

Analysis By: Jane Marie Ford

## OFFICE OF THE MAYOR

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
<b>Resources</b>					
General Fund Discretionary	\$2,078,450	\$1,721,517	(\$419,881)	\$1,301,636	-37.4%
General Fund Overhead	1,216,131	1,397,054	59,115	1,456,169	19.7%
<b>Total Resources</b>	<b>\$3,294,581</b>	<b>\$3,118,571</b>	<b>(\$360,766)</b>	<b>\$2,757,805</b>	<b>-16.3%</b>
<b>Expenditures</b>					
Personnel Services	\$1,764,695	\$1,766,143	\$108,550	\$1,874,693	6.2%
External Materials and Services	1,138,175	1,047,149	(483,038)	564,111	-50.4%
Internal Materials and Services	291,711	305,279	13,722	319,001	9.4%
Fund Transfers - Expense	100,000	0	0		-100.0%
<b>Total Requirements</b>	<b>\$3,294,581</b>	<b>\$3,118,571</b>	<b>(\$360,766)</b>	<b>\$2,757,805</b>	<b>-16.3%</b>
<b>Total Bureau FTE</b>	<b>17.00</b>	<b>17.00</b>	<b>0.00</b>	<b>17.00</b>	<b>0.0%</b>

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

Council Offices were not required to submit reductions of 5% from their FY 2016-17 Current Appropriation Level Targets.

### Decision Package Analysis & Recommendations

#### Last Thursday, MY\_01, \$30,000

The Office requests \$30,000 in ongoing General Fund discretionary resources to fund costs associated with the Last Thursday Alberta Arts District festival. This includes liability insurance, event maintenance, and management. The City took over responsibility as the Last Thursday event sponsor in 2013 to address issues of livability, liability, and security for this popular event, which draws up to 20,000 attendees during peak season. Since 2013, the Office of the Mayor has spent \$58,545 to manage Last Thursday, not including personnel time. This figure also does not include costs incurred by the Portland Bureau of Transportation, Portland Police Bureau, Portland Fire and Rescue, the Office of Neighborhood Involvement, or other entities. A website for vendor registration went live in 2015, but the current rate schedule is not fully recovering event costs due to increased liability insurance and management costs.

While CBO recognizes the City's interest in ensuring that this festival has adequate security and infrastructure, there are concerns about the equity of allocating City funding and support to this particular event while not offering other neighborhood festivals the same support. CBO recommends that funding for special events be awarded through a competitive process in order to ensure equity and transparency, in alignment with recommendations from the recent audit on Council grants through Special

Appropriations. Alternatively, CBO recommends increasing the registration fee schedule so that the event achieves full cost recovery.

*CBO Recommendation: \$0*

### **Transfer COCL to Special Appropriations, MY\_02, (\$634,316)**

This decision package transfers all ongoing General Fund resources currently allocated in the Mayor's budget to Special Appropriations for continued support of the Compliance Officer and Community Liaison (COCL) contract costs, COCL program support expenses, and the Community Oversight Advisory Board (COAB). CBO recommends this request, acknowledging that there remains some uncertainty over the actual costs required to fulfill all settlement requirements. The ongoing appropriation may need to be revised in future fiscal years.

*CBO Recommendation: (\$634,316)*

### **Summer Works Program, MY\_03, \$135,000**

The Mayor's Office requests \$135,000 in one-time General Fund discretionary resources to support the SummerWorks and Black Male Achievement Initiative youth employment programs. These internships are facilitated by Worksystems, Inc., a Portland-based nonprofit workforce development organization. The City of Portland is the single largest non-federal contributor to Worksystems, Inc., allocating \$3,157,000 to its FY 2015-16 budget, amounting to approximately 10.6% of total revenue<sup>1</sup>. In addition to funding from the Portland Development Commission, this figure includes \$180,000 in ongoing and \$135,000 in one-time General Fund discretionary resources in the Mayor's Office budget to support 150 internship positions for youth ages 16-24.

The Mayor's Office proposes funding the same number of sponsorships in FY 2016-17. The \$2,100 sponsorship covers all wages and other direct costs for interns, and additionally leverages \$1,000 in workforce funds for training, screening, and employer-of-record services. These internships provide important work experience, references, and funding for youth who experience significant barriers to employment and higher education:

- 93% of SummerWorks program participants come from low-income households, and 76% identify as youth of color.<sup>2</sup>
- A significant number of participants have or are at risk of dropping out of high school, and/or are behind in school credits to graduate.<sup>3</sup>
- 11% of participants were involved in a gang or the juvenile justice system, and 10% had limited English proficiency.<sup>4</sup>

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<sup>1</sup> Worksystems, Inc., PY15 Resource Plan, Accessed February 17, 2016, <http://www.worksystems.org/sites/default/files/Board%20Approved%20Budget%2C%202015-16.pdf>

<sup>2</sup> Program data since 2009. Source: Worksystems, Inc., "SummerWorks: Addressing the youth employment crisis through summer jobs," Accessed February 17, 2016,

[http://www.worksystems.org/sites/default/files/SummerWorks%20Program%20Overview\\_0.pdf](http://www.worksystems.org/sites/default/files/SummerWorks%20Program%20Overview_0.pdf)

<sup>3</sup> Ibid

CBO recommends funding for this request. The positive program outcomes are well documented: since the program began in 2009, 89% of participants have completed their internship and earned a positive supervisor evaluation, and 93% returned to high school, post-secondary education, or joined the workforce.<sup>5</sup> For City-sponsored internships specifically, 15 youth (54% of youth not returning to school) and 10 youth (33% of those not returning to school) reported employment after their summer internship in 2014 and 2015 respectively.<sup>6</sup> More broadly, this program leads to workforce development, supports City equity initiatives, and reduces the risk for gang involvement and other public safety concerns. This decision package aligns with a request in the Office of Equity and Human Rights to create a materials and services budget for the Black Male Achievement Summer Youth Experience Program, which further leverages the impact of the internship experience.

*CBO Recommendation: \$135,000*

### **Tribal Liaison, MY\_04, \$108,550**

On July 11, 2012, City Council passed Resolution 36941 outlining its intention to formalize the City's relationship with Tribal Government Partners. There was movement in 2013 and again in 2015 to develop a Tribal Program at the City, bringing together representatives from local tribal governments and organizations, nonprofits, as well as City directors and decision makers. In December 2015, the group developed a charter for the Native American Advisory Commission to "establish a blueprint to implement Resolution 36941 and identify opportunit[ies] to strengthen the urban Indian community relationship. The Commission will advise priorities and actions for the Tribal Liaison to establish and maintain a Tribal Program and City policy for tribal consultation, in coordination with tribes and the urban Indian community." The Tribal Liaison requested in this decision package would serve as the main point of contact for the City and the tribal public, providing expertise on tribal history, treaties, sovereignty, self-governance, protocols, customs and traditions, natural resources and economic development. This request does not create a new FTE, as this position is already included in the Mayor's Office position authority. The duties of this position cannot be absorbed by existing staff or personnel resources, as the office lacks both the capacity and the specific expertise required to carry out this position.

Furthermore, this position may play a role in the State of Housing Emergency. While the number of Native Americans considered to be homeless dropped in the 2015 Point-in-Time count, this is largely connected to changes in the Department of Housing and Urban Development (HUD) definition of homelessness, since Native Americans are more likely to live in unstable housing situations than on the streets or in a shelter.<sup>7</sup> As members of the Native American community are often hesitant to utilize mainstream providers, the Tribal Liaison could assist in facilitating relationships between culturally-specific organizations, the tribal public, and the City. This would likely prevent additional individuals from

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<sup>4</sup> Worksystems, Inc., "SummerWorks Annual Report 2014," Accessed February 17, 2016, <http://www.worksystems.org/sites/default/files/SummerWorks%20Annual%20Report%2C%202014.pdf>

<sup>5</sup> Ibid

<sup>6</sup> Data from Office of Management and Finance

<sup>7</sup> *Point in Time Count of Homelessness in Portland and Multnomah County* (2015). Accessed from <https://www.portlandoregon.gov/phb/61362on 11/30/2015>.

experiencing homelessness,<sup>8</sup> targeting a community that has historically experienced a disproportionately high burden of homelessness and risk factors for becoming homeless.

Given this nexus, CBO recommends approval of a part-time Tribal Liaison position to work with the Native American Advisory Commission to execute agreements with tribal governments within the next year, as well as to develop long-term recommendations for how this position and advisory body should work with AHFE, the City, and its decision makers. This should include exploring a policy, administrative, and financial relationship with the County, given that these issues cross jurisdictional boundaries, particularly efforts related to addressing housing and homelessness.

*CBO Recommendation: \$54,275*

### **Special Events Office Pilot, MY\_05, \$315,857, 2.00 FTE**

This decision package requests \$315,857 in one-time General Fund discretionary resources to create a centralized Special Events Office (SEO) for the City. The SEO will serve as a “one-stop shop” for all event organizers who are required to work with the City, as well as managing Last Thursday and the new proposed Old Town Night Market. The SEO expects that its operation will promote Portland’s special events industry, contributing to economic development, improving livability and streamlining customer service for events throughout the city. Depending on the results of the pilot program and the support of the new administration, the Office anticipates requesting ongoing funding to support its operation. It is possible that the SEO may generate revenue in future fiscal years through partial cost-recovery.

The request includes funding for two full-time employees and a Community Service Aide (CSA). The pilot year would involve convening a committee with existing special events staff housed in bureaus across the City to analyze and develop recommendations around a new Citywide structure for special events. This may result in reassigning duties and/or staff to the centralized office. Ultimately, the SEO may create a central application for all City special Events, but does not intend to do so during the pilot year.

With limited ongoing General Fund resources outside of those generated through reductions in bureau budgets, CBO does not recommend funding for this program at this time. Furthermore, CBO has concerns regarding the equity of funding two specific events – Last Thursday and the proposed Old Town Night Market – at the exclusion of other neighborhood events that have not been given the opportunity to apply for City resources. CBO believes there is value in fostering a special events culture to promote economic development in the City, and encourages the Mayor’s Office to move forward with convening a special events committee to assess how the City might expand these efforts while also improving cost recovery for large events. CBO further recommends that the Mayor’s Office partner with bureaus to develop a centralized special events application building off of existing forms and software, potentially through the Innovation Fund.

*CBO Recommendation: \$0, 0.00 FTE*

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<sup>8</sup> Key Performance Measure No. 3, prevent or divert 1,000 individuals or 526 households from becoming homeless

## **Facilities Division – Mayor’s Security, MY\_06, \$71,741**

The Office of Management and Finance (OMF) included in its budget submission a proposed reduction to the cash transfer from the General Fund to the Facilities Division of BIBS for the Mayor’s security detail from \$71,741 by \$3,587. The current funding is not always sufficient for all the security needs. The costs that are not covered by the cash transfer are currently covered by the City Hall operating budget and, if exceeded, by the major maintenance account.

CBO recommends that this transfer be shifted to the Mayor’s Office budget where it would appropriately be funded through the overhead model. An appropriate amount based on actuals should be budgeted so spending does not impact the City Hall building budget. Total City Hall costs in FY 2014-15 were \$182,351 on this contract, but only a portion of those costs are funded with the cash transfer specifically for Mayor’s security. Based on historical spending of no more than \$70,264 specific to Mayor’s security, CBO recommends shifting the reduced cash transfer amount to the Mayor’s Office budget.

*CBO Recommendation: \$71,741*

**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
<b>Office of the Mayor</b>											
<u>Adds</u>											
MY_03 - Summer Works Program	01	0.00	0	135,000	0	135,000	0.00	0	135,000	0	135,000
MY_01 - Last Thursday	02	0.00	30,000	0	0	30,000	0.00	0	0	0	0
MY_04 - Tribal Liaison	03	0.00	49,435	0	59,115	108,550	0.00	24,717	0	29,558	54,275
MY_05 - Special Events Office Pilot	04	2.00	0	315,857	0	315,857	0.00	0	0	0	0
MY_06 - Realign Security to Mayor's Office	NA	0.00	0	0	0	0	0.00	32,672	0	39,069	71,741
<i>Total Adds</i>		<i>2.00</i>	<i>79,435</i>	<i>450,857</i>	<i>59,115</i>	<i>589,407</i>	<i>0.00</i>	<i>57,389</i>	<i>135,000</i>	<i>68,627</i>	<i>261,016</i>
<u>Realignments</u>											
MY_02 - Transfer COCL to Special Appropriations	01	0.00	(634,316)	0	0	(634,316)	0.00	(634,316)	0	0	(634,316)
<i>Total Realignments</i>		<i>0.00</i>	<i>(634,316)</i>	<i>0</i>	<i>0</i>	<i>(634,316)</i>	<i>0.00</i>	<i>(634,316)</i>	<i>0</i>	<i>0</i>	<i>(634,316)</i>
<b>Total Office of the Mayor</b>		<b>2.00</b>	<b>(554,881)</b>	<b>450,857</b>	<b>59,115</b>	<b>(44,909)</b>	<b>0.00</b>	<b>(576,927)</b>	<b>135,000</b>	<b>68,627</b>	<b>(373,300)</b>