Planning Manager

Contact phone: 503-407-1611

Presenter name: Adena Long, Director Portland Parks and Recreation
503-823-5379

Purpose of proposed legislation and background information:

The purpose of this legislation is to provide budget authority to begin spending Interfund Loan proceeds supported by the 2020 Parks Local Option Levy Fund.

At the November 3, 2020 general election, Portland voters approved Ballot Measure 26-213, to impose a local option levy for Parks operations over five fiscal years beginning in fiscal year 2021-22. The local option levy will be imposed at a rate of \$0.80 per \$1,000 of assessed value and accounted for in the 2020 Parks Local Option Levy Fund to be overseen by Portland Parks and Recreation (“PP&R”).

The initial tax receipts are not expected to begin until November 2021. This change in budget will allow PP&R to move ahead in the current Fiscal Year with staffing and material acquisition to prepare for service delivery in FY 2021-22. Resources are made available by providing temporary funding via an interfund loan in the current fiscal year.

PP&R has identified its System Development Charge Fund has a viable source of interim funding and has worked with City Debt to initiate an interfund loan (see companion ordinance on the February 17 Council Agenda) to the 2020 Parks Local Option Levy Fund. The loan would be repaid by January 31, 2022.

Financial and budgetary impacts:

- *Financial Impact:* The interfund loan to the 2020 Parks Local Option Levy Fund will accrue interest at the City’s Investment Fund earnings rate, compounded monthly and payable at maturity to the System Development Charge Fund, resulting in a neutral economic impact to the System Development Charge Fund. Draws on the interfund loan will be made on an as-needed basis. It’s anticipated that approximately \$9 million and \$13 million of draws will be made during fiscal years 2020-21 and 2021-22, respectively.

- **Budgetary Impact:** This ordinance provides budget authority to begin expenditures out of the levy fund using interfund loan proceeds. The bureau's FY 2021-22 budget request also assumes interfund loan proceeds to be available. Property tax proceeds are assumed to be collected starting in November 2021.

Community impacts and community involvement:

PP&R is currently developing a process for appropriating additional levy funds in the fall of 2021. The bureau is in the process of forming a levy oversight committee to assist in developing a plan for future expenditures.

100% Renewable Goal:

Not applicable.

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	Fund Program	Grant	Sponsored Program	Amount
232000	PKDI000013	511100	PRSPBSBS000				\$4,600,000
232000	PKDI000013	549000	PRSPBSBS000				\$4,400,000
232000	PKDI000013	451500	PRSPBSBS000				\$9,000,000
402001	PKSB000013	571000	PRSPBSBS000				(\$9,000,000)
4020	PKSB0000	580100	PRSPBSBS0				\$9,000,000

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Claudio Campuzano

Claudio Campuzano, Finance, Property & Technology Manager
Portland Parks & Recreation