

Analysis By: Doug Le

SPECIAL APPROPRIATIONS

All Funds Budget Summary	Adopted FY 2014-15	Request Base FY 2015-16	Decision Pkgs FY 2015-16	Request Total FY 2015-16	Percent Change
Resources					
Interagency Revenue	\$131,067	\$133,493	\$0	\$133,493	1.9%
General Fund Discretionary	8,221,743	7,894,451	1,635,087	9,529,538	15.9%
General Fund Overhead	156,333	159,831	0	159,831	2.2%
Total Resources	\$8,509,143	\$8,187,775	\$1,635,087	\$9,822,862	15.4%
Expenditures					
Personnel Services	\$219,366	\$226,412	\$0	\$226,412	3.2%
External Materials and Services	8,287,542	7,854,552	1,635,087	9,489,639	14.5%
Internal Materials and Services	2,235	106,811	0	106,811	4679.0%
Total Requirements	\$8,509,143	\$8,187,775	\$1,635,087	\$9,822,862	15.4%
Total Full-Time Equivalents	2.00	2.00	0.00	2.00	0.0%

Percent Change is the change from FY 2014-15 Adopted Budget to FY 2015-16 Total Requested Budget.

Decision Package Analysis & Recommendations

CBO has only included funding for two of the eight one-time Special Appropriations requests. We believe that the other six requests are a lower priority than the Citizen Utility Board Bill Inserts and SW Corridor Transit Project.

Recommended for funding:

CUB Bill Inserts, SA_06, \$5,000

Twice a year, the City includes a bill insert describing its partnership with the Citizen Utility Board (CUB) and encouraging Portlanders to learn more about the organization's work. These mailers are part of the set up to monitor the utility bureaus. The cost covers printing and mailing costs for the CUB mailers. Funding for these inserts was included in the budget of the Commissioner of Public Works in FY 2013-14 and FY 2014-15.

CBO Recommendation: \$5,000

SW Corridor Transit Project, SA_002, \$700,000

During the FY 2014-15 budget development process, PBOT received \$650,000 of General Fund one-time resources for the Southwest Corridor Draft Environmental Impact Statement (DEIS) project, and the bureau is now requesting another \$700,000 of General Fund resources through the Special Appropriations process. Most of the funds (\$550,000) are for a match contribution to Metro, with the rest intended for PBOT (\$120,000) and BPS (\$30,000) staff.

During the first six months of the current fiscal year, the project team performed a number of analyses as directed by the project Steering Committee. In December, the Steering Committee decided to shift to a Preferred Alternative (PA)-DEIS-Locally Preferred Alternative (LPA) process. The creation of a PA is an interim step that is being undertaken prior to beginning the DEIS process. It is a further narrowing of some of the alignment and mode options as a way to more efficiently and cost-effectively perform the Environmental Impact Statement (EIS) analyses. The LPA is the version of the project that has been approved as a land use decision by Metro and each of the jurisdictional partners on what is proposed to be built. The selection of the LPA comes as a result of developing a DEIS. The LPA is decided based on what is learned about the various alternatives that are evaluated in the DEIS. An alternatives analysis is required when using Federal Transit Administration (FTA) funds, and although none has yet been identified for this project, PBOT believes that the possibility is high that such funds would be used for design and construction.

According to PBOT, the City's share of costs for the development of the DEIS and LPA being sent to Metro will be complete with this request if approved for FY 2015-16. Metro has committed to the City that there will be no further request for funds, regardless of how much more the effort may cost. The City will still have to provide funding for City staff to work on the project after FY 2015-16 to support the creation of the DEIS and adoption of the LPA, although the amount is unknown at this time. Metro divides the match funding from partners, such as the City and Washington County, between itself, TriMet, and hired consultants to manage the project, perform outreach, and conduct analyses. Metro has provided the summary information for what all partners are contributing to the effort, but no separate accounting on the matching funds is done by the City.

CBO recommends the funding of this second and last phase of the project because the City has committed to the process last year and should complete the plan which may eventually lead to federal funding if the City decides to proceed with a High Capacity Transit (HCT) project for the Southwest Corridor. The work may also lead to an expansion of assets in areas that are predicted to become underserved and an alleviation of traffic congestion on the Southwest Corridor. HCT would also help the City achieve its climate change goals by enabling people to travel between the areas without driving.

However, CBO also continues to recommend that Council be mindful of committing to large scale infrastructure projects that, although transportation related, are not core to PBOT's work but may commit the bureau to spending large percentages of its discretionary revenue on debt service payments for these projects over many years. Currently, there is already a large list of project-supportive multi-modal projects that have been identified as being desired to be built in conjunction with the HCT project, but funds have not been identified. An overall financing plan for the HCT project will be developed, and funding for the supportive projects will likely also be developed. But the timeline for this work is not known at this point, or how the projects would be funded. Thus, Council should carefully consider how the various projects may be paid for and the effects on PBOT's core functions if GTR is dedicated to debt service over many years. See write-up on Debt Service in the Key Issues section of the review of PBOT's Requested Budget for more details about PBOT's debt service obligations.

CBO Recommendation: \$700,000

Not recommended for funding:

Asian Pacific American Network of Oregon, SA_01, \$20,000

This request funds the master lease for the Jade District on 82nd and Division to be used as a community center for the Asian Pacific American Network of Oregon. The district is known for its growing diverse business communities.

CBO Recommendation: \$0

RACC – Project Grants, SA_03, \$200,000

This request assists the Regional Arts & Culture Council (RACC) to fund a diverse group of artists and nonprofit organizations with project grants that fuel creativity and innovation in Portland's neighborhoods and schools, and help bring the arts to underserved communities. The artists and arts organizations who receive these grants will raise at least \$200,000 or more from the private sector to execute their projects, since RACC grants require a 1:1 match. The projects that are funded generate cultural tourism and other economic benefits for the region.

CBO Recommendation: \$0

RACC – Right Brain Initiative, SA_04, \$25,000

This funding is for The Right Brain Initiative organization. This organization is poised to expand into at least five new schools in Portland next year, and for each new school that is admitted into the program RACC must raise \$5,000 to cover the cost of an implementation coach, professional development for teachers and other planning expenses that help schools become familiar with how the Right Brain Initiative works. Studies have demonstrated that students who participate in Right Brain do better in school, specifically on their math and reading tests. English language learners experience especially dramatic increases in their test scores.

CBO Recommendation: \$0

RACC – Work for Art, SA_05, \$25,000

This request supports the Work for Art organization. This organization is a grassroots fundraising campaign that has raised more than \$6 million for local arts and culture organizations over the last nine years, primarily through workplace giving. The City of Portland and other funders cover RACC administrative costs so that 100% of all campaign proceeds can be efficiently granted out to organizations through RACC's established competitive arts grants program. For the tenth anniversary next year, RACC is setting an ambitious goal of \$1 million, which is \$240,000 or 32% more than the current campaign average of \$760,000. To accomplish this, RACC must increase its infrastructure and program budget by 22% or \$75,000 to cover additional staff, new collateral materials, and other expenses for developing new revenue streams that will help take the campaign to a new level. RACC requests the City fund one third of this program budget.

CBO Recommendation: \$0

Age Friendly Portland Initiative, SA_07, \$260,087

This request funds the Age Friendly Portland Initiative. This initiative is an outgrowth of the City of Portland-Institute on Aging partnership that originated in 2010 as part of the World Health Organization's Global Network of Age-Friendly Cities and Communities. The initiative strives to prepare Portland for the needs and opportunities that are inherent to the rapid and unprecedented aging of Portland which is already underway. Portland's initiative is globally recognized as a model for age-friendly cities and the unique partnerships between the university, City, and community stakeholders has furthered the ability of Portlanders to age in an active, healthy, and engaged manner.

CBO Recommendation: \$0

3 to PhD, SA_08, \$400,000

This request funds the 3 to PhD Initiative. This is a community-wide education initiative anchored by a decade-long partnership between Concordia University and Faubion School in Northeast Portland, designed to alter the trajectory for children and families residing in one of Portland's most underserved and vulnerable communities. Concordia has partnered with Oregon's largest public school district, Portland Public Schools, as well as other "best-in-class" organizations across the city (including Trillium Family Services) to provide a seamless continuum of support for children attending Faubion to promote their academic success and life-long wellness, from 3 (first 3 trimesters) to PhD (pursuing one's highest dream).

CBO Recommendation: \$0

City of Portland
 Decision Package Recommendations
 (Includes Contingency and Ending Balance)

	Bureau Priority	Bureau Requested					CBO Analyst Recommendations				
		FTE	Gen Fund Ongoing	Gen Fund 1-Time	Other Revenues	Total Expenses	FTE	Gen Fund Ongoing	Gen Fund 1-Time	Other Revenues	Total Expenses
Special Appropriations											
<i>Adds</i>											
SA_01 - Asian Pacific American Network of Oregon	NA	0.00	0	20,000	0	20,000	0.00	0	0	0	0
SA_02 - SW Corridor Transit Project	NA	0.00	0	700,000	0	700,000	0.00	0	700,000	0	700,000
SA_03 - RACC - Project Grants	NA	0.00	0	200,000	0	200,000	0.00	0	0	0	0
SA_04 - RACC - Right Brain Initiative	NA	0.00	0	25,000	0	25,000	0.00	0	0	0	0
SA_05 - RACC - Work for Art	NA	0.00	0	25,000	0	25,000	0.00	0	0	0	0
SA_06 - CUB Bill Inserts	NA	0.00	0	5,000	0	5,000	0.00	0	5,000	0	5,000
SA_07 - Age Friendly Portland Initiative	NA	0.00	0	260,087	0	260,087	0.00	0	0	0	0
SA_08 - 3 to PhD	NA	0.00	0	400,000	0	400,000	0.00	0	0	0	0
<i>Total Adds</i>		<i>0.00</i>	<i>0</i>	<i>1,635,087</i>	<i>0</i>	<i>1,635,087</i>	<i>0.00</i>	<i>0</i>	<i>705,000</i>	<i>0</i>	<i>705,000</i>
Total Special Appropriations		0.00	0	1,635,087	0	1,635,087	0.00	0	705,000	0	705,000