

Proposed Annual Budget Input Process v1

July 24, 2015



Introduction

There has been some tension and confusion in the annual city budgeting process related to park and recreation function funding requests, especially for park functions. This proposal presents a recommended process and specific criteria for evaluating park and recreation-related items for funding. The process and criteria may be useful for developing both capital and operating budget funding requests.

Context

Currently, there appear to be a few key dynamics that are affecting Portland's parks, open space, and recreation budget process. The recommendations that follow give them conscious consideration in an effort to provide a useful and realistic proposal. (Please note: The following descriptions are based on TPL's evolving understanding of Portland's unique processes.)

- 1. Tension between Parks-Specific and System-Wide Focus in the Department of Public Services:** Portland's Friends groups are a powerful asset. Many have completed and continue contributing diligent and thoughtful work to support planning and maintenance in individual parks. It is critical that the City take advantage of and support their efforts. Simultaneously, a system is needed to tackle difficult decisions with fairness and to maintain focus on both system-wide needs and necessary improvements of sites that do not garner the same level of attention given to Portland's premier parks.
- 2. Relative Strength of the Department of Recreation & Facilities in the City Budget Process:** Compared to the parks and recreation functions of the Department of Public Services, the Department of Recreation appears to be in a somewhat stronger position to make strategic planning decisions and secure needed investments to maintain the quality of their assets. This appears to be a consequence of greater resource constraints faced by the Department of Public Services and the fact that the needs of the Department's parks and open spaces lean more toward landscape maintenance than toward infrastructure replacement or rehabilitation.
- 3. Separate Departmental Paths for Project Prioritization and Funding Requests:** The Department of Public Services and Department of Recreation & Facilities currently have separate processes for developing investment priorities and submitting funding requests.

Recommendations

Besides the proposed process detailed in the flow chart on p 2 and the recommended criteria on page 3, there are other changes needed to contribute to a well-functioning annual planning/budgeting cycle. They are as follows:

Process Recommendations

- The City Manager should notify all departments about any changes in the city's project selection methodology in July. It is an ICMA best practice for cities to make their decision-making criteria known at the start of the budget cycle.
- When they submit their Final Recommended Schedule of Investments in January of each year, all departments should include submission request forms (paper or electronic) for each project for which they are requesting funds for the next fiscal year. This provides the departments with an opportunity to justify projects according to City-wide project prioritization criteria and helps the City Manager and City Council make well-informed decisions.

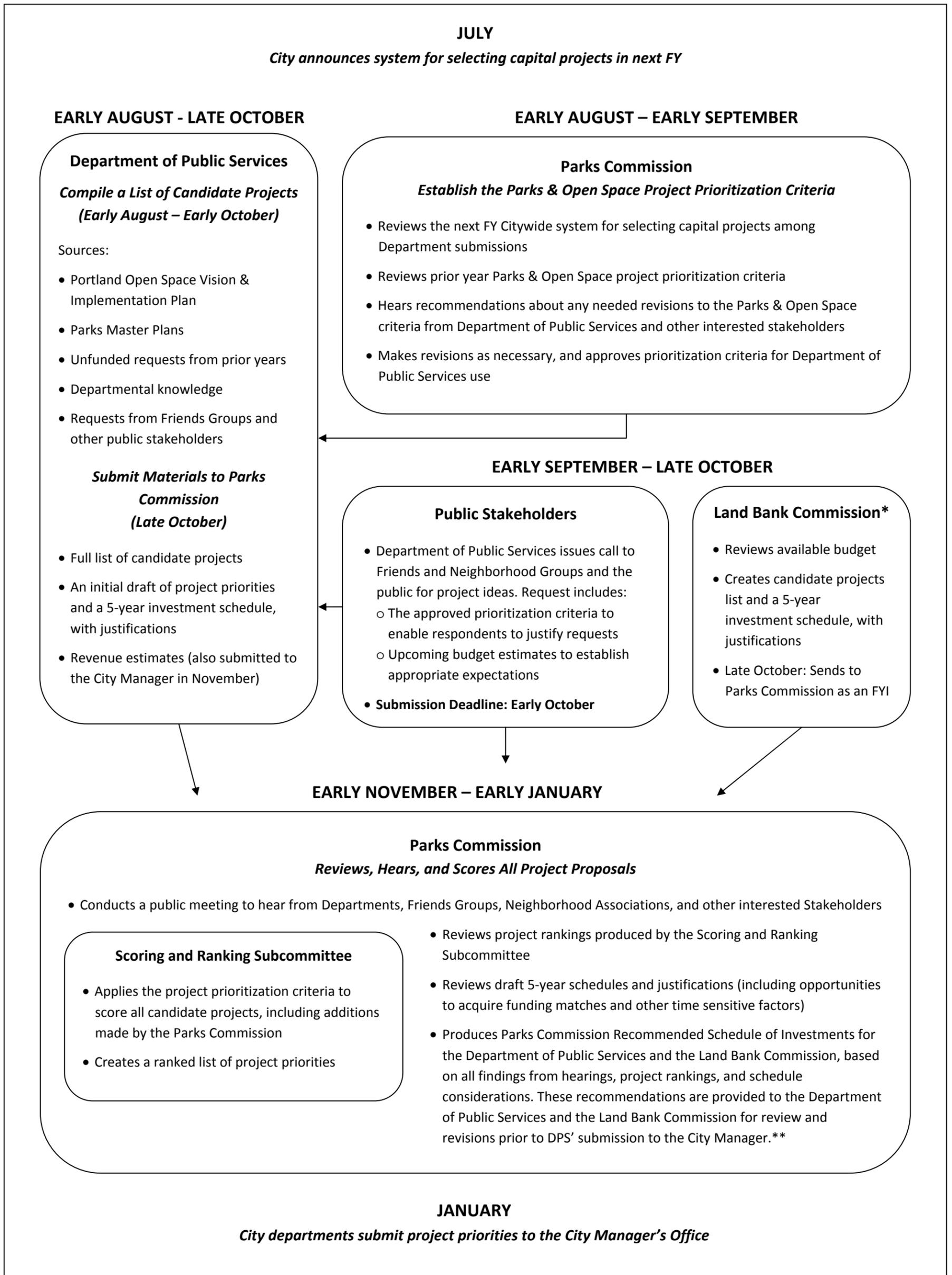
Structural Recommendation:

- A dedicated "Parks and Open Space Unit" inside DPS is recommended, rather than this fragmented system where the Cemeteries Division is responsible for both grounds, trails, etc. and burials and the Forestry Division is responsible for both parks tree maintenance and street tree maintenance, etc.

PROPOSAL I

Department of Public Services & Parks Commission Budget Process

(Assumes no changes to the Department of Recreation & Facilities process)



- * The Land Bank Commission is included in this process only for purposes of coordination. They inform the Parks Commission about their plans and give the Parks Commission an opportunity to comment on those plans. The Land Bank Commission retains all decision-making authority for their work.
- ** We believe that the Parks Commission should submit their recommended schedule of (ranked) investments (aka funding priorities) to DPS, not to the City Manager. DPS should submit the Final Recommended Schedule of Investments (FRSI) to the City Manager. In advance of submitting their FRSI to the City Manager, DPS should make a reasonable effort to align their FRSI with the Park Commission recommended funding priorities. Additionally, the DPS' FRSI submitted to the City Manager should include the Parks Commission recommended funding priorities as an attachment.

Assumptions:

- The process timeline begins immediately after the prior year's budget is adopted.
- In order to allow adequate time, work must continue during the summer months, though key aspects of public engagement have been pushed to late summer/early fall. (It was requested that the engagement of Friends Groups happen earlier than the Fall, and it was simultaneously suggested that engagement is not effective during the summer months.)
- This process assumes that 1) the City may revise its allocation decision-making methodology from year to year and 2) the parks and open space project prioritization criteria may need refinements based on the experience of prior years and changes in citywide expectations.

PROPOSAL II

Parks, Open Space, and Recreation Project Prioritization Criteria

This proposal focuses on providing a set of project prioritization criteria for making parks, open space, and recreation investment decisions. The 23 project prioritization criteria below would be implemented by the Department of Public Services, the Department of Recreation and Facilities, and the Parks Commission.

We would like this list to be in alignment with City Manager and City Council criteria for making overall funding decisions as part of the annual municipal budget process. In the absence of having current citywide criteria upon which to base our draft departmental project selection criteria, we have developed this list based, in part, on a review of past citywide criteria used in Portland as well as criteria used by other cities.

When the City Manager and City Council develop criteria for selecting projects for funding as part of the annual citywide process for preparing the Capital Improvement Plan and Municipal Budget, we hope that this list may be useful. We hope they will also consider including the following two criteria to support and reward the thoughtful efforts of departments that make strategic and judicious funding requests.

1. Advances the objectives or strategic priorities of adopted/articulated visions, plans, or policies (for example, the City's Comprehensive Plan, the *Portland Open Space Vision and Implementation Plan*, etc.).
2. Project is ranked as a high priority by the department submitting this request, assuming the department has utilized an objective prioritization system (and has not simply submitting a wish list or requests that are more responsive to political pressure than long range strategic planning).

Parks, Open Space, and Recreation Project Prioritization Criteria

Essential

1. Addresses public health and safety; reduces city liability (Highest score for projects that address an *imminent* public safety need)
2. Fulfills a legal mandate (compliance with local, state, and federal laws, such as ADA or Title IX)

Articulated Parks, Open Space, and Recreational Objectives

3. Advances the objectives or strategic priorities of adopted/articulated visions, plans, or policies (for example, the *Portland Open Space Vision and Implementation Plan*, Athletic Facilities Task Force Plan, or Eastern Promenade Master Plan).

Financial Considerations

4. Cost avoidance: For example: (a) Prevents costly infrastructure failures or unrecoverable deterioration of a functional or historic amenity; (b) avoids serious costs that could result from delaying the project; or (c) Will measurably reduce O&M costs, including potential savings from energy and water use.
5. Leverages external funds or benefits from significant cost sharing (for example, from federal matching funds or a private matching grant)
6. Meets requirements to access special funding streams (for instance, project is eligible to use impact fee revenue or funds for water quality improvements)
7. Funding has been identified for ongoing O&M costs that will result from the project

Timing/Efficiency

8. Seizes an acquisition or funding opportunity that may be lost if no action is taken
9. Can be bundled with other projects to achieve cost efficiencies (for instance, a roadway project that also replaces a deteriorated storm drain)
10. Project readiness: Project has a clear timeline, reliable estimates of costs for each major milestone, and no anticipated major hurdles likely to lead to schedule delays.
11. Project is already under development (partially built) or part of a prior commitment
12. Has a high potential for partnership/collaboration across departments in terms of implementation, maintenance, or funding
13. Advances multiple priorities simultaneously; addresses more than one need within a department or across departments
14. Will ready a project for implementation (for instance, completion of an engineering plan or cost estimates)
15. A minor investment that would have a big impact on the character of a park

System Equity & Community Livability

16. Improves geographic distribution of parks and recreation facilities; brings or improves a park or facility to an underserved area; brings a facility for a neighborhood for a first time before improving or expanding an undersized but existing functional facility elsewhere
17. Improvements will serve an area with a very high population density or a high percentage of low-income residents, children, or seniors
18. Supports program offerings for multiple user groups and age cohorts
19. Prioritize improvements to underperforming or deteriorating parks over improvements to higher functioning parks
20. Improves multiple sites simultaneously
21. Promotes health, wellness, and active lifestyles
22. Promotes environmental education, stewardship, and sustainability
23. Promotes personal and community enrichment and overall community livability