

budget note suggested a 5-year timeframe, which would reduce the amount of funding and staff time required annually. CBO recommends the bureau and Council explore opportunities for an extended timeline if this project remains a priority in future fiscal years. In addition, the bureau notes there may be an opportunity for cross-bureau coordination on this project as it relates to capital projects. For example, Council could direct the Portland Bureau of Transportation (PBOT), to analyze its infrastructure and recommend appropriate “dark skies” changes in conjunction with future BPS efforts. Other relevant bureaus include Parks & Recreation and the Bureau of Environmental Services. To the extent this project is a bureau and Council priority, CBO also recommends BPS and Council explore alternative funding sources.

CBO Recommendation: \$0 one-time | 0.00 FTE

Coordinated Community Planning and Development in East Portland, Southwest Corridor, and Northeast Portland

\$520,000, 4.11 FTE

Direction Language

Collectively, Prosper Portland, Portland Bureau of Transportation, Portland Housing Bureau, and the Bureau of Planning and Sustainability were directed to develop a decision package to coordinate community planning and development initiatives in three geographical areas of Portland: East Portland, the Southwest Corridor, and North/Northeast Portland.

CBO Analysis

The three project areas are comprised of independent initiatives tied together with common goals. Currently, partner bureaus are conducting projects in various stages in these communities; however, efforts are not always coordinated regarding communications, community outreach, implementation, or outcomes. The partner bureaus state the goal of this multi-bureau package is to “coordinate communication, improve bureaus’ collective community development practices, clarify roles, and make the impact of our shared equity goals more real.” This request highlights a significant effort to coordinate community development workplans among bureaus to maximize effectiveness and deliver on project goals, especially as related to equitable development outcomes and community benefits. Projects would be coordinated by a team of bureau senior managers who would report to the Planning and Development Directors on project progress.

Many of the projects align with Council project and policy priorities, including ongoing work on the 2009 East Portland Action Plan, implementation of the Southwest Corridor Equitable Housing Strategy and coordination on the I-5 Rose Quarter Improvement Project to ensure its alignment with the City’s N/NE Quadrant Plan and the Albina Vision (a community-based plan for the Rose Quarter), among other initiatives. Bureaus were directed to work with the Bureau of Revenue and Financial Services to identify a City funding strategy for continuation and stabilization of these efforts, including property and asset management.

Across all bureaus, the requested amount of General Fund one-time resources is \$2.4 million, including:

Prosper Portland: \$723,000 for Prosper Portland to identify specific funding needs and options

for future coordinated real estate and infrastructure development in the three project areas, including leveraging of grants and/or the implementation of new Tax Increment Financing (TIF) Districts.

PBOT: \$125,000 to support equity impact methodology development and analysis on its projects in the three communities, including Division Bus-Rapid-Transit, the 2009 East Portland Action Plan, the Southwest Corridor Equitable Housing Strategy, and I-5 Rose Quarter Improvement Project, among others.

PHB: \$1,000,000 to establish a Land Acquisition Fund for affordable housing investments. This would be used as a financing tool to develop and/or preserve “naturally occurring affordable housing,” which are unregulated units currently affordable to families earning approximately 80% of Area Median Income.

BPS: \$520,000 to serve as one of the chief bureau coordinators of this project, in addition to providing services in area planning, land use research and analysis, urban design, zoning map and code amendments, and community engagement on projects in the three communities.

Specifically, BPS’ work on this project includes the following:

- **East Portland:** \$230,000 in one-time General Fund resources for personnel costs to support the development phase of the East Portland Planning and Investment Framework, including facilitating community engagement activities, and supporting the Rosewood Initiative with \$50,000 additional materials and services resources to more adequately address community needs.
- **Southwest Corridor:** \$70,000 in one-time General Fund resources for personnel costs for implementation of the Southwest Corridor Equitable Housing Strategy, including further development of the Community Empowerment Work Group² (\$50,000 in materials and services), community engagement for the Ross Island Bridgehead Project, and light rail station area land use planning.
- **North/Northeast:** Includes \$120,000 in one-time General Fund resources for personnel costs for bureau coordination, community dialogues, and urban design support in the Rose Quarter.

CBO acknowledges the benefits to coordinating community planning and development activities among bureaus to ensure efficiency and more equitable outcomes. Further, CBO notes that BPS is well-situated to play a coordinating role among bureaus. However, rather than allocating additional resources, CBO believes the projects included in this package are within BPS’ core services, including aspects of the bureau’s Area Planning, Urban Design, and Comprehensive and Strategic Planning programs. Therefore, due to limited one-time General Fund resources, CBO does not recommend funding at this time. Additional analysis and recommendations for each

² The Community Empowerment Workgroup will consist of nonprofits, housing providers, philanthropic organizations, and rental and tenant services groups seeking to organize community stakeholders and support the work of community-based organizations already working along the corridor on anti-displacement strategies. The collaborative is partially modeled after the Denver Mile High Connects organization, a similar collective in Denver, Colorado.

geographic project area are below.

- **East Portland:** BPS requested resources for aspects of this work in FY 2018-19 and it was ultimately not approved due to limited resources. Requested resources are for the development phase of this project, with a larger initiative to begin in FY 2020-21. Although it would be ideal to begin planning in FY 2019-20, especially due to historical underrepresentation of East Portland, there are no major consequences with deferring aspects of project development to FY 2020-21. Currently, BPS initiatives in East Portland are funded by two Metro Grants, and the bureau has 1.0 FTE ongoing District Planning Staff that can begin this work in FY 2019-20 at a slower pace than outlined in the package.
- **Southwest Corridor:** Metro committed \$50,000 for the Community Empowerment Workgroup as part of a larger grant to BPS for the Southwest Corridor Equitable Housing Strategy in FY 2018-19. In addition, BPS received \$50,000 for creation of the workgroup in the FY 2018-19 Fall Supplemental Budget, at which time CBO stated there was a level of uncertainty around the project both in timing and ongoing funding needs, and recommended BPS provide a more concrete logic model for the workgroup. Although BPS provided significantly more information, including workgroup alignment with best practices and expected outcomes, it remains unclear what the existing \$50,000 is supporting. Although CBO notes the benefits of early community collaboration, as the Equitable Housing Strategy is a ten-year strategy and anticipated light rail will not be complete until 2027, CBO does not find sufficient urgency to recommend this request in lieu of other City priorities and limited resources. If Council chooses not to fund this portion of the package, the bureau stated it will continue at a slower pace and with reduced staff, using already existing funds.
- **North/Northeast Portland:** BPS requested funds for North/Northeast Portland to support work being carried out by the Oregon Department of Transportation, PBOT, and Prosper, and to coordinate with Albina Vision stakeholders. CBO notes the importance of this work in ensuring community support for the City's projects, and the benefits of intentional community engagement. However, project timeline and outcomes are currently unclear. BPS states that if Council chooses not to fund this aspect of the package, the work carried out by the other agencies will continue, but BPS' involvement would be limited, potentially impacting coordination efforts and levels of community engagement. However, the bureau noted an opportunity to apply for Metro grants for this work in the 2019 cycle, which if awarded would be available in FY 2020. CBO recommends BPS explore this option.

As many of the projects in this package are multi-year, funding them with one-time General Fund resources creates a sense of uncertainty and operational risk for the City moving forward. CBO recommends identifying a more robust funding strategy prior to initial project funding to ensure stabilization given the volatility in funding for BPS' core services (as discussed in the Key Issues Section above). As directed in the Direction to Develop, CBO recommends further development of this strategy in conjunction with the Revenue Division. BPS noted partner bureaus were participating in meetings with the Chief Financial Officer to develop a more detailed financial plan regarding property acquisition aligned with the Southwest Corridor Housing Strategy.

When several existing large multi-year projects finish (expected by FY 2020-21), BPS forecasts it will have adequate resources to reprioritize the ongoing community development work included in this package and reallocate staff time accordingly. Alternatively, BPS noted that Council could choose to identify if they would rather delay an existing multi-year project to fund projects in this decision package within its FY 2019-20 base budget instead.

In general, CBO recommends that formalized, multi-bureau coordination continue irrespective of whether new resources are allocated in FY 2019-20, given the interconnectedness of partner bureau's efforts and workplans. This is in line with previous CBO recommendations to preserve funding for a Program Coordinator within BPS that would be allocated to this specific role, ensuring that the City's long-term development objectives are reflected in plans, projects, and investments. Prioritization of bureau coordination on planning and development projects within partner bureaus' base budgets will ensure this effort is ongoing. Currently, there is insufficient designated outcomes and details regarding the intersection of these separate bureau initiatives for CBO to recommend allocation of limited available discretionary resources towards this effort.

CBO Recommendation: \$0 one-time | 0.00 FTE

SUMMARY OF REQUESTS AND RECOMMENDATIONS

Below is a summary of Bureau of Planning & Sustainability's total budget.

	Adopted FY 2018-19	Request Base (A)	Bureau Decision Packages (B)	CBO Recommended Adjustments (C)	Total Recommended Revised (A+B+C)
Resources					
Budgeted Beginning Fund Balance	\$ 4,181,170	\$ 4,136,866	\$ -	\$ -	\$ 4,136,866
Taxes	-	-	-	-	-
Licenses & Permits	3,110,704	3,323,996	-	-	3,323,996
Charges for Services	4,372,595	4,121,057	-	-	4,121,057
Intergovernmental Revenues	1,347,434	1,812,164	-	-	1,812,164
Interagency Revenue	1,397,000	674,051	-	-	674,051
Fund Transfers - Revenue	-	9	-	-	9
Miscellaneous	118,144	127,525	-	-	127,525
General Fund Discretionary	7,792,431	8,101,113	899,010	(899,010)	8,101,113
General Fund Overhead	798,609	762,776	115,990	(115,990)	762,776
Total Resources	\$23,118,087	\$23,059,557	\$1,015,000	(\$1,015,000)	\$23,059,557
Requirements					
Personnel Services	\$ 12,849,575	\$ 12,642,878	\$ 755,885	\$ (755,885)	\$ 12,642,878
External Materials and Services	3,151,264	3,883,864	259,115	(259,115)	3,883,864
Internal Materials and Services	2,831,827	1,905,904	-	-	1,905,904
Bond Expenses	72,419	76,818	-	-	76,818
Fund Transfers - Expense	202,500	1,172,763	-	-	1,172,763
Contingency	112,593	234,115	-	-	234,115
Unappropriated Fund Balance	3,897,909	3,143,215	-	-	3,143,215
Total Requirements	\$23,118,087	\$23,059,557	\$1,015,000	(\$1,015,000)	\$23,059,557