

Attachment 2: Budget Notes
FY 2008-09 Budget Adoption Ordinance

Please Note: Includes recommended changes shown in the Adopted Budget Change Memo.

PUBLIC SAFETY

Bureau of Police

If the Police Bureau considers that additional support from the Bureau of Human Resources is a high priority, the Police Bureau may seek Council authorization in one of the annual budget monitoring processes to eliminate up to three permanent sworn positions in the Police Bureau's Personnel Division to make funds available for this purpose.

Portland Fire & Rescue

Inspections Plan

Portland Fire & Rescue will develop a plan for Council review by October 2008 to meet its inspections target with the bureau's FY 2008-09 resources.

Apparatus Replacement Schedule

Portland Fire & Rescue will review its apparatus replacement schedule for possible extension of age or mileage criteria and report to Council by December 2008.

PARKS, RECREATION, AND CULTURE

Portland Parks & Recreation

East Portland Community Center Pool (EPCC) Operations & Maintenance

Portland Parks & Recreation will provide City Council with a funding plan by January 2009 addressing EPCC pool operations and maintenance (O&M) expenses beginning in FY 2012-13, at which time levy funding will no longer be available and the General Fund will be obligated to fund the O&M expense not covered by program revenue.

North Portland Noise Study

Portland International Raceway will provide \$25,000 to match the Friends of Portland International Raceway's \$25,000 contribution for the completion of an acoustical sound study and begin design and engineering for the selected sound mitigation strategy resulting from the study.

Parks Trails Assessment

Portland Parks & Recreation will report back to Council by February 2009 on how long it would take to complete a trail needs assessment and to develop a prioritized strategy for addressing trail gaps and maintenance needs.

Washington-Monroe Site Community Center Study

Portland Parks & Recreation has received \$670,000 in federal funds to prepare a study for the proposed Washington-Monroe community center and parking facility. The study will produce design and cost estimates for various development options including the options of a community center developed both with and without a pool, parking facilities built above ground and underground, and a sports field developed on site.

Volunteer Coordination for Invasive Species Eradication Efforts

Portland Parks & Recreation will increase volunteer coordination efforts to increase participation in invasive species eradication.

PUBLIC UTILITIES

Water Bureau

Out-of-Service Water Tanks and Surplus Properties

The Water Bureau will report back to Council by February 2009 on its progress in divesting of surplus properties, including the dismantling of out-of-service water towers.

Informing Water Customers of LT2 Financial Impacts

The Water Bureau will report back to Council on the feasibility of:

- Including a line on customers' quarterly billing statements that delineates the portion of customer payments dedicated to Long Term 2 Surface Water Treatment Rule (LT2) compliance and planning, once significant LT2 expenditures are occurring
- Including a bill insert in the near term that explains the LT2 rule and the steps that the City is taking to plan for compliance and to pursue a variance to the rule

Base Charge Study

The Water Bureau will convene a committee to study the base charges paid by water and/or sewer customers to determine how those costs can be better allocated among customer classes in a manner that reflects the true costs of delivering service to a particular customer group on the basis of the benefits they receive. The committee will include at least one member of the Portland Utility Review Board and will take public comment.

COMMUNITY DEVELOPMENT

Bureau of Development Services

Permitting/Licensing Center

The Bureau of Development Services will report back to Council by January 2009 on their coordination efforts with the other permitting and licensing bureaus to develop a web-based center to assist businesses and developers in ascertaining estimated City licensing and permitting costs.

Green Building Technical Assistance

The Office of Sustainable Development and Bureau of Development Services will work with the development community to create a plan to fund green building technical assistance with permit and/or fee revenues on an ongoing basis.

Bureau of Housing and Community Development

Bureau of Housing and Community Development Funding Issues

The Bureau of Housing and Community Development will develop a report and presentation for a City Council work session in October 2008 that will focus on clarifying Council priorities for the bureau, presenting performance information to date, and identifying solutions for replacing one-time funding for ongoing programming. The report should include:

- An explanation of the bureau's three campaigns (and funded efforts that fall outside of those campaigns), and the activities funded
- An update of the bureau's 2006 funding Sustainability Plan that clearly shows which ongoing activities within the campaigns are funded with one-time resources in FY 2008-09, and will need ongoing funding in FY 2009-10 to maintain current service levels
- A discussion of the bureau's funding sources, including federal entitlement grants, categorical grants, and local resources, that focuses on what elements of each campaign can be funded by these sources
- Options for prioritization by Council among and within the campaigns and their activities

The work session should allow for a dialogue with community service providers, accomplished through the means of a report on the results of a provider focus group convened in advance of the work session.

Community Economic Development Strategy

The Portland Development Commission (PDC) and the Bureau of Housing and Community Development will collaborate on the community economic development portion of the Citywide Economic Development strategy. The goal of this collaboration will be to identify the tools that each agency has available to implement a community economic development strategy, focusing on complementary activities Citywide, and utilizing the financial resources available to both agencies Citywide (within the usage constraints of tax increment financing and grant requirements). The two agencies will report back to the City Council and the PDC Board of Commissioners by October 2008.

Housing Investment Fund

The Bureau of Housing and Community Development, the Office of Management and Finance, and the Portland Development Commission (PDC) will develop a policy document for Council review by September 2008 that will:

- Identify the use of Housing Investment Fund resources
- Describe the treatment of interest and program income earnings
- Analyze potential future funding sources for the fund
- Include an updated intergovernmental agreement with PDC for management of loan programs and handling of bond proceeds under the fund

Bureau of Planning

The Bureau of Planning is directed to work on the Humboldt Elementary School Plan in coordination with the Schools, Families, Housing initiative.

Office of Neighborhood Involvement

Council rescinds its FY 2008-09 budget note stating the following: “Starting in FY 2008-09, district coalition offices will receive 80% of the total City funds they receive in FY 2008-09. The remaining 20% will be allocated as a one-to-one match to funds raised by the coalition.”

Office of Sustainable Development

Green Building Technical Assistance

The Office of Sustainable Development and Bureau of Development Services will work with the development community to create a plan to fund green building technical assistance with permit and/or fee revenues on an ongoing basis.

Urban Sustainability Institute

The Office of Sustainable Development is directed to partner with the Portland Development Commission, the private sector, nonprofit organizations, and higher education institutions on the Urban Sustainability Institute project.

Low-Income Assistance Need Study

The Office of Sustainable Development will convene an interdepartmental committee to determine if there is need for a low-income assistance program for residential solid waste and recycling customers patterned on the current program provided to Portland water and sewer customers. The study committee will include at least one member of the Portland Utility Review Board and a member from the hauling community.

LEGISLATIVE, ADMINISTRATIVE, AND SUPPORT

Office of the City Auditor

The budget includes funding for a 0.5 FTE position for Independent Police Review. This position is to be funded for three years, through FY 2010-11. The Office of Management and Finance will ensure that this funding is included in the General Fund financial forecast, and is dedicated to the Auditor’s Office for this position in FY 2009-10 and FY 2010-11.

Office of Management & Finance

Ongoing Funding Intent

This budget sets forth City Council's intention to convert certain limited term positions to permanent and to fund those positions, and related operating expenses, with ongoing discretionary resources in the FY 2009-10 budget process. The positions and related operating expenses are funded in FY 2008-09 with one-time discretionary resources. The positions and expenses covered under this budget note will be limited to those that were included in the Mayor's Proposed Budget for FY 2008-09 as permanent and funded with ongoing resources. They are:

- One Community Outreach and Information Representative in the Office of Human Relations and \$5,100 of the office's external materials and services expenses (two positions and most of the office's materials and services expenses are funded with ongoing resources in the Adopted Budget)
- One Youth Violence Prevention position in the Office of Neighborhood Involvement, and operating expenses for the program (one position in the Mayor's Office is funded with ongoing resources in the Adopted Budget)
- One Labor Relations Coordinator in the Bureau of Human Resources
- One Grants Analyst in the Bureau of Financial Services

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One-Time Discretionary Resources

Given the much smaller amount of General Fund one-time discretionary resources forecast for FY 2009-10 compared to FY 2008-09, Council commits to reserve any FY 2008-09 unanticipated beginning fund balance in the General Fund for inclusion in the FY 2009-10 General Fund Financial Forecast and budget process.

Public Safety Systems Revitalization Project (PSSRP)

Council directs the Office of Management and Finance to:

- Commit in the General Fund Financial Forecast \$4.5 million of FY 2009-10 General Fund one-time resources to completing the Computer-Aided Dispatch and Portland Police Data Systems replacement projects
- Develop a funding plan for completing the remaining PSSRP projects, the 800 MHz replacement and Fires2000 enhancements, for Council's review by December 2008.

Rainy Day Reserve

A “rainy day reserve” of \$4.85 million is established in the General Fund Contingency, to be included as a resource for the FY 2009-10 budget in anticipation of a potential reduction in General Fund discretionary revenues. Within this rainy day reserve, the following will be made available for projects or programs if the need is identified:

- \$1,800,000 for Police vacancies. This funding has been in the General Fund contingency for the past three years, and is expected to return to the contingency in FY 2009-10. It is to be available to Police if needed for newly-hired Police Officers.
- \$1,750,000 for Regional Public Safety Training Facility. There is \$250,000 in the FY 2008-09 budget for this facility, and this additional amount will be made available for purchase of property that is suitable for development of the facility.
- \$586,107 for City Hall reconfiguration. Space in City Hall is inadequate for the bureaus and offices that currently occupy it. These funds are to be available for costs associated with moving to another facility or within City Hall, upon identification of costs by City Facilities staff.
- \$300,000 for homeless self-sufficiency services. These funds are to be available when the Commissioner-in-Charge of the Bureau of Housing & Community Development determines how they are to be used.

Regional Training Center

Land acquisition for the Public Safety Regional Training Center is based on the expectation that regional partners will contribute \$500,000 to the project before June 30, 2010.

Revenue Bureau Funding Plan

The Office of Management and Finance will develop a new funding model for the Revenue Bureau for inclusion in the FY 2009-10 budget. The goal is to address the issue of positions that generate General Fund discretionary revenue greater than their costs but that must compete for discretionary revenue to become permanent positions.

Office of the Mayor

Lewis & Clark Small Business Legal Clinic Plan

The Mayor’s Office will coordinate development of a long-term funding plan for the Lewis & Clark Small Business Legal Clinic by December 2008.