

Bureau of Planning & Sustainability

Budget Advisory Committee

Meeting #2 Recap

Tuesday, December 15, 2015

8:30-10:30 a.m.

1900 SW 4th Ave, Second Floor
Conference Room 7A

BAC members present

- Susan Anderson – BPS, Director
- Lisa Bates – Portland State University
- Catherine Ciarlo – CH2M-Hill
- David Heslam – Earth Advantage
- Gary Oxman – Planning and Sustainability Commission
- Heather Hoell – Venture Portland
- Linda Nettekoven – Hosford-Abernethy Neighborhood District
- Uma Krishnan – BPS (non-represented staff)
- Debbie Bischoff – BPS (COPPEA staff)

Staff present

- Michael Armstrong – BPS, Policy, Research & Operations Manager
- Julie Ocken – BPS, Director's Executive Assistant
- Jessica Kinard – Budget Analyst, City Budget Office
- Joe Zehnder – BPS, Chief Planner

Recap of First BAC Meeting

[Draft notes](#) from the first BAC meeting were distributed.

Review of BPS Programs

Michael completed the discussion of the [BPS workplan](#) to describe the outreach and engagement and internal services program descriptions.

Approach to 5% General Fund Cuts & Possible New Funding Requests

BPS needs to identify about \$400,000 in General Fund reductions, which can mean cutting work/staff or finding new funding. As a starting place, BPS has asked managers to identify cut options in the programs that currently receive General Fund. Because most of the General Fund goes to planning programs, the 5% cut results in a reduction of \$340,000 in planning and \$60,000 from sustainability programs.

For the \$60k reduction in sustainability, BPS has some grant opportunities pending that may cover much of the gap. But since we're cutting on-going funds and replacing it with one-time funding, we'll then need to cover this in the next FY.

For the remaining \$340k:

- BPS anticipates having about \$200k in carry-over from Metro grants (community planning development grants).
- The remaining \$140k is roughly the equivalent of 1.5 FTE.
- We're looking at new grant opportunities but won't have funds in hand by the time the budget is submitted, so we are reviewing options to cut a position or further reduce our limited contracting funds.

Susan explained that even if there were no cuts, we are still looking at our priorities and how we do our work. For example, we are reviewing how we do community outreach and other areas that may be under-resourced, such as historic planning.

In each of the past several years, BDS has provided funding for 2.5 FTE at BPS to run code update projects. Some jurisdictions in Oregon use land-use permit fees to fund broader code development work, and Portland may want to explore its legal authority to do this as well.

BPS also expects to request one-time General Fund support for:

- The second half of the residential infill project. This will be done by December 2016. This project is approaching the halfway mark, so we're assuming Council will want to finish it.
- A citywide Smart Cities initiative. An example of this is a partnership with PSU, Verizon and others that is installing air-quality sensors along Powell so we are able to correlate air quality with traffic, weather, etc and monitor how that changes as the bus rapid transit goes in. The funding would support a position to provide coordination across the various bureaus and many public and private partners who are working on Smart City solutions.

Several BAC members noted that this is something Portland should be doing on an on-going basis to provide better services and run more efficiently and that there is a strong case for this as a good business decision. Others noted that a modest General Fund investment would be leveraged many times over by other partners, including potential outside funders. Portland's smart cities work would stand out from other cities by emphasizing the "people piece."

Budget Equity Tool

Staff shared a [memo](#) from OEHR that describes the expectations for bureau equity assessments that accompany budget submittals. Bureaus have used iterations of this for several years now. The process of thinking through what belongs in the assessment is often as useful as the resulting write-up. Key questions include what areas of the city a program or project will impact and how different demographic groups will be affected.

Last year BPS applied the tool to develop four write ups: (1) planning programs, (2) sustainability outreach programs, (3) solid waste programs, (4) add package request.

The tool can be valuable in informing how BPS and Council pick new projects or choose one priority over another.

Council has emphasized that equity is a priority value. Providing the information in front of them when they're making decisions can help projects that, for example, address vulnerable populations.

BAC Member Roundtable on Program Priorities

BAC members made the following comments, questions, and suggestions:

- The residential infill project affects all types of neighborhoods, not just those in higher-income areas. We should be careful about focusing just on multi-dwelling issues since infill is happening citywide, increasing housing costs, creating displacement. (Joe noted that there is more demand for housing than we have, which is driving prices up. Increasing the supply of housing across housing types is important. We are trying to open the door for more duplexes, triplexes.)
- Is there a rationale that other bureaus should pay for parts of BPS projects or programs? For example, BPS has a key role in informing City decisions about housing development. Would the City invest some of the funding for affordable housing in BPS' Economic and Housing Development to improve its understanding of housing needs and opportunities? There is an on-going need for a broader sense and thinking in addition to the specific programs PHB provides.

- The residential infill project also relates to the housing priority. Also, last year BPS' request for funding to initiate the historic resource inventory responds to equity issues, especially in East Portland. Could this be funded by BDS?
- The Smart Cities initiative is an important opportunity to coordinate and align bureaus' work.
- Neighborhood business districts experience angst about Portland changing in a way that individuals don't necessarily have a vision for, and feel like they can't control. BPS can help to address this. The effort from the mixed-use zoning committee to incentivize better and more affordable housing development is another example of how BPS works on housing and affordability.
- The Solid Waste program has a major short-term deliverable in the new Portland Recycles Plan. Could that timeline be extended to free up resources to support other priorities?
- Can BPS combine some functions together, particularly around the community involvement, residential engagement and some of the work in the climate plan? This work is central to the City's housing and equity priorities.
- It's difficult to reconcile the "unfinished business" of on-going workplan with new priorities/requests from Council or the public. Should BPS make a strong push to gain grants so we can ween ourselves off of these cuts and one-time asks?
- Comprehensive Plan work needs to be understood as work that addresses displacement. Additional priorities include District Planning; Community Involvement; River and Environmental Planning; Economic and Housing Development; Climate Action Plan; Materials and Waste Management Policy; Multifamily Waste Reduction.
- BPS should continue to engage with BDS about using permit fees to improve code, including monitoring and tracking impacts.
- Even as the City responds to the housing emergency, it can't lose its long-term view and be strategic over time.
- The Smart Cities initiative is a big opportunity, and the City needs better integrated systems across bureaus. We need to be smart in terms of community involvement, which planning has always been a leader in; make this more of an integrated, long-term program across bureaus to reach communities in meaningful ways.
- Knowing BPS is finishing some huge planning projects, what does this mean for the various staffing that has contributed to those projects in terms of the next budget year of projects? Do we need the same level of support from, for example, communications, as we transition? We should look at aligning projects to address housing and equity and how we strengthen our projects going forward in this way. In the past, we've looked at what projects are mandatory: I don't think any of these are in question, but it would be helpful for the BAC to know specifically what we are legally obliged to continue to do and what may be discretionary.
- The projects from BPS are almost invariably well-done and high-impact, but there are a couple that haven't been. BPS needs to scan its workplan for the low-effectiveness projects to see what we might eliminate. When I see the small, individual outreach projects, it makes me concerned about what ultimately can be accomplished in these outreach practices; take a look at these to see about creating efficiencies and/or eliminating some of this individual work.
- The Planning and Sustainability Commission continues to have great interest in the intersection of economic development, equity and displacement. Another PSC concern has been the timeline and simultaneity of economic development and environmental planning.

Next Steps

Staff will distill this and work to have a draft of issues and recommendations for the BAC to consider including in its eventual memo to Council.

The next BAC meeting is currently scheduled for Monday, January 11 at 4 p.m. in room 7A.

Heather won't be able to make this time, so Michael will check that others can attend (or may look to switch the meeting date).