



BOND OVERSIGHT COMMITTEE

Portland Parks & Recreation

ANNUAL REPORT

2015-2016

The voters of Portland passed the Parks Replacement Bond by a margin of three to one. As called for in the measure, a five-member oversight committee was established to review expenditures and provide annual reports.

The purpose of this report is to reflect on the progress of Portland Parks and Recreation (PP&R) as they carried out the first year of the Parks Replacement Bond in three categories: 1) Adhere to the language of the bond; 2) Fiscal accountability; and 3) Transparency.

We are pleased to submit for your acceptance our first Annual Report. The Bond Oversight Committee will continue to meet throughout the remaining years of the Parks Replacement Bond and will report back on an annual basis.

Sincerely,

Bond Oversight Committee



BOND OVERSIGHT COMMITTEE

Left to right - Jonath Colón, Zari Santner, Dion Jordan (Chair), Mary Anne Cassin, Karen Loper Tracy, Mike Abbaté*, Don Grotting*

ANNUAL REPORT SUB-COMMITTEE

Zari Santner, Karen Loper Tracy

**Portland Parks & Recreation staff, not part of the committee*

OBJECTIVE 1—ADHERE TO THE LANGUAGE OF THE BOND



Definition: Deliverables are based on the promises contained in the language of the voter’s pamphlet

BONDS TO FIX PLAYGROUNDS; TRAILS; IMPROVE PARK FACILITIES; SAFETY, ACCESSIBILITY.

QUESTION: Shall Portland fix, improve park facilities by issuing bonds estimated to maintain current tax rate; require audits and public oversight? If the bonds are approved, they will be payable from taxes on property or property ownership that are not subject to the limits of sections 11 and 11b, Article XI of the Oregon Constitution.

SUMMARY: Measure would authorize \$68,000,000 in general obligation bonds for Portland Parks & Recreation facilities. Because previous bonds are scheduled to be repaid, City’s parks bond tax rate is not expected to increase from current rate of \$0.0877 per \$1000 of assessed value.

Current Status: Tax rate remained consistent.

Anticipated projects include fixing, improving:

- 10 to 20 play areas currently closed, at risk of closure, or deficient, including Couch, Creston, Kenton, Lents, Lynchview, North Park Blocks, Ventura parks

Current Status: Seven sites were underway in phase 1. Additional sites will be a priority in phase 2.

- Trails, bridges, including in Forest Park

Current Status: Three trails underway.

- Community pools, including Matt Dishman, Peninsula, Grant

Current Status: Two are completed. One is scheduled for 2017.

- Sellwood Park buildings, Rieke Field, Multnomah Arts Center, St. Johns Community Center
- Restrooms, roofs, other deficient parks, structures, and equipment

Current Status: Sixteen sites underway.

- Pioneer Courthouse Square failing structures, leaks, cracks

Current Status: Scheduled to begin construction in 2017.

- Barriers to accessibility for people with disabilities

Current Status: One site underway.

- Park maintenance facilities to address worker safety, efficiency

Current Status: Two sites underway.

- Funds are for repairs and other capital costs, not park operations. A five-member oversight committee will review bond expenditures, provide annual reports. Bonds may be issued in multiple series; audits required.

Current Status: To date, 47% of expenditures have gone to professional services, 38% to construction and 16% to administration.

OBJECTIVE 2—MAINTAIN FISCAL ACCOUNTABILITY



Definition: Maintain fiscal accountability as a core driver. Bond dollars are clearly and separately tracked. Ensure integrity and accuracy of financial statements.

During the first year of the bond, the most significant work has been:

- Hiring staff
- Creating timelines and prioritizing projects
- Refining project scopes
- Predicting project costs
- Scheduling construction activities

In carrying out their charge, PP&R has taken care to remain fiscally accountable by tracking bond dollars separately and has been transparent in providing information on expenditures to the Bond Oversight Committee and the public. In this regard, they have fulfilled their charge.

PP&R has noticed a trend in the bidding climate. Due to Portland’s robust construction climate, PP&R has received fewer bids than expected for its projects. In some cases, they have had to rebid projects altogether. This trend is not unique to the Replacement Bond, as other public projects across the City of Portland have experienced similar difficulties. This trend affects both schedule and budget for each project.

PP&R is projecting that this trend will continue. At this point, the bidding climate has not been detrimental. However, if the trend continues, there will likely be impacts on the cost and schedule for each project. For this reason, the committee unanimously recommends establishing a program-wide contingency fund. This fund would ensure that PP&R has the resources and flexibility to ensure that the projects delivered fulfill the promises of the bond.



VENTURA PARK OPEN HOUSE



SELLWOOD POOL'S BATHHOUSE ROOF TO BE REPLACED



MATT DISHMAN POOL DURING CONSTRUCTION

RECOMMENDATION
Establish a program-wide contingency fund.

OBJECTIVE 3—BE TRANSPARENT WITH THE COMMUNITY



Definition: Act in a way that promotes equity, participation, accountability, and engenders trust.



GRANT POOL DURING CONSTRUCTION



GRANT POOL AFTER COMPLETION OF CONSTRUCTION



COUCH PARK OPEN HOUSE

This committee has not been charged with evaluating the efforts of PP&R to be transparent with the community. The language of the bond states that “A five-member oversight committee will review expenditures, provide annual reports.” However, the committee is particularly interested in matters of equity and transparency and has therefore chosen to review and advise PP&R’s performance in this category.

We applaud PP&R’s efforts to be transparent with the community. Efforts include:

- 40 public meetings
- 95 yard signs
- 5,118 postcards
- Briefings with Bond Oversight Committee
- Website updates

Additional information about PP&R’s public outreach is available at parksreplacementbond.org and in the 2015-16 Parks Replacement Bond Annual Report.

This committee has received extensive reports on their efforts throughout the first year of the bond and are impressed with their progress. It is up to the community whether or not they have fulfilled their charge to be transparent. We suggest PP&R use a measure that demonstrates not only their efforts to be transparent, but also the effectiveness of those strategies. Measuring the effectiveness of effort made will reduce costs by eliminating ineffective strategies. Seeking to improve outreach efforts will also help to engender trust within the community.

RECOMMENDATION

Demonstrate effectiveness of efforts to be transparent with the community.

For more information on the Parks Replacement Bond, please visit parksreplacementbond.org. If you have feedback or would like to contact the Bond Oversight Committee, please email Jack Kostylo at jack.kostylo@portlandoregon.gov or call 503-823-5599.