

<p style="text-align: center;">PORTLAND CITY COUNCIL AGENDA City Hall - 1221 SW Fourth Avenue WEDNESDAY, 9:30 AM, DECEMBER 21, 2016</p>	<p style="text-align: center;">Disposition:</p>
<p style="text-align: center;">TIMES CERTAIN</p> <p>1421 TIME CERTAIN: 9:45 AM – Accept the final annual report of the Public Safety General Obligation Bond Program Independent Citizens Committee (Report introduced by Mayor Hales) 30 minutes requested</p>	<p>No fiscal impact to accepting the report. Public Safety GO Bond Fund activity is winding down; the PRSSRP project and Apparatus Replacement project are still spending, but are anticipated to be complete in December 2017.</p>
<p>*1422 TIME CERTAIN: 10:15 AM – Appropriate \$300,000 of contingency funding from the City general fund to the Portland Bureau of Transportation for emergency Vision Zero improvements and community engagement efforts on Outer Division (Ordinance introduced by Mayor Hales and Commissioners Novick and Fish) 20 minutes requested</p>	<p>This item would utilize \$300,000 of contingency funding from the City's General Fund, leaving \$1.1 million. Although this budget request will focus primarily on education and signs, PBOT will use the money to leverage engineering improvements on Outer Division, Outer Halsey, and Outer Glisan funded through other sources.</p>
<p style="text-align: center;">CONSENT AGENDA – NO DISCUSSION</p> <p style="text-align: center;">Mayor Charlie Hales</p> <p>1423 Appoint Wendy Chung and Annie Mahoney to the Historic Landmarks Commission for terms to expire December 31, 2020 and reassign Matthew Roman to the Historian membership category (Report)</p>	<p>No fiscal impact</p>
<p>1424 Confirm appointment of David G. Shaff as Commissioner for the Civil Service Board for a term to expire December 20, 2019 (Report)</p>	<p>No fiscal impact.</p>
<p style="text-align: center;">Bureau of Planning & Sustainability</p> <p>1425 Authorize an Intergovernmental Agreement with Portland State University in the amount of \$83,482 for the Single Family Weight Study 2017-2019 to determine weight of garbage for ratemaking purposes (Ordinance)</p>	<p>Funding is available for this agreement in the bureau's Solid Waste Management Fund.</p>

City Budget Office	
1426 Adopt the Budget Calendar for FY 2017-2018 (Resolution)	No fiscal impact
*1427 Amend FY 2016-17 Fall Supplemental Budget ordinance to correct technical errors (Ordinance; amend Ordinance No. 188061)	\$3,505,226 will be applied to the Portland Housing Bureau's FY 2017-18 CAL target, as opposed to the current year target, as intended in the original Fall Supplemental Budget ordinance.
Office of Management and Finance	
*1428 Pay claim of Emily Johnson Purry in the sum of \$250,000 involving the Portland Parks and Recreation (Ordinance)	\$250,000 from the Insurance and Claims Fund.
*1429 Provide one-month City paid health insurance to certain staff of outgoing elected officials' offices (Ordinance)	The purpose of this ordinance is to authorize the City to fund one month of post-employment COBRA healthcare coverage costs for several outgoing Council staff members with roles in the Council transition process. The total cost to the City is estimated at \$10,168. If approved, these costs will be absorbed by the budgets of affected Council Offices or Council transition funding. Given the relatively low dollar amount, absorbing these costs through vacancy savings and transition underspending seems feasible, but any resulting shortfalls could be addressed in the Spring BMP.
*1430 Authorize a grant agreement with Janus Youth Programs, Inc. for \$66,000 to help sustain the Village Market in Portland (Ordinance)	Funding for this grant was specified in the FY 16-17 budget. No additional financial impact.

<p>*1431 Authorize a Special Appropriation grant agreement with Focus on Youth in an amount not to exceed \$60,110 to fund expansion of their program and construction of an attached garage for use as an indoor classroom/demonstration kitchen and bathroom for students and volunteers (Ordinance)</p>	<p>Budgeted expenditure in Special Appropriations</p>
<p style="text-align: center;">Commissioner Steve Novick Bureau of Transportation</p> <p>*1432 Amend contract with Axiom Event Productions, LLC for volunteer and course management services through the Portland Sunday Parkways program for an amount not to exceed \$151,000 (Ordinance; amend Contract No. 30003708)</p>	<p>This contract amendment is expected to have no significant budgetary impact on PBOT. It extends the existing contract by one year. In FY 2015-16, Sunday Parkways was funded by: \$106,000 from the General Fund, \$60,000 from General Transportation Revenues, \$100,000 from Kaiser Permanente, \$150,000 from other sponsorships, vendor fees, and individual contributions. PBOT expects to generate approximately the same amount of revenue through sponsorships in FY 2016-17. From that budget, the contractor will be paid \$151,000 for a year of work.</p>
<p>*1433 Authorize a contract with Toole Design Group, LLC for the development of Safe Routes to School Project Planning in the amount of \$345,366 (Ordinance)</p>	<p>PBOT's level of confidence in the cost estimates for this project is high. The City's Fixing our Streets Program allocated eight million dollars in investments to ten high school attendance areas to make the routes to the schools in these areas safer and more convenient for kids to use. This contract is half-funded by those funds and half-funded by Portland Public Schools bond funds. The appropriation for this contract is in PBOT's FY 2016-17 Adopted Budget.</p>

***1434** Accept a grant in the amount of \$36,660 from Oregon Department of Transportation for the Enhanced Transit Corridors plan and authorize an Intergovernmental Agreement (Ordinance)

The total budget for the project is \$200,545, with ODOT providing \$176,480. PBOT will receive \$36,660 of the ODOT grant, with the rest, \$139,820, to be paid to a consultant. The City will be providing a 12% local match amount of \$24,065 through in-kind services.

REGULAR AGENDA	
<p>1435 Provide affordable housing through an Inclusionary Housing program (Second Reading Agenda 1381; Ordinance introduced by Mayor Hales; amend Title 33, Planning and Zoning)</p>	<p>See Below.</p>
<p>S-1436 Provide affordable housing through an Inclusionary Housing program and update the Multiple-Unit Limited Tax Exemption Program (Second Reading Agenda 1382; Ordinance introduced by Commissioner Saltzman; add Code Section 30.01.120, amend Section 30.01.030 and Chapter 3.103)</p>	<p>See Below.</p>
<p>Mayor Charlie Hales Office of Management and Finance</p>	
<p>*1437 Approve settlement of claims with Level 3 Communications, LLC for past due franchise fees (Ordinance) 10 minutes requested</p>	<p>This ordinance approves a \$2.75 million settlement with Level 3 Communications. Council originally authorized legal action against Level 3 Communications for disputed franchise fee payments and other contract issues in 2008. This settlement provides the City's General Fund with an additional \$2.75 million in one-time resources.</p>

<p>*1438 Authorize an agreement with Cellco Partnership dba Verizon Wireless to provide wireless services for a three-year contractual total not to exceed \$7,500,000 (Ordinance)</p>	<p>This contract is a successor to an existing wireless services agreement the City has with Cellco Partnership. The most recent contract was approved in 2013 for 5 years at a not-to-exceed amount of \$7.5 million. The existing contract spend is at \$7,4467,426, hence the renewal prior to the contract expiration date and the shortened contract period for the new contract. BTS has sufficient appropriation in FY 2016-17 budget to cover anticipated expenses in the current year, and will include funding for subsequent years in its base budget.</p>
<p>1439 Approve findings to authorize an exemption to the competitive bidding requirements and authorize the use of the alternative contracting method of Construction Manager/General Contractor all in connection with the Tryon Creek Wastewater Treatment Plant Headworks Project for an estimated amount of \$54,000,000 (Previous Agenda 1402)</p>	<p>The estimated contract value is \$54,000,000. This is a low confidence estimate based on the conceptual nature of the design, the need to acquire and receive land use approval for an adjacent parcel, and the uncertainty regarding the optimal influent alternative (i.e. gravity fed or pump station). This figure represents an increase over the total project cost figure included in the FY 2016-17 budget (\$38.5 million). Project costs for the project are borne 50/50 by City of Portland and City of Lake Oswego. Operating costs are expected to increase based on new functions at the plant such as odor control grit removal. An additional 0.5 FTE and up to \$50,000 in materials and services is anticipated.</p>

<p>1440 Clarify definitions, administrative authority and make housekeeping changes to the Transient Lodgings Tax Code (Second Reading Agenda 1403; amend Code Chapter 6.04)</p>	<p>See Below.</p>
<p>1441 Amend Tourism Improvement District code to update definitions and change the due dates and delinquency dates to match those in the Transient Lodging Tax code (Second Reading Agenda 1404; amend Code Chapter 6.05)</p>	<p>No fiscal impact anticipated. Any decline in penalty or interest revenue due to clarification of due dates and delinquency dates will result in reduced pass through to Travel Portland.</p>
<p style="text-align: center;">Portland Development Commission</p> <p>1442 Authorize the submittal of a boundary change request to the State of Oregon to add .92 acres to the East Portland Enterprise Zone (Resolution) 15 minutes requested</p>	<p>Current building and land will continue to be taxed. No additional value from improvements would be taxed for the applicable 5-year abatement period. Cost(s): The estimated foregone tax revenue for the City of Portland over the five years of tax abatement is \$47,325. The <i>total</i> estimated tax savings for Salt & Straw is \$136,000 in property tax exemption and \$127,500 in tax credits, totaling \$263,500 over the five years. If passed abatement would begin in 2018. Benefit(s): Expansion would incentivize Salt & Straw to expand headquarters at a new site in Portland, \$2 million of planned improvements which increases taxes from \$44,236/year to \$76,247/year and the addition of 40-60 FTE.</p>
<p style="text-align: center;">Commissioner Steve Novick Bureau of Transportation</p>	

<p>*1443 Authorize contract with Kimley-Horn Associates Inc. to provide consultant services to develop a Parking Management Plan, formerly Performance Based Parking Management, not to exceed \$205,835 (Ordinance)</p>	<p>The \$205,835 will be paid for with General Transportation Revenues. The development of this program is included in the current fiscal year's budget and will extend to FY 2017-18.</p>
<p>1444 Modify Area Parking Permit Program to create new permit area type for residential areas, expand provisions of the Supplemental Plan Description, and integrate transportation demand management principles, in accordance with the recommendations of the Centers and Corridors Parking Project (Previous Agenda 1417; amend Code Sections 16.20.800 - 16.20.850)</p>	<p>No fiscal impact at this time. The ordinance is a first step setting up the processes by which neighborhoods can create new permit areas. If the neighborhoods choose to do so, there would be fiscal impacts which PBOT would then proceed to estimate, since permit fees would be involved.</p>
<p style="text-align: center;">Commissioner Amanda Fritz Office of Neighborhood Involvement</p> <p>1445 Amend City's marijuana business regulations (Second Reading Agenda 1416; amend Code Chapter 14B.130, Portland Policy Document ADM-20.01)</p>	<p>The amendment includes a revised fee schedule with the addition of fees for retail couriers (application fee: \$750 initial and \$500 renewal; license fee: \$3,500 initial and \$3,500 renewal). Since it is currently unknown how many businesses would be affected by the new courier fees, with ONI estimating perhaps two, or by other fee schedule adjustments in the amendment, the fiscal impact, including costs to the program, is unknown at this time.</p>
<p style="text-align: center;">Portland Parks & Recreation</p>	

<p>1446 Create a local improvement district to construct park improvements in the Portland Open Space Sequence Local Improvement District in partnership with the Halprin Landscape Conservancy (Second Reading Agenda 1410; C-10054)</p>	<p>The estimated amount of the LID is \$2,150,000, which will fund a portion of the estimated total project cost of \$3,850,000 (low confidence estimate). The remaining portion of costs will be funded by General Fund resources, which were approved by Council in the FY 2016-17 Fall Supplemental Budget.</p>
<p>Commissioner Nick Fish Bureau of Environmental Services</p>	
<p>1447 Authorize a contract with the lowest responsible bidder for construction of the Safeway Pump Station Upgrade Project No. E10292 for an estimated cost of \$1,090,000 (Ordinance) 10 minutes requested</p>	<p>Funding for this project is included in the bureau's FY 2016-17 budget within the pump stations improvement program and also included the bureau's five-year capital plan. Authorization of the contract will not impact forecasted rates. Construction costs are estimated \$1,090,000 (high confidence) and total project cost is \$2,229,400.</p>
<p>1448 Authorize a contract with the lowest responsible bidder for the Airport Way 1 Pump Station Improvements and AW03 Forcemain Repair Project No. E10529 for an estimated construction cost of \$2,374,000 (Ordinance) 10 minutes requested</p>	<p>Funding for this project is included in the bureau's FY 2016-17 budget within the pump stations improvement program and also included the bureau's five-year capital plan. Authorization of the contract will not impact forecasted rates. Construction costs are estimated \$2,374,000 (high confidence) and total project cost is \$2,937,000.</p>
<p>Commissioner Dan Saltzman Portland Housing Bureau</p>	
<p>1449 Establish annual sale price cap of \$350,000 for the Homebuyer Opportunity Limited Tax Exemption Program (Resolution)</p>	<p>No direct fiscal impact; however, the increased cap may result in increased foregone revenue to the City. Future program requests resulting in foregone revenue will require Council approval.</p>
<p>*1450 Amend subrecipient contracts with Unlimited Choices for \$110,000 and NAYA for \$260,338 for home repair services (Ordinance; amend Contract Nos. 32001386 and 32001382)</p>	<p>Funding is available and was allocated for this purpose in the bureau's FY 2016-17 budget.</p>

<p style="text-align: center;">City Auditor Mary Hull Caballero</p> <p>1451 Initiate foreclosure sale on one property for the recovery of delinquent City liens placed against the property (Ordinance) 15 minutes requested</p>	<p>Minimal fiscal impact. Anticipated recovery of \$129,376.64 which covers amount owed on lien, interest, penalty fees, and costs. Actual amount recovered may vary and thus has the potential to have minimal fiscal impact.</p>
<p style="text-align: center;">FOUR-FIFTHS AGENDA Commissioner Dan Saltzman Portland Housing Bureau</p> <p>*1452 Authorize the appropriation of \$51,000,000 for a Housing Property Fund (Ordinance; add Code Section 5.04.540) 20 minutes requested for items 1452 and 1453</p>	<p>The source of this fund may be a line of credit, or Council may authorize an interfund loan through a separate action (see below agenda item 1453).</p>
<p>1453 Authorize a temporary operating loan of \$51,000,000 between the Development Services Fund and the Housing Property Fund (Resolution)</p>	<p>Bureau of Development Services reserves are currently estimated at \$76 million. This ordinance would immediately transfer \$51 million from the Development Services Fund to the Portland Housing Bureau's Housing Fund (see above agenda item 1452). PHB anticipates repaying approximately \$37 million by the end of FY 2016-17, with the remainder due no later than June 30, 2018. Assuming this repayment schedule and a 1.5% interest rate, this loan will cost PHB a total of \$487,500.</p>
<p style="text-align: center;"><u>WEDNESDAY, 2:00 PM, DECEMBER 21, 2016</u></p>	

DECEMBER 21, 2016

S-1454 TIME CERTAIN: 2:00 PM – Amend the Official City Zoning Map, Planning and Zoning Code and Transportation System Plan to carry out Portland’s 2035 Comprehensive Plan; establish a new Community Involvement Program and Committee; amend related codes, the 2035 Comprehensive Plan and Plan Map to coordinate policies and programs (Second Reading Agenda 1414; Ordinance introduced by Mayor Hales; amend Code Titles 3, 17, 33 and Ordinance Nos. 165851, 177028, 187832) 30 minutes requested for items 1454-1455

The bureau estimates the need for one additional Community Involvement and Outreach Coordinator position related to the new Community Involvement Committee, which may have other administrative costs. There are additional potential fiscal impacts related to the cost of administering new zoning code provisions, as well as possible impacts to development activity, which may impact City costs and revenues.

1455 Adopt a Connectivity Strategy for Comprehensive Plan Centers in Eastern Neighborhoods (Second Reading Agenda 1415; (Ordinance introduced by Commissioner Novick)

Adoption of this strategy does not amend the budget, change current or future revenue sources, or propose changes to staffing levels. The Council action would direct PBOT to determine if new street or pathway connections would count towards “qualified public improvement” credit as part of the current update to the Transportation System Development Charge. PBOT received \$150,000 of one-time General Fund resources during the FY 2016-17 budget development process to develop circulation plans for two centers in East Portland.

1456 TIME CERTAIN: 2:30 PM – Extend to December 31, 2017 the Council-approved Corporate Securities Do-Not-Buy List (Previous Agenda 1418; Resolution introduced by Commissioner Novick) 2 hours requested

Extending current DNB list to December 31, 2017 has no additional fiscal impact. Recommendation adds Credit Suisse and Nestle to DNB list resulting in \$695,000-\$921,667 less investment revenue unless other equivalent investments are found.

THURSDAY, 2:00 PM, DECEMBER 22, 2016

**DUE TO LACK OF AGENDA
THERE WILL BE NO MEETING THURSDAY**

1435/S1436 – Provide affordable housing through an Inclusionary Housing program

CBO Analysis: The proposed policy would result in an estimated per-affordable unit cost that ranges from \$20,787/unit to \$218,663/unit, depending on project location and incentive package selected. The cost to the City General Fund is less – ranging from \$4,674/unit to \$57,529/unit – due to the property tax exemption costs being spread across schools, the County and other local public agencies. With an affordability term of 99 years, the total cost per unit per year of affordability ranges from \$210 to \$2,209. See chart below.

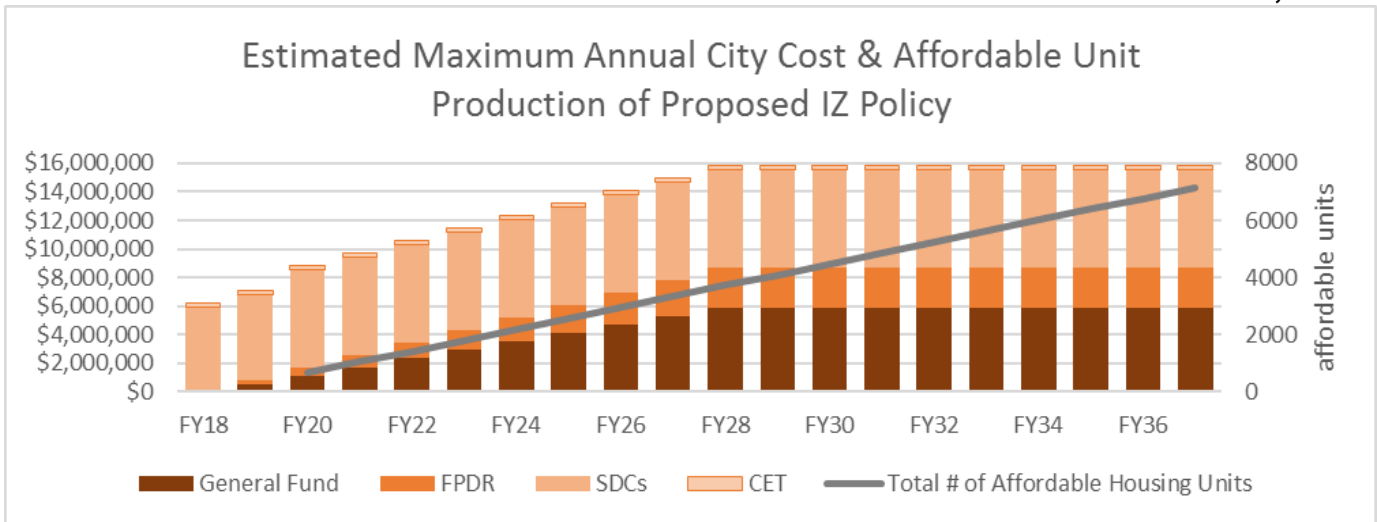
At or Above 5:1 FAR (mainly Central City)										
	<i>10 Year Property Tax Exemption Estimated Cost</i>	<i>10 Year Property Tax Exemption Cost to the City General Fund</i>	<i>SDC Waiver Cost</i>				<i>CET Waiver Cost</i>	<i>Total Cost per Unit</i>	<i>Total City Cost per Unit</i>	<i>Total Cost per Year of Affordability</i>
			<i>BES</i>	<i>PBOT</i>	<i>PWB</i>	<i>PP&R</i>				
80% AMI Unit	\$100,000	\$19,433	\$0	\$0	\$0	\$0	\$642	\$100,642	\$20,075	\$1,017
60% AMI Unit	\$200,000	\$38,866	\$4,748	\$2,024	\$2,400	\$8,849	\$642	\$218,663	\$57,529	\$2,209

Below 5:1 FAR (mainly outside of the Central City)										
	<i>10 Year Property Tax Exemption Estimated Cost</i>	<i>10 Year Property Tax Exemption Cost to the City General Fund</i>	<i>SDC Waiver Cost</i>				<i>CET Waiver Cost</i>	<i>Total Cost per Unit</i>	<i>Total City Cost per Unit</i>	<i>Total Cost per Year of Affordability</i>
			<i>BES</i>	<i>PBOT</i>	<i>PWB</i>	<i>PP&R</i>				
80% AMI Unit	\$20,000	\$3,887	\$0	\$0	\$0	\$0	\$787	\$20,787	\$4,674	\$210
60% AMI Unit	\$20,000	\$3,887	\$4,748	\$2,024	\$2,400	\$8,849	\$787	\$38,808	\$22,695	\$392

These per-unit estimates assume a single average tax exemption cost based on available MULTE program participants, which aligns with PHB methodology. Earlier CBO estimates were slightly different as CBO assumed a higher average cost for higher density buildings and a lower average cost for lower density buildings.

It is difficult to anticipate the number of affordable units per year that will be created through an inclusionary housing program, and thus the level of foregone revenue each year. Conservative estimates assume the maximum number of affordable units will be constructed under this policy, with 100% of buildings opting to include units on-site rather than pay a fee in lieu, and opting for the incentive packages offered at 60% MFI. CBO assumes that all units not currently in the construction pipeline toward our 2035 Comprehensive Plan goals (total = 72,587 units) will be constructed under this policy.

Using the above per unit costs and maximum construction estimates, CBO estimates the total maximum cost to the City of the program to grow from \$6.2 million/year to \$15.8 million/year. The General Fund portion of this cost grows from roughly \$574,000/year to \$5.9 million/year. This is for the construction of 331 units in the first two years of the program (assumes utilization of an 8% inclusion rate) and 382 units in the subsequent years (10% inclusion rate). The chart below shows these costs and units phased in over time; it is assumed that SDC and CET waiver costs will be felt by the City beginning FY 2017-18 and that property tax exemption costs will be felt beginning in FY 2018-19.



1440 Clarify definitions, administrative authority and make housekeeping changes to the Transient Lodgings Tax Code (Ordinance; amend Code Chapter 6.04) 30 minutes requested for items 1403-1404

CBO Analysis: In January 2015, Council supported changes to the TLT Code intended to compel “sharing economy” hosts and vacation rental companies (e.g. HomeAway, VRBO) to collect and remit TLT on behalf of the listings on their sites. The intent of this ordinance, in response to a 2016 adverse court opinion, is to further clarify in City Code that short term rental operations are subject to regulatory requirements and taxation. No specific additional revenues are anticipated at this time, but this change will improve the Revenue Division’s ability to pursue cases of noncompliance. This ordinance also formally codifies the Revenue Division’s authority to issue presumptive tax bills for operators that fail to register or file taxes. Finally, changes are being made to the code that clarify rules around due dates and delinquency dates; these changes are anticipated to reduce revenue derived from unintentional late payments by approximately \$75,000.

NOTE: “Time Certain” indicates that an item will not be heard by Council **prior** to the time specified.

Communications items are three minutes each. Regular Agenda items taking longer than five minutes have the time estimate noted next to the item.

The * indicates an emergency ordinance, which takes effect immediately if passed. Non-emergency ordinances require two readings and a 30-day waiting period before taking effect. Resolutions, reports, etc., adopted by Council are effective after adjournment.

The above summary is published by the City Auditor as provided by Section 2-113 of the Charter and Ordinance No. 130672.

Council Chambers is equipped with a sound system for the hearing impaired. Assisted listening devices are available from the Clerk.

DECEMBER 21, 2016

The City of Portland will gladly accommodate requests for an interpreter or make other accommodations that further inclusivity. Please make your request at least 48 hours before the meeting to the Council Clerk 503-823-4086. (TTY 503-823-6868).

City Council meetings can be viewed at <http://www.portlandoregon.gov/video>. The meetings are also cablecast on CityNet 30, Portland Community Media television.

Mary Hull Caballero
Auditor of the City of Portland

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Testimony is taken on Reports, Resolutions and Ordinances (first reading). To testify, sign up on a testimony sheet as you enter Council Chambers on the day of the meeting. Individuals have 3 minutes to testify, unless otherwise stated at the meeting. Testimony is not taken on Communications, Second Readings, Proclamations or Presentations in accordance with Code 3.02.040 F. and G.

Written testimony may be emailed or mailed to the Council Clerk prior to the meeting.

To schedule a Communication, email or mail your request to the Council Clerk. Include your name, address, phone number and a brief description of the subject you will be addressing. For full details, see Testimony Policies and procedures. <http://www.portlandonline.com/auditor/index.cfm?&a=63123&c=34447>

Clerk Email: karla.moore-love@portlandoregon.gov
Council Clerk Testimony: cctestimony@portlandoregon.gov
US Mail: Council Clerk, 1221 SW Fourth Ave., Room 130, Portland OR 97204

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Declaration Required by Lobbyists. Portland City Code 2.12.060 states: Prior to offering public testimony before City officials, at the beginning of any meetings or phone calls with City officials, or in emails and letters to City officials, a lobbyist must declare which lobbying entity he or she is authorized to represent for that communication.

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“Be a part of the picture...get involved with your City...volunteer for a City of Portland Board or Commission. For more information, a brochure, or a volunteer application, stop by the Office of Neighborhood Involvement in City Hall or call 503-823-4519.”