

CITY OF PORTLAND

FY 2019-20 Budget Decision-Making Context
March 5, 2019

Presented by
Jessica Kinard, Interim City Budget Director
Tom Rinehart, Chief Administrative Officer



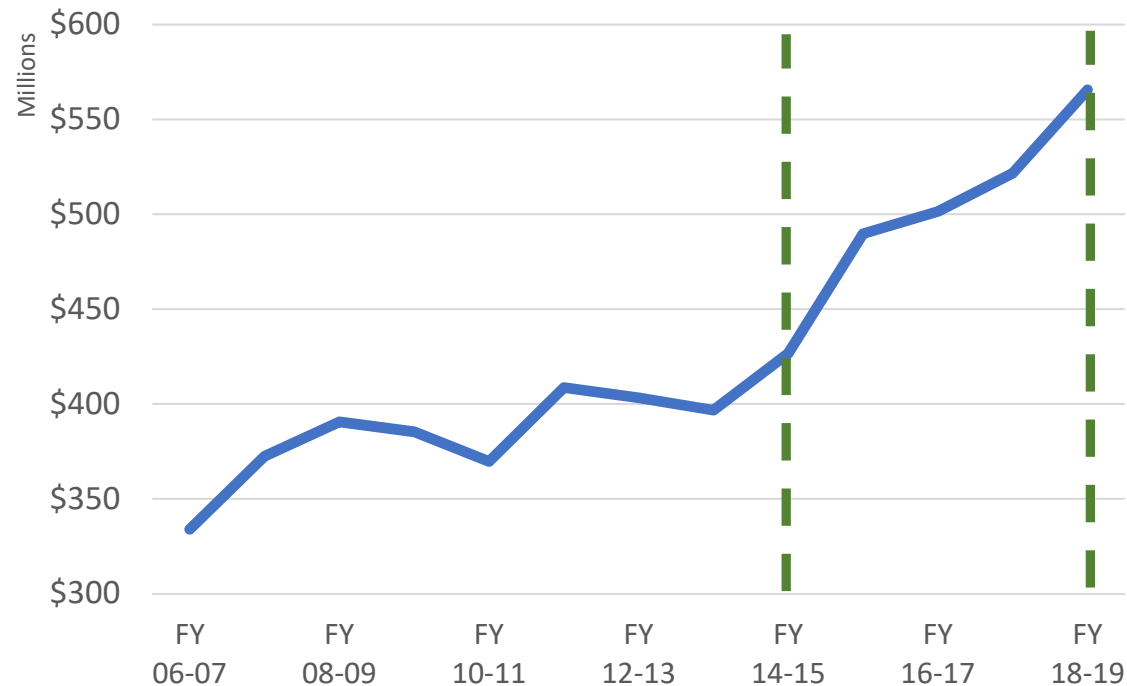
Agenda

1. Recent Budget Decisions & General Fund Spending
2. Revisit Key Council Priority Areas
3. CAO Recommendations
4. Discussion



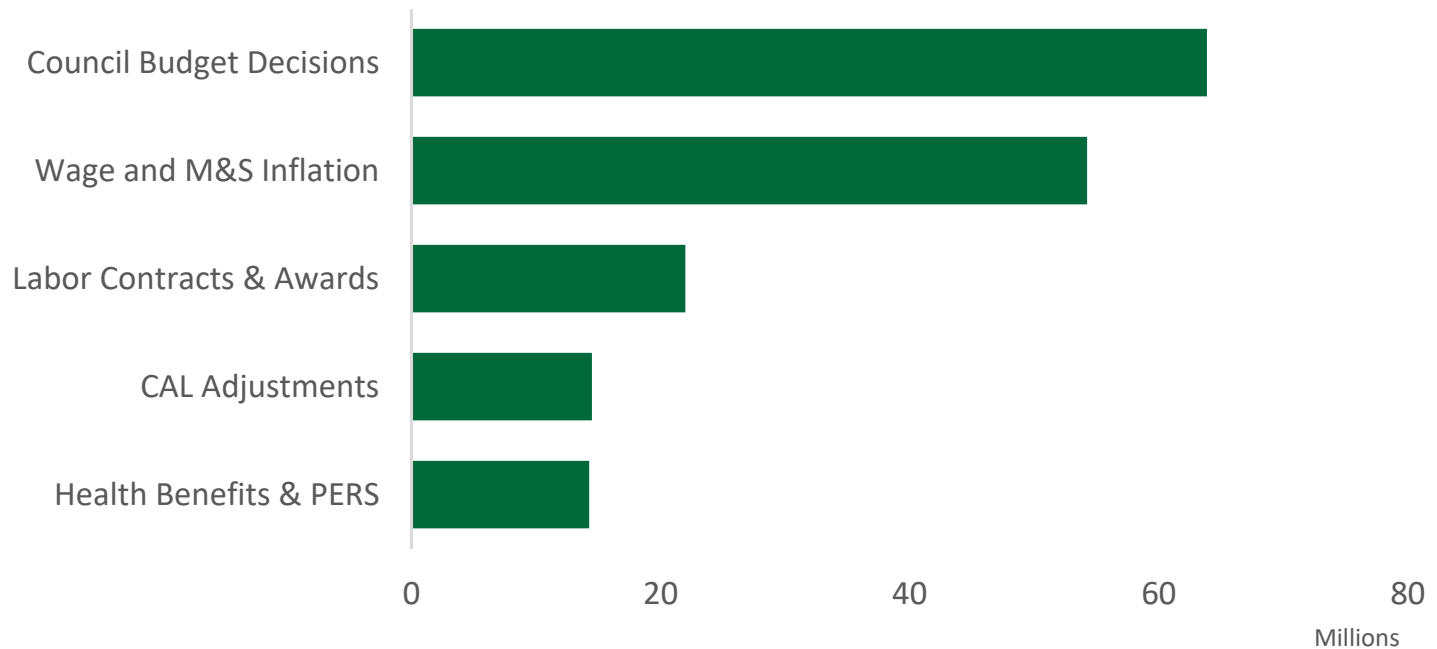
5-Year General Fund Growth & Spending

In the past 5 years, budgeted General Fund discretionary has increased by **43%** or **\$169 million**

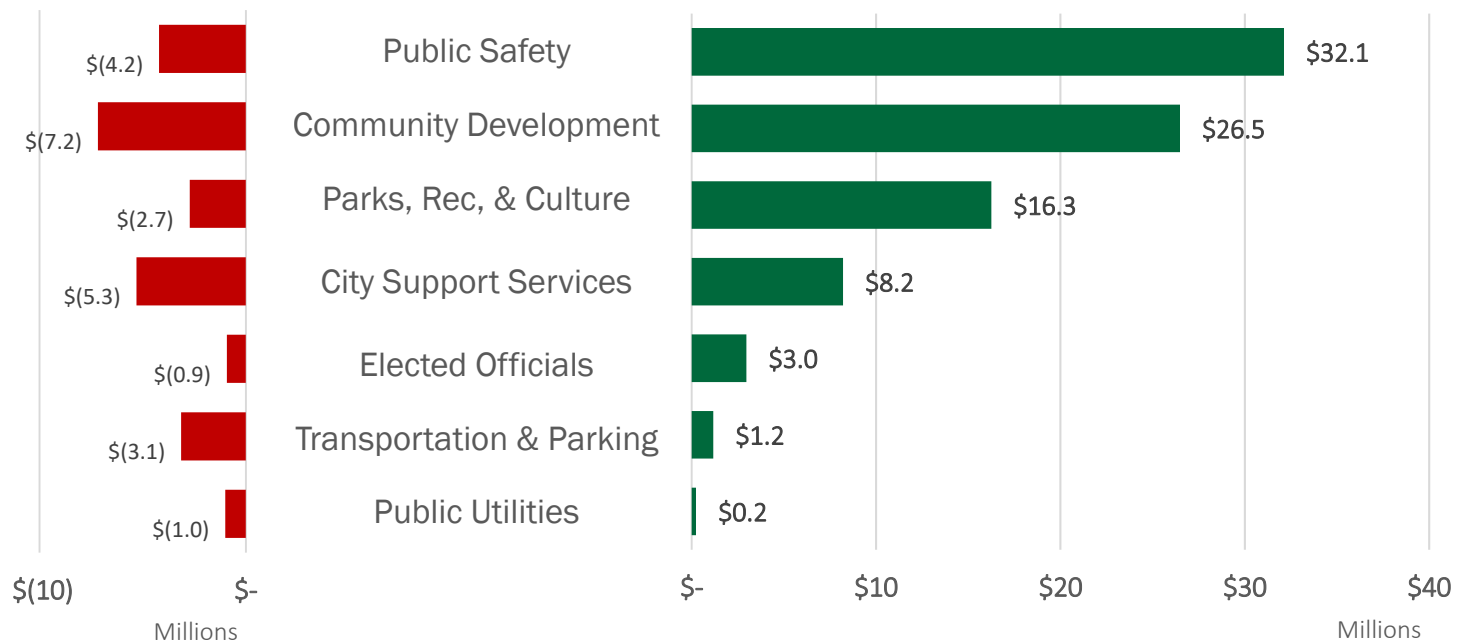


5-Year General Fund Growth & Spending

Inflationary costs and growth in personnel costs have consumed \$90.5 million, or 54% of recent GFD growth

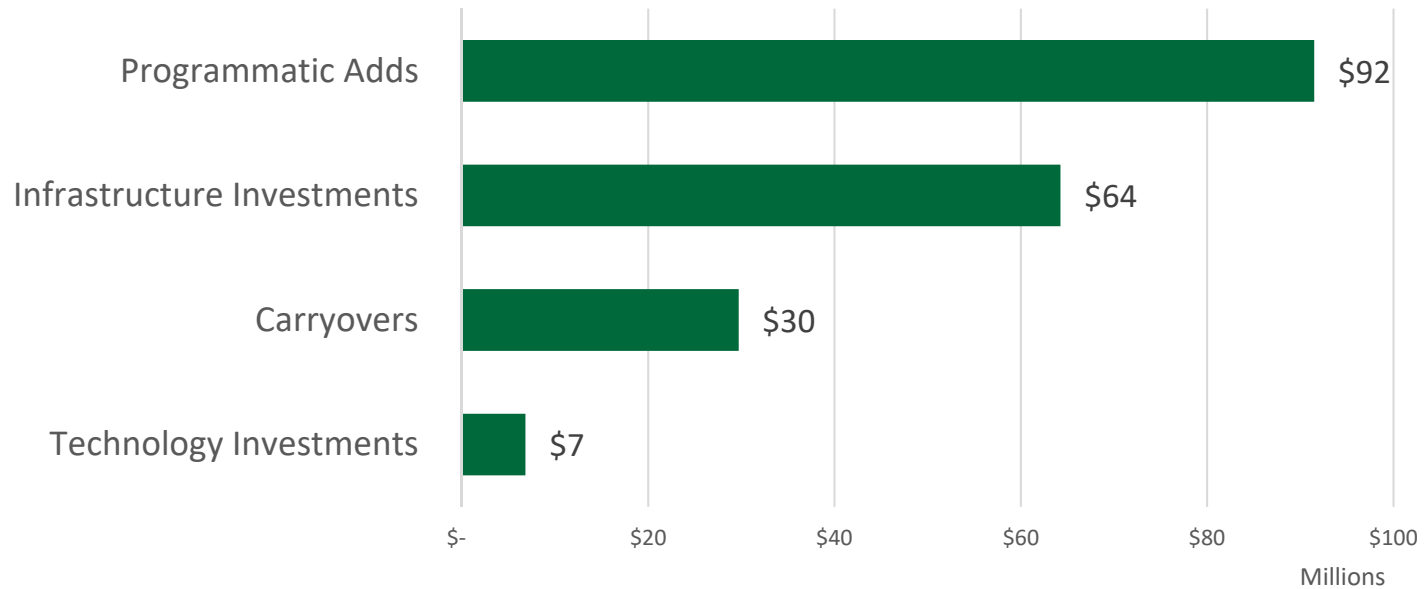


5-Year General Fund Ongoing Adds and Cuts



Net Increase = \$63 million

5-Year General Fund One-Time Adds



Net Increase = \$192 million

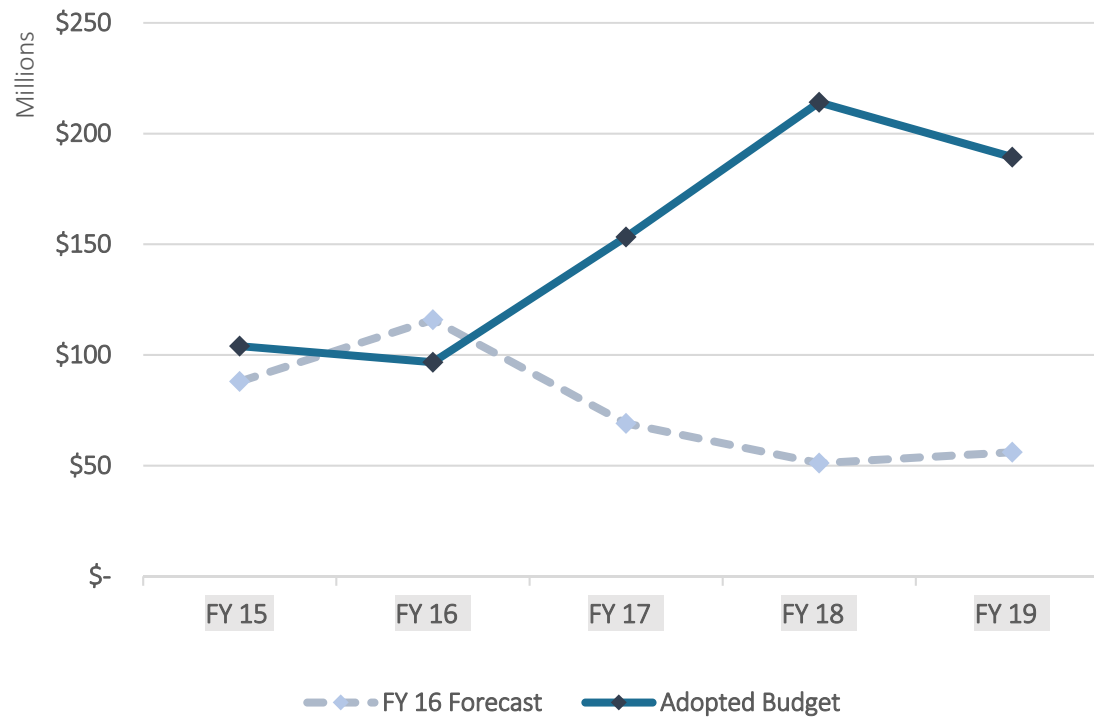
Key Council Priorities

- Meeting Portland's Housing Need
- Ensuring Public Safety
- Maintaining Critical Infrastructure
- Other Priorities



Meeting Portland's Housing Needs

Progress: Record Funding Levels



Meeting Portland's Housing Needs

Progress: New Policies, Programs, and Funding Sources

- Creation of the Joint Office of Homeless Services
- Creation of the Rental Services Office
- Short Term Rental Revenue (Tax and Surcharge)
- Construction Excise Tax
- Inclusionary Housing Program
- Tax Increment Financial (“TIF”) Increased Revenues
- \$911 million in local and regional Housing Bonds
- Expanded home repair and homeownership programming



Housing Progress Continued: Record Service Levels

Service Area ■ Affordable Multifamily Housing ■ Homeownership Access & Retention ■ Rental Services Office ■ Homeless Services

Measure	FY 17-18 Actual Q1 - Q4	Annual Target	Measure	FY 17-18 Actual Q1 - Q4	Annual Target
Affordable housing units preserved	191	150	Renter clients provided information/referrals	2602	2000
Newly opened affordable rental units	552	500	Renter clients provided direct services	793	465
Households receiving Down Payment Assistance Loans (DPAL)	29	26	Individuals prevented from becoming homeless*	7458	5020
Households receiving Home Repair Loans	56	50	Homeless individuals placed in permanent housing	5591	4317
Households receiving Home Repair Grants	665	550	Households receiving homebuyer education & counseling	1169	975



Inclusionary housing (IH) affordable housing units in the development pipeline

Apartments	261
Condos	2

Source: PHB Data Window



Meeting Portland's Housing Needs

Continued demand for increased services

- 15 Directions from Council to PHB and JOHS
- \$8.3 million in ongoing and \$9.7 million in one-time General Fund requests

Key Issues Discussed by Council

- Increased data on outcomes
- Investigate/leverage partnerships



Improving Public Safety

Progress: Investments to enhance current practices and try new tactics

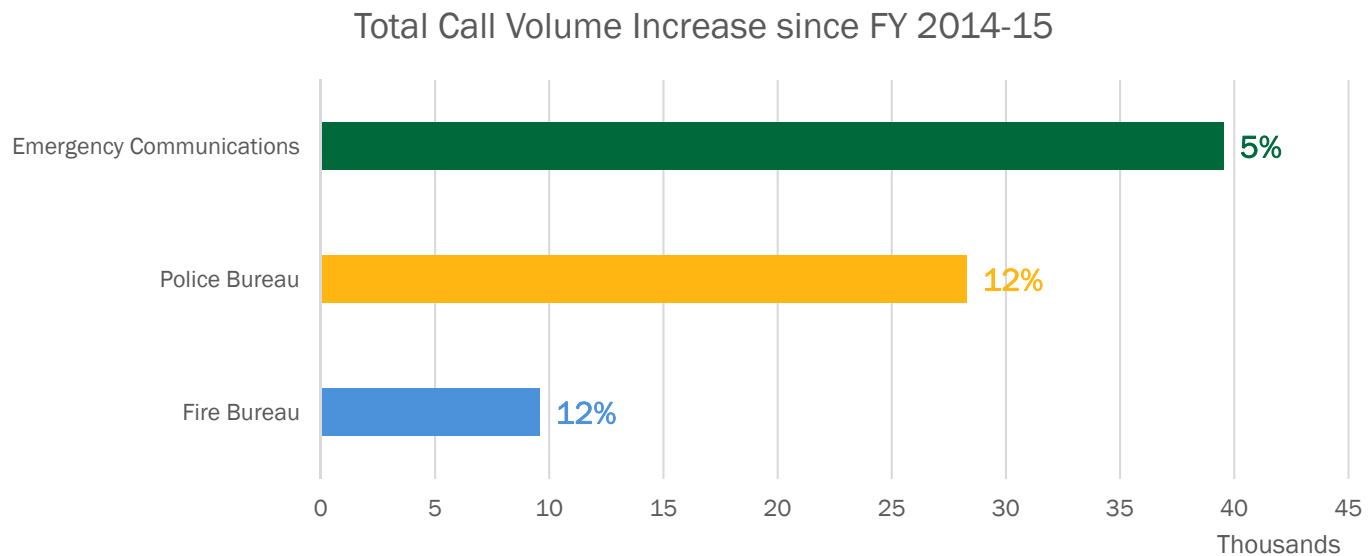
- \$16.1 million for staffing and retention efforts in Police (\$13M) Fire (\$2M), and BOEC (\$1.1M)
- \$5.7 million for improvements for how we are doing business via oversight, program expansions, and data and technology



Improving Public Safety

Considerations for FY 2019-20:

Public safety call volume has grown in the last 4 years, driven in large part by lower acuity or non-emergency calls:



Maintaining Critical Assets

Progress: Increased funding and improved asset management policies & practices

- Capital Planning Financial Policies
- \$68.1 million in Capital Set Aside funding for urgent projects
- Significant other funding sources

Considerations for FY 2019-20

- Enhanced Policies
- Continued Funding Opportunities
- Support Asset Management best practices



CAO Recommendation: Prioritize Financial Sustainability

FY 2019-20 in Context

- Maximize Revenue Collection
- Minimize Additional Costs
- Continued Support for Process and Policy Improvements



Discussion



SUPPLEMENTAL SLIDES

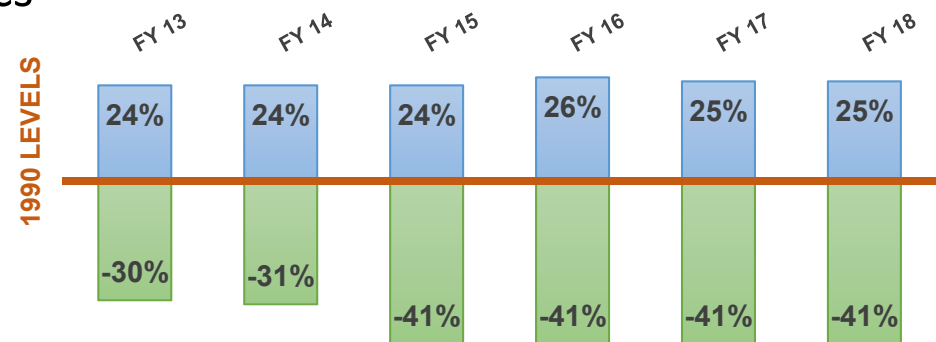


Environmental Sustainability & Resiliency

Progress: Increased investments and policies

- Zero Net Carbon Cities & Net Zero Carbon Buildings Declaration
- Home Energy Scores Requirement
- Portland Clean Energy Community Benefits Fund
- \$5.0 million in Active Transportation investments
- Met goal of using 100% renewable electricity since FY 2015-16; other metrics have held steady

The percentage of **Active Transportation** trips remain flat, as does the City's ability to lower **Carbon Emissions**



Environmental Sustainability & Resiliency

Considerations for FY 2019-20

- Creation of the Portland Clean Energy Community Benefits Fund
 - Administrative support within BPS beginning in FY 2018-19
 - Expected revenues by end of FY 2019-20
- Recent Council approval of Transportation Plans



Using Data for Improved Outcomes

Initiative	Goal	Lead Bureaus	Results
Bureau Performance Management	Use administrative data to improve programs or services	BHR, PF&R, PPB	Shorter City employee recruitment timelines, maintained PF&R response times despite increased calls for service, reduced false alarm notifications at PPB.
What Works Cities	Increase Portland's use of data and evidence to improve results for residents.	CBO, BPS, PBOT	National recognition for program evaluations, Improved PBOT construction procurement, adopted Open Data Ordinance, launched "PDX Peak" process improvement program.
GATR	Use data to identify solutions and make progress on cross-cutting City challenges.	CBO, Mayor's Office, OMF	Streamlined process for affordable housing development, launched public space management task force, implemented common-sense development improvements.
Open Data work group	Implement the City's Open Data policy.	BPS	Currently sharing data management practices between bureaus to create the foundation for a citywide approach.



Using Data for Improved Outcomes

Opportunities

- Cross-bureau collaborative efforts
- Progress and proposals to increase available data and/or data systems across bureaus:
 - Tableau server
 - 3-1-1 System
 - Census 2020
 - Community Insights Survey

