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## 37610

Resolution

### Refer renewal of Portland Children's Levy to City voters as a local option levy for five years commencing in FY 2024-25

Adopted

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 youth; 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, in 2018, City voters approved the renewal of the Portland Children's Levy a third time; and

WHEREAS, the Portland Children's Levy on average has annually supported programs for approximately 10,000 Portland children and youth, and hunger relief services to more than 17,000 children and youth 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 86 different early childhood, after school and youth mentoring programs, child abuse prevention and intervention, and foster care programs throughout Portland; and

WHEREAS, the Portland Children's Levy has kept its commitment to voters by funding only programs which 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 which have prepared children to enter kindergarten ready to succeed; and

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

Introduced by

[Commissioner Dan Ryan](#)

Bureau

[Children's Levy](#)

Contact

**Darion Jones**

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Requested Agenda Type

Time Certain

Date and Time Information

**Requested Council Date**

February 15, 2023

**Requested Start Time**

2:00 pm

**Time Requested**

2 hours

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 helped foster children and youth succeed; and

WHEREAS, the Portland Children's Levy has invested in programs that have supported child hunger prevention 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 \$133,114,201 million for the five-year period of the levy; and

WHEREAS, the public interest in a prompt resolution of the question outweighs the costs, if any, associated with placing this on the May 16, 2023 Special District Election ballot.

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 2024-25." The Act is hereby submitted to the legal voters of the City of Portland, Oregon, for their adoption or rejection at the special district election in the City of Portland, Multnomah County, Clackamas County and Washington County to be held on May 16, 2023. 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 16, 2023 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 Children's Levy shall continue to be used to make targeted investments in proven and cost-effective early childhood programs; programs for children and youth in foster care; child abuse prevention and intervention; after school and summer programs, and mentoring programs for children and youth; and to prevent child and family hunger. The 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 approximately \$133,114,201 million; and

BE IT FURTHER RESOLVED that the sponsoring elected official may submit an explanatory statement to the City Auditor for 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 16, 2023 election ballot; and

BE IT FURTHER RESOLVED that the Auditor of the City of Portland is hereby authorized to incur expenses, if any, necessary and incident to the conduct of the May 16, 2023 Special District Election.

## Documents and Exhibits

 [Exhibit A](#) 28.42 KB

 [Exhibit B](#) 24.92 KB

## Impact Statement

### Purpose of Proposed Legislation and Background Information

Refer renewal of the Portland Children's Levy to voters in the May 16, 2023 special election. The current Children's Levy ends on June 30, 2024.

### Financial and Budgetary Impacts

The city may incur some cost to include the measure on the special election ballot in May. Costs are shared among all jurisdictions participating in the ballot and no estimate is currently available.

### Community Impacts and Community Involvement

**Community Impacts:** The Children's Levy invests \$23 million annually in community-based programs supporting children, youth and their families so that children arrive at school ready to learn, succeed inside and outside school, and racial and ethnic disparities in children's outcomes are eliminated. The Levy supports over 90 programs serving approximately 10,000 children and youth annually in early childhood, child abuse prevention/intervention, foster care, afterschool and mentoring programs, and providing 10,000-15,000 children and their families with hunger relief services. 75-80% of children served identify as Black, Indigenous or a child of color, 35-45% live or go to school in East Portland, approximately 40% live in homes where the primary language spoken is not English, and over 90% live in families with an income less than 185% of the Federal Poverty Level. Levy resources are directed toward supporting the most vulnerable children and families in our community.

**Community involvement:** Before the Children's Levy runs a competitive grant funding round, it conducts a broad community engagement process. Empress Rules Equity Consulting designed and conducted an in-depth community engagement process to inform PCL's 2019-20 funding round. Empress Rules reached 400 community members and 100 people working in service provider organizations/programs in PCL's 6 program areas. PCL also contracted with PSU's Center for Improvement of Child & Family Services to review PCL's grantmaking process through focus groups and interviews with grantees and past applicants and recommend improvements. These 2 efforts offered PCL multiple recommendations to improve transparency and equity in the grantmaking process and programmatic strategies. The Children's Levy has also created an ongoing Community Council to provide continuous opportunities for community members to participate in policy development and decision-making.

## 100% Renewable Goal

This action does not contribute to the City's goal of meeting 100 percent of community-wide energy needs with renewable energy by 2050.

## Budget Office Financial Impact Analysis

This Resolution will not have an immediate, material fiscal impact. If the resolution is passed, and voters subsequently renew the Portland Children's Levy for another five-years, the levy would continue at the same rate of \$0.4026 per \$1,000 assessed value, raising approximately \$133 million of restricted revenue for children and youth programs described in the resolution. Current grants go out to organizations supporting the program areas of Early Childhood, After School, Mentoring, Child Abuse Prevention & Intervention, Foster Care, and Hunger Relief. Specific grantees can be found on the [Children's Levy website \(https://www.portlandchildrensle...\)](https://www.portlandchildrensle...).

## Agenda Items

### 141 Time Certain in [February 15, 2023 Council Agenda](#)

Adopted

Commissioner Carmen Rubio Yea

Commissioner Dan Ryan Yea

Commissioner Rene Gonzalez Yea

Commissioner Mingus Mapps Yea

Mayor Ted Wheeler Yea

## **Exhibit A**

### **AN ACT**

A Measure to renew the Portland Children's Levy investment 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 2024-25.

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 2024-25, 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 and youth are prepared for school.
- Children and youth are supported to succeed inside and outside of school.
- Eliminate racial and ethnic disparities in children's well-being and success.

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 and youth in foster care
- After-school, summer and mentoring programs for children and youth
- 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, youth 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 and youth (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 for children and youth.

### **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 youth 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, amount of service activities 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 and youth. 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

### 2023 BALLOT LANGUAGE FOR THE PORTLAND CHILDREN'S LEVY

#### **CAPTION**

Renew Portland Children's Levy investment for five years.

#### **QUESTION**

Shall Portland continue early childhood, child abuse and mentoring programs; five-year levy \$0.4026 per \$1,000 assessed value beginning 2024? ·

This measure renews current local option taxes.

#### **SUMMARY**

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

Funds can only be used for:

**Preventing childhood hunger:** giving hungry children healthy 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 youth victimized by crime, increasing graduation rates, mentoring programs supporting transition to college and career for youth.

**Foster care programs:** helping foster children and youth 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%.

The levy will raise approximately \$24,944,885 in 2024–2025, \$25,778,359 in 2025–2026, \$26,603,267 in 2026–2027, \$27,454,571 in 2027–2028, and \$28,333,118 in 2028–2029, for a total of \$133,114,201.