

<p align="center">PORTLAND CITY COUNCIL AGENDA City Hall - 1221 SW Fourth Avenue <u>WEDNESDAY, 9:30 AM, DECEMBER 19, 2018</u></p>		Disposition:
TIMES CERTAIN		
1309	TIME CERTAIN: 9:45 AM – Accept the City of Portland 2019 Federal Legislative and Regulatory Agenda (Report introduced by Mayor Wheeler) 45 minutes for items 1309 and 1310.	No Fiscal Impact.
1310	Accept City of Portland 2019 State Legislative Agenda (Report introduced by Mayor Wheeler)	No Fiscal Impact.
1311	TIME CERTAIN: 10:30 AM – Appeal of Northwest District Neighborhood Association and Tony Schwartz against Historic Landmarks Commission's decision to approve Block 162 Apartments, a five-story plus residential development, at 1727 NW Hoyt St (Findings; Previous Agenda 1215; Introduced by Mayor Wheeler; LU 18-187493 HRM AD)	No Fiscal Impact.
1312	TIME CERTAIN: 10:35 AM – Authorize agreement with Lloyd B.I.D., Inc. for program management in the Lloyd Business District (Ordinance introduced by Mayor Wheeler) 20 minutes requested	This ordinance continues a relationship with Lloyd BID via a new contract. The Revenue Division will continue to collect the Business Property Management License Fee assessed under authority of PCC 6.06. Revenue Division will continue to collect this fee on behalf of the District, remitting all funds less the 1.5% administrative charge.
CONSENT AGENDA – NO DISCUSSION		
1313	Authorize the Office for Community Technology and the Portland Bureau of Transportation to enter into an agreement with AT&T related to the permitting of small cellular technology in the public right of way to enable 5G deployment (Resolution introduced by Mayor Wheeler and Commissioner Eudaly)	See below.
Mayor Ted Wheeler		

1314	Nominate Damien Hall to serve a four-year term representing the City of Portland on the Metropolitan Exposition and Recreation Commission beginning January 1, 2019 (Resolution)	No Fiscal Impact.
Bureau of Planning & Sustainability		
*1315	Authorize an Intergovernmental Agreement with Parkrose School District for \$10,000 for the Parkrose-Argay Development Study known as Rossi Farms Development Plan (Ordinance)	See below.
*1316	Approve annexation to the City of Portland of property within the boundaries of the City Urban Services Boundary in case number A-1-18, on the west side of the City on the northwest side of NW Hilltop Dr (Ordinance)	Financial impacts for proposed annexation are expected to be minimal. If approved, the property (1.78 acres in size) will be added as a City taxlot and be eligible for City services. However, property owners will be responsible for extension of the sanitary sewer line.
City Attorney		
1317	Clarify the required placarding and tenant notification requirements for unreinforced masonry buildings (Second Reading 1271; amend Code Chapter 24.85)	No fiscal impact.
Office of Management and Finance		
*1318	Pay settlement of lawsuit by Marlene Acosta de Cubias in the sum of \$70,000 involving Portland Bureau of Transportation (Ordinance)	\$70,000 from the Insurance & Claims Operating Fund.
*1319	Pay property damage claim of Charlotte Carpenter in the sum of \$6,028 resulting from a motor vehicle collision involving Portland Fire and Rescue (Ordinance)	\$6,028 from the Insurance & Claims Operating Fund.
*1320	Amend loan agreement with Oregon Infrastructure Finance Authority for the Levee Ready Columbia effort to extend project completion deadline (Ordinance; amend Loan Agreement)	No fiscal impact. This agreement extends the deadline for project completion.
*1321	Authorize the Director of the Bureau of Revenue and Financial Services to execute special appropriation grant agreements (Ordinance)	No anticipated fiscal impact.

<p>*1322 Amend relocation policy to allow relocation assistance for executive and hard to fill positions in a lump sum of up to \$10,000 and utilize the approved relocation vendor to enhance the onboarding experience and maximize utilization of funds (Ordinance; amend HRAR-3.01)</p>	<p>Increased costs for candidate relocation will be funded within bureaus' current appropriations. This policy will increase the maximum relocation reimbursement from \$5,000 to \$10,000.</p>
<p>1323 Revise Pay and Park and Non-Pay Private Parking Facilities regulations to grant flexibility to the Director to determine where signs should be posted, authorize Operators to collect a parking fee, change references to the Portland Bureau of Transportation to the Revenue Division, and other housekeeping changes (Ordinance; amend Code Chapter 7.25)</p>	<p>This action updates language in the City's Pay and Park and Non-Pay Private Parking Facilities regulations. In addition to housekeeping items, the ordinance expands the situations in which towing is allowed and regulates the Parking Fee, an amount collected in addition to the penalty in pay and park facilities to compensate facility owners for lost revenue. No financial impact to the City is anticipated.</p>
<p>Portland Housing Bureau</p>	
<p>*1324 Authorize an Intergovernmental Agreement between the Portland Housing Bureau and Portland State University to provide Project Management for the leadership team at the Bureau (Ordinance)</p>	<p>Funding is available for this purpose in the bureau's FY 2018-19 budget.</p>
<p>Commissioner Chloe Eudaly</p>	
<p>Bureau of Transportation</p>	
<p>1325 Authorize a contract with the lowest responsible bidder for the N Denver Avenue Pavement Rehabilitation Project from N Lombard St to N Watts St for an estimated \$1,335,000 (Ordinance)</p>	<p>Total project cost is \$1.9 million, of which \$1.3 million is the estimate for construction costs. This project is budgeted in the bureau's FY 2018-19 budget.</p>
<p>*1326 Authorize payment to Carol Williamson and Associates, LTD for \$14,660 for work in retail space at the 3rd and Alder SmartPark (Ordinance)</p>	<p>Cost for the consultant work is \$14,659.80 and is a budgeted expense from the bureau's SmartPark operations and maintenance fund.</p>

<p>*1327 Authorize an Intergovernmental Agreement with the Oregon Department of Transportation for safety improvements on US30BY (N Lombard) at N Greeley, N Newman, N Washburn, and N Fenwick (Ordinance)</p>	<p>Total project cost is \$2.0 million. The bureau will make a budget adjustment in the Spring BMP for the initial project costs (\$200,000 - \$250,000). The remaining project cost will be budgeted in the bureau's FY 2019-20 Requested Budget.</p>
<p>1328 Authorize a contract with the lowest responsible bidder for the SW Capitol Highway Pavement Rehabilitation Project SW Multnomah Blvd to SW Texas for an estimated \$2,024,646 (Second Reading Agenda 1276)</p>	<p>Total project cost is an estimated \$2.9 million and is included in PBOT's FY 2018-19 budget. This project is 100% funded by Fixing Our Street revenues.</p>
<p>Commissioner Nick Fish Bureau of Environmental Services</p>	
<p>1329 Revise the amount authorized to expend under the Add Work Letter Agreement with the Oregon Department of Transportation related to sewer facility adjustments by the US26 (Powell Blvd) SE 122nd Ave to SE 136th Ave Project for an amount not to exceed \$30,000 (Ordinance; amend Ordinance No. 188886)</p>	<p>Funding is available in the bureau's FY 2018-19 Adopted Budget for this work letter agreement.</p>
<p>Commissioner Dan Saltzman Portland Bureau of Emergency Management</p>	
<p>*1330 Accept the FY 2018 Department of Homeland Security Urban Areas Security Initiative grant in the amount of \$2,353,665 from the Oregon Department of Emergency Management to enhance emergency preparedness through planning, training and equipping of emergency responders in the Portland Urban Area (Ordinance)</p>	<p>In accepting this grant, PBEM will include the \$2,353,665 in its requested budget for FY 2019-20 and FY 2020-21. This two-year grant will have equal offsetting expenditures to the full amount, spread over two fiscal years.</p>

<p>*1331 Authorize Portland Bureau of Emergency Management application to the Federal Emergency Management Agency for a Pre-Disaster mitigation grant in the amount of \$150,000 for an update to the 2016 Mitigation Action Plan (Ordinance)</p>	<p>No immediate fiscal impact. Should PBEM be awarded this Pre-Disaster Mitigation Grant, the bureau would make necessary budget adjustments in FY 2019-20 to accept the grant. This grant, if awarded, would be expended across three fiscal years through FY 2021-22.</p>
<p>REGULAR AGENDA Morning Mayor Ted Wheeler Bureau of Development Services</p>	
<p>*1332 Conditionally exempt the creation of certain mass shelters and short-term housing facilities from Parks and Recreation, Environmental Services, Transportation and Water systems development charges (Ordinance; amend Code Title 17, Chapter 21.16, Chapter 30.01 and add Section 30.01.096) 20 minutes requested</p>	<p>See below.</p>
<p>Bureau of Planning & Sustainability</p>	
<p>*1333 Develop a Waste Collection Access and Opportunity Program and authorize exemption as a Class Special Procurement (Ordinance) 20 minutes requested</p>	<p>See below.</p>

<p>*1334 Authorize an Intergovernmental Agreement with Oregon Department of Transportation for State real property cleanup services not to exceed \$2 million annually (Ordinance) 30 minutes requested</p>	<p>This action establishes an agreement between ODOT and the City for clean-up services. The contract will be managed by the Homelessness and Impact Reduction Program. Total charges for services in FY 18-19 are not-to-exceed \$1 million, and not-to-exceed \$2 million in each fiscal year thereafter. The charges for service include both fixed costs for a two member clean-up team, personal property storage, and project management. Variable costs include hourly rates for additional technician services.</p>
<p>*1335 Authorize limited tax revenue refunding bonds through December 31, 2021 (Ordinance)</p>	<p>If approved by the Council, the City will purchase refundable bonds in coordination with planned future issuances of other limited tax revenue and/or refunding bonds. Additionally, the City may utilize short-term bonds, issued as a credit facility, to finance a purchase of refundable bonds, followed by a take-out of such short-term bonds by long-term bonds at a later date. The ordinance allows for these actions through December 2021, though no action will be taken unless it is determined that it will produce savings to the City.</p>
<p>1336 Authorize the Second Amended and Restated Visitor Facilities Intergovernmental Agreement with Multnomah County and Metro (Second Reading Agenda 1293)</p>	<p>See below.</p>

Portland Housing Bureau		
1337	Accept the State of Housing in Portland 2018 Report (Report) 25 minutes requested	No fiscal impact to accept report.
Commissioner Chloe Eudaly		
Bureau of Transportation		
*1338	Authorize the Bureau of Transportation to acquire certain permanent and temporary rights necessary for construction of the East Portland Access to Employment and Education project, through the exercise of the City's Eminent Domain Authority (Ordinance)	Total project cost is \$5.8 million. The estimated costs to exercise eminent domain is budgeted within the total project cost, and is budgeted in the bureau's FY 2018-19 budget.
*1339	Authorize the Bureau of Transportation to acquire certain permanent and temporary rights necessary for construction of the NE 55th Avenue – NE 57th Avenue and NE Killingsworth Street LID project, through the exercise of the City's Eminent Domain Authority (Ordinance; C-10062)	Total project cost is an estimated at \$1.3 million. PBOT will budget \$250,000 for this project in the Spring BMP, and the remaining costs for construction in FY 2019-20.
1340	Vacate N Hunt St east of N Argyle Wy subject to certain conditions and reservations (Second Reading 1291; VAC-10121)	Total project cost is an estimated \$15,000. The process for vacating streets is a cost recovery program, paid for by the Petitioner. PBOT has budgeted this project in its FY 2018-19 budget.
Commissioner Amanda Fritz		
Water Bureau		
1341	Authorize the Water Bureau to acquire certain permanent and temporary property rights necessary for construction of the Willamette River Crossing through the exercise of the City's Eminent Domain authority as a last resort (Second Reading Agenda 1299)	The cost to acquire the project easements will be determined by an appraisal that will comply with the requirements of ORS Chapter 35, Eminent Domain; Public Acquisition of Property. The estimated total project cost is \$88,000,000. Funds of \$5.6 million are available as part of the revised FY 2018-19 budget. Approximately \$79 million in additional project funds will be requested in FY 2019-20 through FY 2021-22.

<u>WEDNESDAY, 2:00 PM, DECEMBER 19, 2018</u>		
1342	TIME CERTAIN: 2:00 PM – Results of Financial Audit of the City Comprehensive Annual Financial Report for FY 2017-18 and related communications (Report introduced by Auditor Hull Caballero) 1 hour for items 1342-1343	The acceptance of the report on the annual financial audit does not have any financial or budgetary impact. The cost of the City's financial audit is covered by the Office of the City Auditor's current budget.
1343	Accept the City of Portland Comprehensive Annual Financial Report for FY ended June 30, 2018 (Report introduced by Mayor Wheeler)	No Fiscal Impact.
1344	TIME CERTAIN: 3:00 PM – Adopt Area Parking Permit Surcharge Allocation Guidelines (Ordinance introduced by Commissioner Eudaly) 1 hour requested	No immediate fiscal impact. This Ordinance approves the guidelines for eligible projects within the APP zones for reinvestment from the surcharge. The current surcharge is \$120.00 on top of permit cost itself of \$60.00. The guidelines detail possible projects within the area parking permit zone for reinvestment, limit the number of resident permits issued, and creates a cap on the total number of permits issued as part of a larger transportation demand management practice.
1345	TIME CERTAIN: 4:00 PM – Accept the Oregon Sports Authority's annual report on national and international sports marketing activities and event recruiting services (Report introduced by Mayor Wheeler; Contract No. 30005536) 15 minutes requested	No Fiscal Impact.
1346	TIME CERTAIN: 4:10 PM – Proclaim December 19 th to be the day Portland honors the Universal Declaration of Human Rights (Proclamation introduced by Mayor Wheeler and Commissioner Fritz) 30 minutes requested	No Fiscal Impact.
<u>THURSDAY, 2:00 PM, DECEMBER 20, 2018</u>		

<p>*1347</p>	<p>TIME CERTAIN: 2:00 PM – Authorize new construction financing in an amount not to exceed \$15,950,000 for the Argyle Apartments (Ordinance introduced by Mayor Wheeler) 20 minutes requested</p>	<p>Funding is available for this purpose in the bureau’s FY 2018-20 Interstate Corridor Urban Renewal Area TIF budget.</p>
<p>1348</p>	<p>TIME CERTAIN: 2:20 PM – Accept the Year Three Bond Oversight Committee Report on the \$68 Million Parks 2014 General Obligation Bond (Report introduced by Commissioner Fish) 15 minutes requested</p>	<p>No fiscal impact for presentation of the report.</p>
<p>REGULAR AGENDA Afternoon</p> <p>Mayor Ted Wheeler Bureau of Police</p>		
<p>1349</p>	<p>Update Burglary and Alarm Systems Code with current practices and definitions for alarm permitting (Ordinance; replace Code Chapter 14B.10) 15 minutes requested</p>	<p>This ordinance updates City Code related to Burglary and Alarm Systems Code. In addition to clarifying roles and responsibilities, the changes in this ordinance are intended to reduce the number of false alarms that police officers respond to, redirecting their time to higher value activities. To the degree that this effort is successful, the Police Bureau may experience a decline in revenues from fines charged for repeated false alarms, but increases revenue from permitted alarm systems may offset this. Generally, the fiscal impact is considered minimal. If, in the future, appeal hearings are heard by the Hearings Office, the Police Bureau will pay the cost of these hearings via an interagency agreement with the Auditor’s Office.</p>
<p>Office of Management and Finance</p>		
<p>1350</p>	<p>Accept bid of Just Bucket Excavating, Inc. for the NE Columbia Blvd at MLK Jr. Blvd Project for \$1,083,525 (Procurement Report - Bid No. 00000643) 10 minutes requested</p>	<p>Total project cost is \$3.2 million and is budgeted in the bureau’s FY 2018-19 budget.</p>

1351	Accept bid of Brown Contracting, Inc. for the highway Safety Improvement Program Bike & Pedestrian Project for \$1,193,111 (Procurement Report - Bid No. 00000974) 10 minutes requested	Total project cost is \$1.8 million and is budgeted in the bureau's FY 2018-19 budget.
1352	Accept bid of Moore Excavation, Inc. for Downtown Old Town: Caruthers-Mill Sewer Rehabilitation for \$2,934,730 (Procurement Report - Bid No. 00001063) 10 minutes requested	The engineer's estimate for this project was \$3,287,200.00 and the confidence level was high. This bid of \$2,934,730 is 11% less than the engineer's estimate. Funding for this project is budgeted in the bureau's FY 2018-19 budget and will be included in the bureau's FY 2019-20 requested budget.
Portland Housing Bureau		
1353	Establish 2019 sale price cap for the Homebuyer Opportunity Limited Tax Exemption Program (Resolution) 10 minutes requested	No direct fiscal impact. The HOLTE program reduces revenue to the City through foregone property tax revenue. This action establishes the 2019 sales cap price for units eligible to receive the property tax exemption at \$395,000.

1293 – Authorize the Second Amended and Restated Visitor Facilities Intergovernmental Agreement with Multnomah County and Metro

CBO Analysis: The amended IGA allows for additional spending allocations to the City, METRO, Multnomah County, and Travel Portland. These allocations are possible by freeing up funds that, under the prior IGA, were inaccessible. New City funds can be used to partially back renovations at Veterans Memorial Coliseum and Portland5. Additional funds will also be allocated to operational costs and renovations to the Expo Center, increased funds for the Visitor Development Fund at Travel Portland, and address livability issues related to tourism. There are no new direct costs to the City. Implementation of the agreement is subject to approval by both METRO and Multnomah County. Metro has scheduled a hearing for Thursday, December 13th. Multnomah County has not yet scheduled a hearing.

1313 Authorize the Office for Community Technology and the Portland Bureau of Transportation to enter into an agreement with AT&T related to the permitting of small cellular technology in the public right of way to enable 5G deployment.

CBO Analysis: This Resolution authorizes the Office of Community Technology (OCT) and the Portland Bureau of Transportation (PBOT) to enter into negotiations with AT&T for franchising and permitting small cellular infrastructure for 5G deployment in advance of the new FCC regulations that go into effect in January 2019.

The full impact of new FCC regulations is still unknown, but if the recent determinations made specifically around 5G deployment are expanded to other franchise and permitting agreements, this may have significant impacts on the City's revenues derived from these sources and the City's ability to meet allowable permitting timelines.

The tentative terms of the agreement, established in Attachment A as filed, outline the following financial terms in return for use of the right-of-way and leasing:

- AT&T will pay \$1,250 per year, with an annual inflation escalator of 3%, per small wireless facility for the initial ten-year term of the *Franchise Agreement* with the Office for Community Technology.
 - AT&T will prepay for the first five years of this ten-year agreement, which is estimated at \$937,500.
- AT&T will pay \$750 per year, with an annual inflation escalator of 3%, per small wireless facility on City-owned poles for the initial ten-year term of the *Master Lease Agreement* with PBOT.
 - AT&T will prepay the full ten-year term in advance. PBOT estimates 40-50 City-owned poles being utilized, leading to an estimated \$315,000.
- The total pre-payment to the City, \$1,252,500, will be paid in two tranches. Fifty percent (\$625,000) within sixty (60) calendar days following final execution of the Agreement and effective date of the Revocable Permit; and Fifty percent (\$625,000) within sixty (60) calendar days following the effective date of the Franchise.
- AT&T will pay for mutually agreed-upon improvements related to the deployment of its small wireless facilities on City-owned poles. This includes pole replacement in order to attach the wireless facility.
- AT&T will pay \$200,000 to an organization of AT&T's choice to advance digital equity and inclusion.
- The City will be responsible for processing permitting within sixty days – which may require additional staffing needs at PBOT to meet agreement terms, as this timeline is aggressive relative to current practice.
- Additional revenue from wireless franchises and small wireless facility leases is anticipated as deployment activity increases.

This Resolution approves PBOT to negotiate the Master Lease Agreement; it is CBO's understanding this will not return to Council for additional review. It is CBO's understanding that the Franchise Agreement, negotiated by OCT, will require additional Council approval and may have additional fiscal impacts and information.

CBO notes that language in the impact statement attached to the resolution indicates the intent to allocate the revenues derived from the Franchise Agreement to the Office for Community Technology. Typically, revenues derived from franchise agreements are considered unrestricted General Fund resources, available for allocation through the annual budget process and City financial policy 2.04 prohibits pre-dedicating General Fund resources for a specific purpose unless explicitly stated by Council. If the revenues derived from the Franchise Agreement are allocated to OCT, this pre-payment revenue (and future franchise revenues) would not be available for allocation during the annual budget process. This is a departure from current/common practice around franchise agreement revenues.

The resolution in front of Council does not allocate resources at this time, and Council will have the opportunity to weigh in on any decision to allocate resources via the forthcoming Franchise Agreement and/or other future council budgetary action.

1315 Authorize an Intergovernmental Agreement with Parkrose School District for \$10,000 for the Parkrose-Argay Development Study known as Rossi Farms Development Plan

CBO Analysis:

This ordinance authorizes an intergovernmental agreement in which the City of Portland Bureau of Planning and Sustainability will provide up to \$10,000 in funds to the Parkrose School District in FY 2018-19 to support the drafting of the Parkrose-Argay Development Study (Ordinance No. 188470). The funds for this agreement are derived from a Metro-City of Portland IGA Grant (Ordinance No. 188881), which totals \$112,500. The Metro IGA requires the City to execute an additional IGA with the Parkrose School District to provide resources for the study. There are no other direct fiscal impacts. However, there may be indirect personnel costs to administer the agreement and for the management of the development study.

1332 Conditionally exempt the creation of certain mass shelters and short-term housing facilities from Parks and Recreation, Environmental Services, Transportation and Water systems development charges

BDS notes that the systems development charge waiver would apply to the limited number of mass shelter and short-term housing facilities currently proposed or in the permitting stage as well as any future

proposals. City Commissioners overseeing the Parks and Recreation, Water, Transportation and Environmental Services (the bureaus that assess SOC's) already generally agree to waive SOC fees for mass shelter and short-term housing facilities but on a project by project basis. Therefore, the proposal to codify the SOC waiver in City Title should not result in any new financial impact. Furthermore, a waiver of SOC fees for mass shelters that have leases of at least 10 years already exists and will, in effect, be replaced by the broader waiver that does not specify a minimum 10-year lease; only that the proposed mass shelter or short-term housing facility has a working agreement with the Joint Office of Homeless Services.

BDS has calculated the dollar amounts of SDC fees that would be waived based on the proposed ordinance. Fees for the Foster Shelter were calculated but are already waived because that shelters has lease longer than 10 years (the current City Code requirement). Some estimates don't include all fees because the project is phased or considered temporary. SDC waiver dollar amount can also vary by many factors including size, previous trips generated, improvements required, temporary or permanent use, and existing conditions:

Kenton Women's Village:	\$29,409
Harbor of Hope:	\$186,331
Foster Shelter (waived):	\$66,154
Walnut Park:	\$8,444

In early October, CBO compiled data from various bureaus (PBOT, BES, Parks, & Water) on SDC revenues and exemption values over the last several years:

Fiscal Year	SDC Fee Revenue*	Estimated exemption, based on # of ADUs exempted / year**
2013-2014	\$52,828,118	\$1,939,653
2014-2015	\$59,890,477	\$3,060,210
2015-2016	\$64,212,209	\$4,959,363
2016-2017	\$89,489,723	\$6,474,347
2017-2018	\$103,294,711	N/A

*Includes loan and deferral contract revenues

**Does not include PBOT estimates of exemptions. BTS estimate per calendar year, divided calendar years to obtain assumed fiscal year numbers, multiplied by SDC fee that would have applied at the time.

1333 Develop a Waste Collection Access and Opportunity Program and authorize exemption as a Class Special Procurement

Fiscal impacts related to this action include:

- Potentially increasing the costs associated with the Public Trash Can Program up to \$500,000 in costs annually by 2022. CBO's understanding is that these costs are not fully factored into the current commercial tonnage fee schedule, which increased by \$3 per ton on July 1, 2018.
- Losing savings realized by consolidating individual bureau contracts for City-owned facilities and offices trash collection.
- Additional costs in Procurement for the establishment and monitoring of a new Procurement class exemption, which are real, but unknown.

In alignment with the newly adopted Waste Equity Workplan, this ordinance seeks to create a new Waste Collection Access and Opportunity Program to increase access and opportunities for capacity-building for COBID-certified companies. It also seeks to authorize exemption as a Class Special Procurement to achieve this goal. This applies to both the Public Trash Can Program and the City-Owned Offices and Facilities Collection Program. There are no direct fiscal impacts with the creation of this program or authorizing exemption as a Class Special Procurement. However, developing and administering the program will have additional budgetary impacts, as the program will require technical assistance for underrepresented companies interested in expanding their waste collection services into new arenas. BPS intends to contract with industry experts for this technical assistance, resulting in increased costs. The bureau also has indicated that they may enter into an interagency agreement with Procurement Services to extend the technical assistance offered by the Prime Contractor Development Program to waste collection companies.

In addition, there are expected increases in costs of the contract bids that will be procured because of the program. According to the bureau, costs associated with the Public Trash Program are expected to grow from a set of contracts that total \$600,000 annually to a \$2 million in 2022 due to expansion of services and new vendor contracts. The bureau expects contract bids as part of this program for public trash collection to be up to 25 percent higher than these expected estimates. This is due to upfront costs facing vendors entering the market, such as purchasing vehicles. However, the bureau expects that these amounts will normalize over time as vehicles depreciate and will eventually reduce the price the City pays for waste collection services over the long term by creating a more competitive procurement process. The length of time that this will take and the amount it will decrease is currently unknown, but the bureau speculates that for the public trash can program it will be approximately three years until bid dollar amounts are similar to what the City currently receives.

For the City offices and facilities collection, the bureau speculates that there will be increased costs due to the implementation of this program and procurement changes, as the bureau plans to disaggregate the current collection model to increase contract opportunities. Previously, the collection model was combined to be city-wide, instead of bureau by bureau, which resulted in City savings. The amount of increased costs to the City to return to a disaggregated approach is currently unknown.