

Analysis By: Jessica Kinard

PORTLAND BUREAU OF EMERGENCY MANAGEMENT

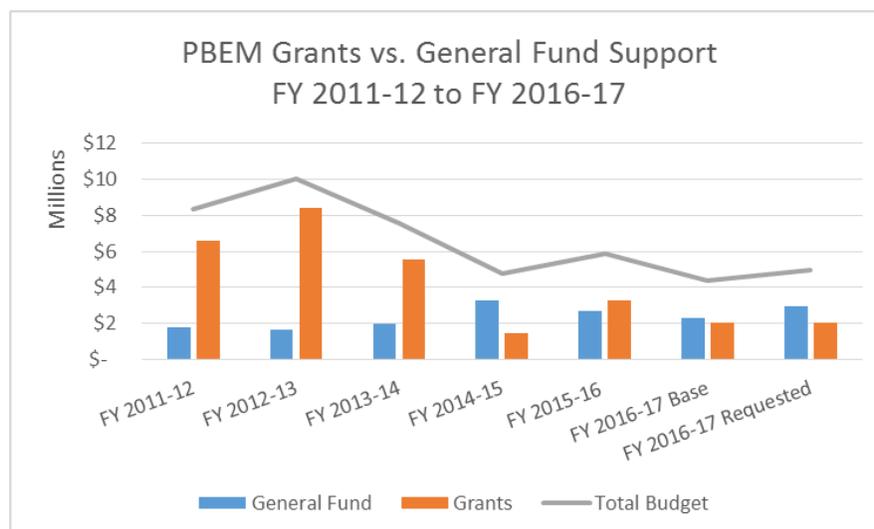
All Funds Budget Summary	Adopted FY 2015-16	Request Base FY 2016-17	Decision Pkgs FY 2016-17	Request Total FY 2016-17	Percent Change
Resources					
Intergovernmental Revenues	\$3,120,246	\$2,030,266	\$0	\$2,030,266	-34.9%
Interagency Revenue	10,000	10,000	0	10,000	0.0%
General Fund Discretionary	1,215,355	1,051,741	613,807	1,665,548	37.0%
General Fund Overhead	1,404,815	1,257,685	6,822	1,264,507	-10.0%
Total Resources	\$5,750,416	\$4,349,692	\$620,629	\$4,970,321	-13.6%
Expenditures					
Personnel Services	\$2,557,115	\$1,940,862	\$236,100	\$2,176,962	-14.9%
External Materials and Services	2,417,522	1,646,014	384,529	2,030,543	-16.0%
Internal Materials and Services	775,779	762,816	0	762,816	-1.7%
Total Requirements	\$5,750,416	\$4,349,692	\$620,629	\$4,970,321	-13.6%
Total Bureau FTE	20.00	17.00	2.00	19.00	-5.0%

Percent Change is the change from FY 2015-16 Adopted Budget to FY 2016-17 Total Requested Budget.

Key Issues

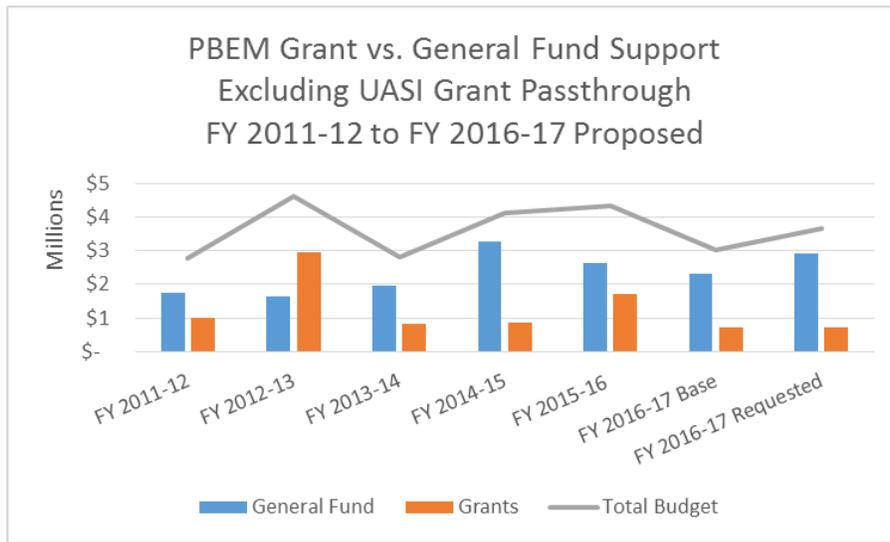
Long Term Operations and Grant Funding

As the City Budget Office has highlighted in prior reviews, the Portland Bureau of Emergency Management's (PBEM's) vulnerability with regards to uncertain grant revenues continues to be a critical issue for the bureau this year.



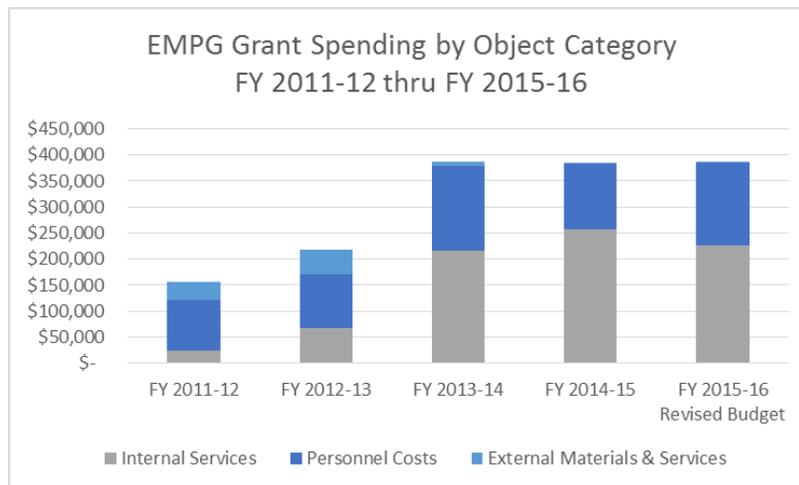
The bureau has experienced steadily declining grant revenues as a share of their budget. The chart above highlights the decline in grant revenue and total budget over the past 5 years, as well as an increase in General Fund resources in recent years. A significant portion of the grant funding decline was in pass-through dollars from the Urban Areas Security Initiative (UASI) grants, which does not operationally affect

the bureau. The below graph illustrates PBEM’s resources adjusted for the exclusion of the pass-through of UASI funds to regional partners, and more accurately depicts the operational change with regards to grant versus revenue support.



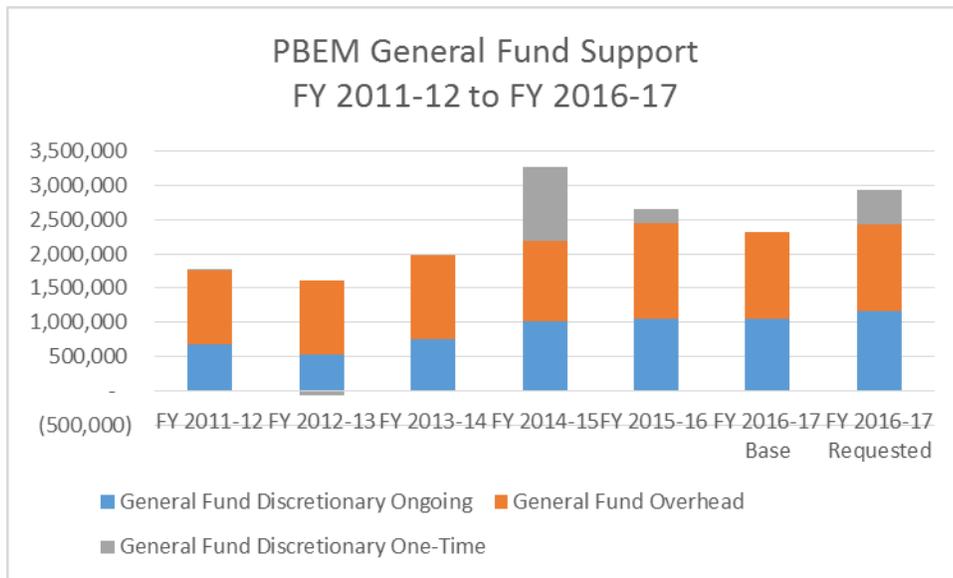
General Fund support for the bureau has increased while grant funding has declined

While the majority of federal and local grant resources are either prescribed for certain activities or passed through to regional partners, PBEM has increasingly relied on one type of federal grant, the Emergency Management Performance Grant (EMPG), for regular activities and operations. Although the actual receipt of these revenues has stayed relatively constant for the past three years and the bureau has traditionally seen this grant as a relatively reliable source of funding, the bureau’s reliance on this grant for personnel and internal operating costs such as computers and rent is a source of concern.



This year, the bureau decreased its budgeted estimate of EMPG funding for its proposed FY 2016-17 budget by \$80,000, or 28%, to \$300,000. As a result, the bureau has shifted the costs of 1.5 FTE that were previously funded by the EMPG grant onto the General Fund at a cost of approximately \$160,000, and is using the entirety of the EMPG grant to pay basic operational bills. Absorbing this personnel cost has meant the bureau has had to make reductions in their materials and services budget. The bureau’s base

budget includes a total of General Fund support for \$118,000 in non-fixed external materials and services costs, \$115,000 of which is being offered as the bureau’s mandatory 5% reduction. A primary challenge with the EMPG grant is that the bureau will only know the award value after providing their requested budget; thus actual grant revenue may be greater or less than the currently budgeted amount.



As the above chart shows, the bureau has received steady increases in ongoing General Fund support over the past three years, including \$267,099 in ongoing operational support for the Emergency Coordination Center (ECC) beginning in FY 2013-14; and ongoing funds in the amounts of \$100,000 for the CENS and \$50,660 to support the partial conversion of two existing grant funded positions to general fund supported in FY 2014-15. However, despite these increases, the bureau continues to rely on the EMPG grant for core operations.

Per a FY 2010-11 budget note regarding the bureau’s move into the ECC, “[o]ngoing operations and maintenance expenses will be included in the forecast and the appropriate amounts charged to the General Fund and the overhead model beginning fiscal year 2012-13.” The \$267,099 CAL target adjustment has proven to be insufficient to cover operating and maintenance costs at the ECC, and CBO believes that a trueing up of General Fund support for ECC O&M may be required to comply with the FY 2010-11 budget note.

The bureau was without a budget and finance staff person for the majority of this fiscal year, but has recently hired a new Business Operations Supervisor. CBO is working with the bureau to look at historical trends in the bureau’s finances and provide Council with a holistic analysis of the bureau and recommendations for ensuring a stable funding base in the future despite grant funding uncertainty.

In addition, during FY 2016-17, the bureau will develop its next three year strategic plan. CBO recommends that, in concert with the construction of the new strategic plan, PBEM incorporate an analysis of changes in the federal and state emergency preparedness and management landscape, and specifically include a plan to adapt to potential changes in grant support to mitigate the operational risk.

Ensuring Equity in Disaster Mitigation and Preparedness

The mission of the Portland Bureau of Emergency Management is disaster risk reduction through leadership and coordination. The bureau's 2014-2016 strategic plan specifically focused on resiliency to "significantly reduce the social, economic and environmental losses caused by disasters," and called attention to the fact that "disasters impact low income and vulnerable populations disproportionately, oftentimes compounding existing social and economic inequities."¹ PBEM has sought to engage more communities that include immigrant groups, ethnic and language minorities, communities of color, and the disability community in recent years. Examples of recent and current efforts include:

- The update to the Natural Hazard Mitigation Plan (NHMP), currently being worked on by the bureau, integrates a social and racial equity framework as a prominent component of neighborhood natural hazard risk reduction. The final product will include a prioritized list of projects that will include screening criteria to assess the social and racial equity benefits, determine the most impactful actions to reduce vulnerability, and encourage increased capacity of community organizing around these issues.
- The Neighborhood Emergency Team (NET) program trains residents to provide immediate emergency assistance to their neighbors in the event of an emergency. PBEM began tracking demographic data of NET volunteers in 2013, and has since prioritized recruitment of persons self-identifying as belonging to an ethnic minority while also working with community-based organizations to better engage traditionally underserved populations.
- The bureau, through the Community Emergency Notification System (CENS), is responsible for disseminating emergency alerts and warnings to the public in the event of an emergency. PBEM is working on building the system capacity to transmit all notifications in all 10 safe harbor languages. In addition, the new PublicAlerts system allows residents to sign up for the Additional Needs Registry and indicate whether they may need specific disability-related assistance following a natural disaster.

These program developments illustrate the critical role that the bureau plays in ensuring service equity across Portland's neighborhoods and communities. CBO encourages the bureau and Council to continue to apply an equity lens to disaster mitigation when considering program and investment priorities.

Decision Package Analysis & Recommendations

Training and Development Officer, EM_01, \$127,998, 1.00 FTE

The bureau is requesting ongoing general fund resources in the amount of \$127,998 for a permanent, full-time Training and Development Officer to advance Emergency Coordination Center (ECC) readiness. Currently, the ECC program is led by the Operations Manager and work is completed by several program staff in addition to their primary duties such as disaster planning, training and exercise development,

¹ Portland Bureau of Emergency Management 2014-2016 Strategic Plan.
<http://www.portlandoregon.gov/pbem/article/466206>.

coordination of the NET program, and WebEOC administration. Together these staff coordinate the City's emergency response teams, and create, organize and deploy citywide emergency response exercises to ensure the City will be able to effectively and efficiently respond to community and City needs in the event of a disaster.

This current level and structure of staffing makes it difficult for PBEM to make full use of the recently built state-of-the-art ECC facility. The proposed Training and Development Officer would provide the structured policy development; training, implementation and oversight; and strategic programmatic planning to enhance City performance towards readiness goals.

The bureau moved into the \$19.8 million Emergency Coordination Center in October 2013. Per a FY 2010-11 budget note regarding the bureau's move into the ECC, "[o]ngoing operations and maintenance expenses will be included in the forecast and the appropriate amounts charged to the General Fund and the overhead model beginning fiscal year 2012-13;" In response, the City added \$267,099 to the bureau's FY 2013-14 base budget to pay for ECC operations and maintenance (O&M), in addition to existing ongoing funds budgeted for bureau rent, Facilities and BTS costs. ECC O&M costs in the FY 2016-17 budget totals \$635,793; CBO is working with the bureau to determine whether the General Fund resources provided are sufficient to cover O&M costs. CBO believes it is likely that there will be additional resources required to comply with the FY 2010-11 budget note. The bureau is currently dedicating \$225,869 in EMPG grant funding to ECC costs, including O&M costs.

CBO acknowledges the importance of properly supporting the ECC and ensuring citywide readiness, and believes this position could play a key role furthering those goals. However, due to limited available General Fund resources, CBO does not recommend funding for this position at this time. Once CBO and the bureau have determined the necessary level of funding required to comply with the budget note for ECC O&M, EMPG revenues currently budgeted for ECC O&M may be made available for this purpose.

CBO Recommendation: \$0, 0.00 FTE

Assistant Program Specialist, EM_02, \$108,102, 1.00 FTE

With this request, the bureau is converting an assistant program specialist position from limited term to permanent. This position is the Volunteer Programs Developer for the BEECN and NET programs.

The bureau's 2014-2016 strategic plan specifically focuses on resiliency to "significantly reduce the social, economic and environmental losses caused by disasters," and calls attention to the fact that "disasters impact low income and vulnerable populations disproportionately, oftentimes compounding existing social and economic inequities."² PBEM has sought to engage more micro-communities that include immigrant groups, ethnic and language minorities, communities of color, and the disability community in recent years, and this position in particular reflects this priority.

² Portland Bureau of Emergency Management 2014-2016 Strategic Plan.
<http://www.portlandoregon.gov/pbem/article/466206>.

This position was funded on a one-time basis in FY 2015-16 and the employee was hired in October. The position began the second phase of the project, volunteer recruitment and training, in late January of 2016. In the first two weeks of recruitment and training, the employee was able to recruit and activate one BEECN team of 10 volunteers. The bureau expects this phase of the work to move quickly with many more volunteers to be recruited, given the high level of community interest in BEECN that has been expressed. The bureau expects this individual to coordinate and manage a minimum of 484 volunteers.

This program coordinates and leverages community networks already in place: the bureau has discussed the program with the ONI-funded District Coalitions, who are ready to help the bureau recruit volunteers; and the bureau will also enlist help from NET volunteers to recruit. In addition, this position will develop, in partnership with an identified staff person at Portland Public Schools, the Campus Community Emergency Response Team program. The youth engaged in this project will also be trained and engaged as NET volunteers.

The bureau's Performance Measures focus on engagement, training, and activation of NET teams, which this decision package tangentially benefits. CBO suggests the bureau consider amending its performance measures to include BEECN engagement as well as NET engagement, as both programs enhance community organizing and networks around disaster preparedness.

CBO recommends funding for this request. The impact of this proposal will be engaging and preparing at least 484 new neighborhood volunteers, and the development of these neighborhood response networks could provide an opportunity for more effective engagement and involvement of Portlanders in other service areas. This proposal directly furthers the City's Equity Goal #2: strengthening outreach, public engagement and access to City services for communities of color and refugees. CBO encourages the bureau to continue to prioritize engagement of these underserved communities as they activate BEECN sites and train new volunteers.

CBO Recommendation: \$108,102, 1.00 FTE

Residential Strengthening Program, EM_03, \$500,000

The bureau is requesting one-time General Fund resources in the amount of \$500,000 to subsidize the seismic retrofitting of 150-200 single family homes. In 2014, the bureau successfully implemented a pilot project to subsidize the costs of retrofitting 23 single-family residential homes throughout Portland using \$100,000 in Natural Hazard Mitigation grant funds. In August of 2015, the bureau applied for and received a Pre-Disaster Mitigation Grant of \$526,000 to subsidize retrofits at 150-200 homes, and this request would double that impact.

Seismic retrofits improve the performance of a home during an earthquake, reducing the damage to the home and cost of repairs and potentially saving lives. Ensuring homes are seismically retrofitted benefits the City as well as the homeowner, as this action minimizes demand on scarce resources after a major earthquake.

PBEM estimates that there are approximately 105,000 single-family detached homes in Portland that were built prior to 1970 and likely not bolted to their foundation. PBEM estimates that over 50,000 of these homes may require seismic retrofits. The average cost of retrofits range from \$3,000 to \$8,000, although in some cases costs may be much greater. For the program to date, only “eligible” homes are considered for grants, i.e., “typical” homes with continuous concrete foundations, with cripple wall height not exceeding 4 feet for 1-2 story homes, and foundation subgrades not developed on steep slopes, and other factors. The grant has paid for no more than 50% of the cost of the retrofit.

The existing Pre-Disaster Mitigation Grant funding was allocated to seismic retrofit applicants by lottery, and at least 50% of properties selected for subsidy were below the median home price. PBEM states that the additional funding provided through this decision package, if granted, will be prioritized for eligible homes below the median home value – although not all homes selected may fall into that category.

CBO does not recommend funding for this proposal at this time given the limited amount of General Fund resources and the number of competing priorities across the City. In addition, given the lack of materials and services budget for existing programs, CBO recommends that the bureau and Council ensure that existing programs are adequately supported before adding or enhancing programs. Finally, CBO recommends that General Fund dollars spent on homeowner programs go towards maximizing benefit for the lowest income and/or most underserved homeowners to increase equity and positive outcomes for vulnerable populations. If this program were to receive funding, CBO would recommend that the grant be provided on a sliding scale based on income as well as on median home value, and that the program only provide grants to homeowners for whom paying full price of a retrofit would pose a significant challenge.

CBO Recommendation: \$0

Five Percent Required Reduction, EM_04, (\$115,471)

The bureau proposes to eliminate \$115,471 in external materials and services (EMS) expenses as its mandatory 5% reduction. This proposal would eliminate 98% of the bureau’s non-fixed external materials and services cost, leaving the bureau with \$2,529 in EMS to support all bureau programs. In addition, federal grant award uncertainty could further exacerbate bureau budget challenges. As a result, CBO does not recommend accepting this reduction.

As discussed in Key Issues, managing the timing and amount of federal grants has presented a consistent challenge to bureau budgeting. CBO recommends that, in concert with the construction of the new strategic plan in FY 2016-17, PBEM incorporate an analysis of changes in the federal and state emergency preparedness and management landscape, and specifically include a plan to adapt to potential changes in grant support to mitigate the operational risk posed by relying on grant funds for core operations.

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
Portland Bureau of Emergency Management											
<i>Adds</i>											
EM_01 - Training and Development Officer	01	1.00	58,292	0	69,706	127,998	0.00	0	0	0	0
EM_02 - Assistant Program Specialist	02	1.00	108,102	0	0	108,102	1.00	108,102	0	0	108,102
EM_03 - Residential Seismic Strengthening	03	0.00	0	500,000	0	500,000	0.00	0	0	0	0
<i>Total Adds</i>		<i>2.00</i>	<i>166,394</i>	<i>500,000</i>	<i>69,706</i>	<i>736,100</i>	<i>1.00</i>	<i>108,102</i>	<i>0</i>	<i>0</i>	<i>108,102</i>
<i>Reductions</i>											
EM_04 - Five Percent Required Reduction	01	0.00	(52,587)	0	(62,884)	(115,471)	0.00	0	0	0	0
<i>Total Reductions</i>		<i>0.00</i>	<i>(52,587)</i>	<i>0</i>	<i>(62,884)</i>	<i>(115,471)</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Total Portland Bureau of Emergency Management		2.00	113,807	500,000	6,822	620,629	1.00	108,102	0	0	108,102