

**37343**

**RESOLUTION No.**

Refer renewal of Portland Children's Levy to City voters as a local option levy for five years commencing in FY 2019-20 (Resolution)

WHEREAS, in 2002 City voters approved the creation of the Portland Children's Levy through a five-year tax levy to improve the lives of Portland children; and

WHEREAS, in 2008 City voters approved the renewal of the Portland Children's Levy; and

WHEREAS, in 2013 City voters approved the renewal of the Portland Children's Levy for the second time; and

WHEREAS, the Portland Children's Levy on average has annually supported programs for more than 14,000 Portland children, and hunger relief services to more than 15,000 children who might otherwise grow up without a healthy start and the positive influences that lead to success in school and beyond; and

WHEREAS, the Portland Children's Levy supports 74 different early childhood, after school and mentoring programs, child abuse prevention and intervention, foster care and hunger relief programs throughout Portland; and

WHEREAS, the Portland Children's Levy has kept its commitment to voters by funding only programs that are cost-effective and have a proven record of success; and

WHEREAS, the Portland Children's Levy has kept its commitment to voters by limiting its administrative costs to less than 5%; and

WHEREAS, the Portland Children's Levy has supported early childhood programs that have prepared children to enter kindergarten ready to succeed; and

WHEREAS, the Portland Children's Levy has supported after school and mentoring programs have helped students stay engaged in school and safe after school; and

WHEREAS, the Portland Children's Levy has supported child abuse prevention and intervention programs to ensure the families who are most at risk receive the support and intervention services they need; and

WHEREAS, the Portland Children's Levy has invested in programs that have supported the well-being and development of children and youth in foster care; and

WHEREAS, the Portland Children's Levy has invested in programs that have supported child hunger prevention and relief efforts; and

WHEREAS, the residents of the City of Portland should be allowed to vote to continue the Portland Children's Levy, renewing the local option tax at \$0.4026 per thousand dollars of assessed value, which will raise approximately \$118.4 million for the five-year period of the levy.

NOW, THEREFORE, BE IT RESOLVED the Council submits an Act, attached hereto as Exhibit A, entitled: "A Measure to renew the Portland Children's Levy by directing a five-year local option ad valorem tax levy within the City of Portland at a rate of \$0.4026 per thousand dollars of assessed value, outside certain constitutional limitations, commencing in fiscal year 2019-20." The Act is hereby submitted to the legal voters of the City of Portland, Oregon, for their adoption or rejection at the general election in the City of Portland, Multnomah County, Clackamas County and Washington County to be held on May 15, 2018. Each voter who votes upon the Act shall vote "yes" or "no" in the space indicated for such vote on the City ballot at said election.

BE IT FURTHER RESOLVED that the City Council submits the ballot title for the May 15, 2018 election ballot, as shown in the attached Exhibit B; and

BE IT FURTHER RESOLVED that the City Council directs the City Auditor to publish the ballot title as shown in Exhibit B in accordance with City Code; and

BE IT FURTHER RESOLVED the funds collected from the Portland Children's Levy shall continue to be used to make targeted investments in proven and cost-effective early childhood programs; programs for children in foster care; child abuse prevention and intervention; after school, summer and mentoring programs for children; and to prevent child hunger. The Portland Children's Levy will extend for a period of five years and the estimated amount to be collected and spent for those programs over the five-year period of the levy is \$118.4 million; and

BE IT FURTHER RESOLVED that the sponsoring elected official may submit an explanatory statement to the City Auditor for the publication in the voters' pamphlet; and

BE IT FURTHER RESOLVED that the City Auditor is directed to forward to the county Elections Office all material necessary to place this measure on the May 15, 2018 election ballot.

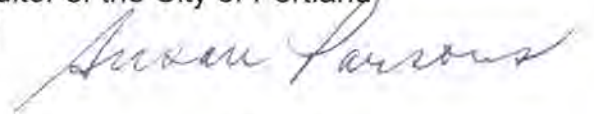
Adopted by the Council, FEB 07 2018

Commissioner Dan Saltzman  
Prepared by: Maja Haium and Brendan Finn  
Date Prepared: January 23, 2018

**Mary Hull Caballero**

Auditor of the City of Portland

By



Deputy

116  
 Agenda No. **37343**  
**RESOLUTION NO. 37343**  
 Title

JND

Refer renewal of Portland Children's Levy to City voters as a local option levy for five years commencing in FY 2019-20 (Resolution)

<p style="text-align: center;"><b>INTRODUCED BY</b>          Commissioner/Auditor:  <b>Commissioner Dan Saltzman</b></p>	<p>CLERK USE: DATE FILED <u>JAN 30 2018</u></p>
<p style="text-align: center;"><b>COMMISSIONER APPROVAL</b></p> <p>Mayor—Finance &amp; Administration – Wheeler</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman <i>Dan Saltzman</i></p> <p>Position 4/Safety - Eudaly</p>	<p style="text-align: center;">Mary Hull Caballero          Auditor of the City of Portland</p> <p>By: <u><i>Suzanne Parsons</i></u>          Deputy</p> <p><b>ACTION TAKEN:</b></p>
<p style="text-align: center;"><b>BUREAU APPROVAL</b></p> <p>Bureau: <b>Portland Children's Levy</b>          Bureau Head: <b>Lisa Pellegrino</b></p>	
<p>Prepared by: Maja Haium and Brendan Finn          Date Prepared: 11/21/2018</p>	
<p>Impact Statement</p> <p>Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p>	
<p>Portland Policy Document</p> <p>If "Yes" requires City Policy paragraph stated in document.</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>	
<p><b>City Auditor Office Approval:</b>          required for Code Ordinances</p>	
<p><b>City Attorney Approval:</b>          required for contract, code, easement, franchise, charter, Comp Plan <i>Maja K. K...</i></p>	
<p>Council Meeting Date:          February 7<sup>th</sup>, 2018</p>	

**AGENDA**

**TIME CERTAIN**   
**Start time: 9:45 AM**

**Total amount of time needed: 30 minutes**  
 (for presentation, testimony and discussion)

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**CONSENT**

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**REGULAR**   
**Total amount of time needed:**  
 (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Eudaly	4. Eudaly	✓	
Wheeler	Wheeler	✓	

## Exhibit A

### AN ACT

A Measure to renew the Portland Children's Levy by directing a five-year local option ad valorem property tax levy within the City of Portland at a rate of \$0.4026 per thousand dollars of assessed value, outside certain constitutional limitations, commencing in fiscal year 2019-20.

BE IT ENACTED BY THE PEOPLE OF THE  
CITY OF PORTLAND, OREGON

#### **Section 1. Local Option Levy**

Pursuant to Section 7-112 of the Charter of the City of Portland, the Council shall levy for each of five successive years commencing with the fiscal year 2019-20, at the time taxes are levied for the payment of expenses of the City, a special tax at a rate of \$0.4026 per thousand dollars of assessed value, on all property in the City of Portland not exempt from taxation. The proceeds from such levy shall be placed in a special fund to be designated as the Children's Investment Fund to be administered by the Portland Children's Levy. This local option levy is specifically authorized, and it shall not be counted as within the limitation provided in Sections 11 of Article XI of the Constitution of the State of Oregon. This levy shall, however, be subject to proportional reduction under Section 11(11)(c)(B)(I) of Article XI of the Constitution of the State of Oregon. This special tax hereby authorized shall be in addition to all other taxes that may be levied according to law.

#### **Section 2. Portland Children's Levy Allocation Committee and Staff**

A five-member Allocation Committee shall allocate the Children's Investment Fund subject to final approval by the Portland City Council. The Mayor shall appoint the following members to the Allocation Committee: a Portland City Council member, a representative of the business community and a private citizen residing in the City of Portland. The Multnomah County Commission shall appoint to the Allocation Committee a member of the County Commission and a private citizen that resides in both the City of Portland and Multnomah County. Allocation Committee operations shall be governed by this Act and bylaws adopted by its members.

Portland Children's Levy staff shall be employed by the City of Portland and shall report to the Portland City Council member currently serving on the Allocation Committee. Staff shall serve and advise the Allocation Committee, and be responsible for administering the Portland Children's Levy. Staff duties shall include:

- Design and execution of funding process
- Accounts payable and receivable processing
- Data collection and analysis
- Reporting on performance of funded programs to Allocation Committee and the public
- Community outreach and engagement.

### **Section 3. Goals and Eligible Services**

The Portland Children's Levy shall support programming that contributes to achieving the following goals:

- Children are prepared for school.
- Children are supported to succeed inside and outside of school.
- Racial and ethnic disparities in children's well-being and success are reduced.

The Portland Children's Levy shall be used exclusively to support:

- Early childhood programs, childcare affordability and quality
- Child abuse prevention and intervention programs
- Programs serving children in foster care
- After-school, summer and mentoring programs
- Programs focused on addressing child and family hunger

### **Section 4: Development of Program Area Goals and Strategies**

Prior to beginning a competitive funding process, the Portland Children's Levy shall design and approve program area goals and adopt strategies to achieve these goals. Program areas are defined as early childhood, child abuse prevention/intervention, foster care, after-school/summer, mentoring and hunger relief. Program area goals and strategies shall be informed by:

- A public input process that includes a range of engagement strategies such as surveys, focus groups, key stakeholder interviews, and public meetings.
- Local data on the demographics of Portland children (including race/ethnicity, poverty, geography and language) and indicators of child development, safety/well-being and school success.
- Current research and best practices in early childhood, childcare, child abuse prevention/intervention, after-school/summer programming, mentoring and hunger relief.

### **Section 5. Allocation of Funds Between Program Areas**

Prior to beginning a competitive funding process, the Allocation Committee shall allocate funds available between program areas on a percentage basis with no more than 35% of total funds available allocated to any one program area as defined in Section 4 above.

### **Section 6. Funding Process**

At least 90% of available funds shall be allocated through a competitive application process for multi-year grants in which non-profit corporations, local education agencies, community colleges and universities may apply. Applicants for funding shall be required to demonstrate cost effectiveness and proven success in engaging and retaining participants, and achieving positive outcomes.

Applications shall be scored according to published criteria, and application scores shall be reported to the Allocation Committee. The Allocation Committee shall make funding decisions in a public meeting based on application scores and other community

conditions to foster a balanced and integrated citywide system of services. The Allocation Committee investment decisions may not exceed 30% of an organization's revenue. Allocation Committee funding decisions are subject to City Council approval or remand by funding category.

Up to 10% of available funds may, at the Allocation Committee's discretion, be allocated in non-competitive processes for the following purposes:

- Special initiatives that address multiple program areas.
- Quality improvement supports, training, and technical assistance for funded programs.
- Improving the systems that affect children and the organizations that serve them.

#### **Section 7. Accountability**

Portland Children's Levy staff shall collect data from all funded programs on the number of participants served, hours of service provided, demographics of participants, participation rates, participant outcomes and program staff turnover. These data shall be compiled annually and reported to the Allocation Committee. The Allocation Committee shall review performance of funded programs annually.

Portland Children's Levy funds are to be used to expand the operational capacity of an organization in order to serve children. Any use of funds for capital must be related to expanding operational capacity.

#### **Section 8. Audit and Administrative Expense Cap**

No more than 5% of the Portland Children's Levy may be spent for expenses associated with administering the fund. The fund shall be subject to an annual audit. Results of the annual audit shall be reported to the Allocation Committee.

**Exhibit B**  
BALLOT LANGUAGE FOR THE PORTLAND CHILDREN'S LEVY

**CAPTION**

Renew Portland Children's Levy for five years.

**QUESTION**

Shall Portland continue early childhood, child abuse programs; five-year levy \$0.4026 per \$1,000 assessed value beginning 2019?

This measure renews current local option taxes.

**SUMMARY**

Renews the Portland Children's Levy at current rate; supports proven programs preventing childhood hunger, preventing child abuse and neglect, helping children arrive at school ready to learn, providing safe constructive after-school alternatives for kids, and helping foster children succeed.

Funds can only be used for:

**Preventing childhood hunger:** giving hungry children healthy, nutritious meals and food.

**Child abuse prevention and intervention:** addressing juvenile crime, school failure, drug and alcohol abuse, homeless youth.

**Early childhood programs:** making childcare more affordable and preparing children for success in school.

**After school, summer and mentoring programs:** promoting academic achievement, reducing the number of juveniles victimized by crime, increasing graduation rates.

**Children in foster care programs:** helping foster children who have been abused and neglected succeed.

Accountability measures include:

- Investments subject to annual audits.
- Programs funded must be cost effective and have a proven record of success.
- Investments subject to oversight by a citizen committee.
- Administrative costs cannot exceed 5%.

It is estimated the levy will raise an average of \$23.68 million per year for five years.