37715

Resolution

Require City Administrator to develop Citywide Asset Management Strategy to establish priorities and practices to address asset management maturity and financial planning gaps

Adopted

WHEREAS, the City owns billions of dollars' worth of public assets and infrastructure, including: built infrastructure such as roads, streets, water and sewer systems, buildings, and facilities; equipment, technology, and data management assets such as telecommunications systems and programs; and natural infrastructures such as natural areas, parks, and trees, and waterways; and

WHEREAS, these assets and infrastructure allow the City to deliver basic services to the public; and the City's infrastructure – its streets, parks, water and sewer systems, arts and culture venues, public safety facilities, and technology – form the foundation of daily life and directly impact the health, safety, and well-being of every Portlander; and

WHEREAS, Portlanders experience the City's infrastructure every day – when they drink clean water, flush their toilets, walk or roll down safe sidewalks, visit a park, commute to school or work, and rely on fundamental City services like public safety; and

WHEREAS, failing assets are a threat to public safety, public health, and our economic future; and

WHEREAS, decades of underinvestment have led to deteriorating assets, from poorly maintained streets to unkempt parks to critical service interruptions; and

WHEREAS, a strategic approach to asset management can help ensure clean drinking water, safe and well-maintained streets, reliable sewer and stormwater services, welcoming parks, vibrant arts, and cultural venues, and dependable public safety systems for all Portlanders, now and for future generations; and

WHEREAS, in 2021 through Resolution 37551, the City recognized the importance of the natural and built physical infrastructure the City owns and

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Introduced by

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Agenda Type

Regular

Date and Time Information

Meeting Date
August 6, 2025
Time Requested
30 minutes

manages, and directed the adoption of an asset management policy by capital asset owning and managing bureaus; and

WHEREAS, in April 2025, the Auditor's Audit Services reported that the City has underinvested in routine and preventive maintenance of its aging assets, which created a backlog of costly and increasingly urgent needs that the City does not have the funding to meet. The City has not adopted a unified Citywide asset management strategy due to the pre-Charter commission form of government, decision-making processes, and lack of long-term approach to address the infrastructure funding gap; and

WHEREAS, the transition to a Mayor-Council form of government provides an opportunity for a more coordinated approach to asset management and supports service areas and bureaus working together to reduce life cycle costs for delivering services to Portlanders; and

WHEREAS, infrastructure asset management involves a comprehensive approach to make the best decisions to manage our built and natural assets to obtain the greatest public value at the lowest life cycle cost and an acceptable level of risk; and

WHEREAS, the estimated annual funding gap between overall infrastructure needs and dedicated resources is expected to grow exponentially unless addressed; and

WHEREAS, coordinated asset management planning helps avoid unnecessary repairs and emergency costs, reducing long-term financial burdens on Portland ratepayers and taxpayers; and

WHEREAS, responsible stewardship of City assets ensures that today's investments do not become tomorrow's burdens, and supports an intergenerational commitment to leaving our children and grandchildren a city that works better than we found it; and

WHEREAS, the City owns over $80 billion worth of assets and the Public Works Service Area is responsible for over 90% of the City's assets-including systems that deliver clean drinking water, treat wastewater, and maintain our streets and public spaces across Portland.

NOW, THEREFORE, BE IT RESOLVED that the City Administrator, pursuant to Charter Section 2-406(j) shall submit a report to Council, a new Citywide Asset Management Strategy, that includes but is not limited to:

1. Identification of current best practices for asset management decision making with long-range financial planning, with compliance and financial implications meaningfully informing enterprise-wide policies and standards;
2. Incorporation of organization needs, existing assets and asset management capabilities, and operational realities that may support or impede effective implementation of a strategy;
3. Development of a standardized approach to asset management across all bureaus that recognizes different needs;

4. Inclusion of appropriate stakeholders and bureau-level technical expertise, to support cross-disciplinary collaboration and accountability;
5. Incorporation of sustainability and climate resilience may be included to ensure Portland's infrastructure is prepared to meet the challenges of a changing environment – for this generation and the next;
6. Inclusion of options and opportunities for funding, including but not limited to raising revenue or allocating funding for deferred maintenance of and regulatory compliance for existing infrastructure, system growth, and infill;
7. Inclusion of a proposal for monitoring, communicating, and updating Council and other stakeholders on the status and progress of citywide asset management; and
8. Recommendations for how and when to convene Service Area stakeholders to assess the scope and timing of potential City capital project needs, timing, and eligibility.

BE IT FURTHER RESOLVED that:

1. The Report on a new Citywide Asset Management Strategy should be submitted to the Council no later than September 30, 2026.
2. The City Administrator and the Chief Financial Officer shall develop a proposed strategy for a Citywide general obligation bond program that must be included in the proposed Citywide Asset Management Strategy. This strategy should be submitted to the Finance Committee for comment no later than December 31, 2026.

Exhibits and Attachments

- Committee Staff Summary - final 199.15 KB
- 2025 Asset Management Audit 2.12 MB
- Resolution 37551 558.4 KB
- Testimony 429.11 KB

Impact Statement

Purpose of Proposed Legislation and Background Information

The city owns billions of dollars worth of public assets and infrastructure that has been underinvested in. As noted in recently published audit, the city needs to take on a more strategic approach to managing our assets and infrastructure. This provides direction to create a strategic and financial plan.

Financial and Budgetary Impacts

This will not have direct impact on the FY2025-2026 budgets but will require active staff participation and associated resource prioritization in the short term and long-term strategic planning may impact future budgetary needs.

Economic and Real Estate Development Impacts

Municipal infrastructure supports a range of services to the community including businesses that rely on transportation assets to provide access, clean water and waste management for public health, public safety facilities to assist in emergencies and more. Strategic asset management can help unlock circular economy principles and realize greater public value from assets. Public Infrastructure improvements and investments have a significant and positive impact on real estate values with increased opportunities for public-private partnerships and inclusive housing approaches. Conversely, deteriorating public assets pose increased risks to vulnerable populations, the regional economy, and real estate development.

Community Impacts and Community Involvement

Our infrastructure and assets are essential to the delivery of services and quality of life to all who live, work, and play in the city of Portland. Ensuring the safety and reliability of these assets is critical to the everyday safety of Portlanders. Establishing a strategic plan to address how the city manages and invests in our assets and infrastructure is a necessary first step to a logical approach and alignment of how we take care of past and ongoing public investments and their impacts to services to Portlanders.

100% Renewable Goal

Not applicable

Financial and Budget Analysis

Analysis provided by City Budget Office

This ordinance directs the City Administrator to develop a Citywide Asset Management Strategy to establish standardized practices and priorities for managing Portland's $80 billion in public infrastructure and assets. Under the resolution, staff will assess current asset management maturity, identify financial planning gaps, and recommend long-term strategies—including a potential general obligation bond program—to improve coordination, sustainability, and fiscal responsibility across all bureaus. While there is no immediate fiscal impact to the FY 2025–26 budget, the effort will require staff time and resource prioritization, and may inform future budgetary and capital planning decisions.

Economic and Real Estate Development Analysis

Analysis provided by Prosper Portland

Prosper Portland staff has reviewed the Economic and Real Estate Development Impact Analysis submitted for this action and finds that it satisfies the requirements set forth in City Council Resolution 37664. The analysis is sufficiently detailed and complete to be considered a final statement for purposes of this action.

While there is no immediate economic impact of developing an asset management strategy, city infrastructure is critical to a functioning businesses community. Strategy development must include input from business community stakeholders.

Document History

Document number: 2025-194

President's referral: Transportation and Infrastructure Committee

Agenda	Council action
May 12, 2025 Regular Agenda Transportation and Infrastructure Committee	**Referred to City Council** Motion to send Resolution, Document Number 2025-194 to the full Council with recommendation the resolution be adopted: Moved by Koyama Lane and seconded by Smith. (Aye (5): Koyama Lane, Morillo, Green, Smith, Clark)
July 16, 2025 Regular Agenda City Council	**Rescheduled**
August 6, 2025 Regular Agenda City Council	**Adopted** **Aye (12):** Koyama Lane, Morillo, Novick, Clark, Green, Zimmerman, Avalos, Dunphy, Smith, Kanal, Ryan, Pirtle-Guiney