

PORTLAND CITY COUNCIL AGENDA
City Hall - 1221 SW Fourth Avenue
WEDNESDAY, 9:30 AM, JULY 31, 2019

Disposition:

TIMES CERTAIN	
<p>703 TIME CERTAIN: 9:45 AM – Report on recent work from the City Auditor: Portland Parks Golf; Fixing Our Streets Program; Portland Building Follow Up; Housing Bond (Report introduced by Auditor Hull Caballero) 40 minutes requested</p>	<p>No fiscal impact.</p>
<p>704 TIME CERTAIN: 10:45 AM – Proclaim July 31, 2019 to be PHAME Day (Proclamation introduced by Mayor Wheeler and Commissioner Eudaly) 15 minutes requested</p>	<p>No fiscal impact.</p>

CONSENT AGENDA – NO DISCUSSION

Mayor Ted Wheeler

Bureau of Development Services

- 705** Authorize a Letter of Agreement with the American Federation of State, County, and Municipal Employees Local 189 and Professional Technical Employees Local 17 permitting Plan Review Staff to review certain mechanical permits during periods of high workload, economic downturn, employee turnover, and vacation (Ordinance)

The Letter allows for up to 520 hours (0.25 FTE) of mechanical reviews to be assigned to Plan Review staff and will result in additional expenditures due to increased pay while working in a higher classification. The actual additional expenditures will depend on employee classifications and tenure. However, BDS estimates that the impact will be approximately \$1,500 in the event all 520 hours are assigned. This Letter does not amend BDS's budget as the financial impact will be absorbed within existing resources. There is no change to staffing levels.

Office for Community Technology

- 706** Authorize an Intergovernmental Agreement with Multnomah County, the City of Fairview, the City of Gresham, the City of Troutdale, and the City of Wood Village to oversee a Municipal Broadband feasibility study (Ordinance)

This ordinance authorizes the City of Portland to enter into an IGA with Multnomah County and other partner jurisdictions to explore the feasibility of a municipal broadband system for the region. The feasibility study is to be performed by a consultant, with estimated total cost for the report at \$300,000. The City of Portland previously allocated \$25,000 in FY 2018-19 to support the development of the current scope of work. Of the \$300,000 total cost, only \$233,200 is currently covered by participating jurisdictions. Other jurisdictions will likely request that the City fund the deficit of \$66,800 in the future, though this ordinance does not explicitly authorize that additional contribution.

Office of Management and Finance

JULY 31, 2019

*707 Pay property damage and bodily injury lawsuit of Shelby Davis in the sum of \$287,500 resulting from a motor vehicle collision involving the Portland Police Bureau (Ordinance)	\$287,500 from the Insurance & Claims Operating Fund.
*708 Pay bodily injury claim of Brenda Docken in the sum of \$12,000 involving the Portland Bureau of Environmental Services (Ordinance)	\$12,000 from the Insurance & Claims Operating Fund.
*709 Pay bodily injury claim of Geraldine LaGreide in the sum of \$7,191 resulting from a motor vehicle collision involving the Portland Police Bureau (Ordinance)	\$7,191 from the Insurance & Claims Operating Fund.
*710 Pay settlement of lawsuit by Adam Rawlins in the sum of \$80,000 involving Portland Bureau of Transportation (Ordinance)	\$80,000 from the Insurance & Claims Operating Fund.
<p style="text-align: center;">Commissioner Jo Ann Hardesty</p> <p style="text-align: center;">Portland Bureau of Emergency Management</p> 711 Repeal outdated City Code Title 12 Air Pollution Emergency Episodes (Ordinance; repeal Code Title 12)	No fiscal impact.

<p>Commissioner Chloe Eudaly</p> <p>Bureau of Transportation</p>		<p>Total project cost is \$22.0 million. The acceptance of this grant is included in the total budget for the project. PBOT has budgeted this project in its FY 2019-20 budget, and the project is included in the bureau's five-year capital improvement plan.</p>
<p>*712 Accept a grant in the amount of \$2 million from the Oregon Department of Transportation for the SW Capitol Highway: Multnomah Village – West Portland project (Ordinance)</p>		
<p>*713 Accept grant in the amount of \$718,830 from TriMet and authorize Intergovernmental Agreement to improve access to transit on SE 162nd Ave (Ordinance)</p>		<p>Total project cost is \$1.7 million. The acceptance of this grant is included in the total budget for the project. PBOT has budgeted this project in its FY 2019-20 budget, and the project is included in the bureau's five-year capital improvement plan.</p>
<p>*714 Amend contract with The Street Trust for the delivery of bicycle and pedestrian safety education and training in an amount not to exceed \$648,888 (Ordinance; amend Contract No. 30006114)</p>		<p>The planned amendment to this contract, including the \$648,888 contract amount is budgeted for in PBOT's FY 2019-20 Adopted Budget.</p>
<p>*715 Authorize a contract with the lowest responsible bidder for the Flanders Crossing Active Transportation Bridge project in an amount not to exceed \$5.5 million (Ordinance)</p>		<p>Total project cost is \$7.5 million. The project confidence level is moderate. The project is budgeted in PBOT's FY 2019-20 Adopted Budget and included in the bureau's five-year capital improvement plan.</p>
<p>*716 Authorize a license agreement with TriMet in connection with the NE 60th Ave street improvement project (Ordinance)</p>		<p>Total project cost is \$9.5 million. This project is budgeted in the bureau's FY 2019-20 Adopted Budget.</p>
<p>717 Authorize an Intergovernmental Agreement with Oregon Department of Transportation for the right-of-way services of the Seventies Neighborhood Greenway project (Ordinance)</p>		<p>Total project cost is \$5.0 million. This authorization approves an IGA for right-of-way services only. The project is budgeted in PBOT's FY 2019-20 Adopted Budget.</p>
<p>Commissioner Nick Fish</p> <p>Bureau of Environmental Services</p>		
<p>718 Authorize an Intergovernmental Agreement between the Bureau of Environmental Services and the Port of Portland for use of each agencies' compressed natural gas fueling facility in the event that such party's facility is inoperable not to exceed \$1,000 per calendar year (Ordinance)</p>		<p>The costs associated with this agreement will be absorbed into the Sewer System Operating Fund.</p>

<p>719 Authorize the Bureau of Environmental Services to execute an easement with the Port of Portland as part of the NE Airport Way Loop; Vicinity 7300 PH2, Project No. EP464 (Second Reading Agenda 663)</p>	<p>No fiscal impact. All costs related to this work will be reimbursed by the Port of Portland.</p>
<p>REGULAR AGENDA</p>	
<p>Mayor Ted Wheeler</p>	
<p>Bureau of Police</p>	
<p>720 Authorize a State of Oregon traffic enforcement grant agreement and appropriate \$25,000 in traffic enforcement funds for FY 2019-20 to reimburse overtime expenses of sworn personnel on patrol in agreed upon highway locations (Ordinance) 15 minutes requested</p>	<p>This ordinance authorizes a grant agreement with the State of Oregon and amends the FY 2019-20 budget to increase the Police Bureau's appropriation level by \$25,000 in grant proceeds. Funds will be used to support overtime expenses for highway patrol. No local match is required.</p>
<p>721 Authorize a \$543,600 State of Oregon traffic enforcement grant agreement and appropriate \$271,800 in traffic enforcement funds for FY 2019-20 to reimburse overtime expenses of sworn personnel on patrol in identified State Work Zones (Ordinance) 15 minutes requested</p>	<p>This ordinance authorizes a grant agreement with the State of Oregon for \$543,600 for a two year period, and amends the FY 2019-20 budget to increase the Police Bureau's appropriation level by \$271,800 in grant proceeds. Funds will be used to support overtime expenses for traffic enforcement in State Work Zones. The required local match, \$64,000, will be funded within the bureaus existing resources.</p>
<p>Office of Management and Finance</p>	
<p>722 Appoint Adam Abplanalp and reappoint Harriet Strothers and Daniel Morris to the Business License Appeals Board (Report) 10 minutes requested</p>	<p>No fiscal impact.</p>

<p>723 Accept bid of Moore Excavation, Inc. for the NE 47th Ave Phase I LID, NE 27th & Holland LID project for \$5,853,529 (Procurement Report - Bid No. 00001254) 15 minutes requested</p>	<p>Total project cost is \$6.35 million. This bid is 29% lower than the original engineering estimate for construction costs, at \$5.8 million. PBOT has this project budgeted in its FY 2019-20 budget, and will include it in FY 2020-21 and FY 2021-22 budgets, as this is a multi-year project.</p>
<p>*724 Authorize a 61 month lease from Jason and Myungja M. Lee to the Office of Management and Finance for space at 220 SW Main St located on the ground floor of the Justice Center for programs with ancillary services to the building at an average annual cost of approximately \$54,500 (Ordinance) 10 minutes requested</p>	<p>This ordinance authorizes a 5 year lease for the Police Bureau to expand its footprint in the Justice Center. An additional 2,400 square feet will be leased to the Bureau at an initial rate of approximately \$22 per square foot. The additional cost, anticipated to be \$54,500 with a 2.5% escalation factor, will be covered within the bureau's existing resources. The space will be occupied by the Police Bureau Quartermaster, as well as serve as community meeting space for the Central Precinct.</p>
<p>725 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 in connection with the Downtown/Old Town SW Main/Taylor Sewer Rehabilitation Project for an estimated amount of \$7.1 million (Ordinance) 15 minutes requested</p>	<p>This ordinance authorizes an exemption to the standard competitive bidding process for a sewer rehabilitation project in Downtown/Old Town. The estimated Construction Contract cost is \$7,100,000. The estimated total Project cost is \$12,868,000, including construction, design services, project management/staff costs, construction management and other direct costs and contingences. These estimates are low confidence. This project is part of BES' Large Scale Sewer Rehabilitation Program, which is funded through FY 2030.</p>

<u>WEDNESDAY, 2:00 PM, JULY 31, 2019</u>	
<p>REGULAR AGENDA</p> <p>AFTERNOON</p> <p>Mayor Ted Wheeler</p> <p>Portland Housing Bureau</p>	
<p>*726 Authorize an Intergovernmental Agreement between the Portland Housing Bureau and Portland State University to develop a landlord-tenant mediation services pilot program (Ordinance) 10 minutes requested</p>	<p>This IGA allocates up to \$27,700 of the \$150,000 in one-time General Fund budgeted in FY 2019-20 for a mediation services pilot through the Rental Services Office.</p>
<p>727 Establish an annual residential rental unit registration fee to fund the Housing Bureau's Rental Services Office from the Housing Investment Fund (Ordinance) 30 minutes requested</p>	<p>See below.</p>
<p>Commissioner Chloe Eudaly</p> <p>Bureau of Transportation</p>	
<p>728 Amend Vehicles and Traffic and Public Improvements codes to add necessary clarification and update language to align with current City practices (Ordinance; amend Code Title 16 and 17; add Chapter 17.109)</p>	<p>No fiscal impact.</p>
<p>729 Vacate SE 64th Ave south of SE Sherman St subject to certain conditions and reservations (Hearing; Ordinance; VAC-10122) 20 minutes requested</p>	<p>Total cost of vacating SE 64th Ave is estimated (moderate confidence) at \$22,000, and is to be paid for by Portland Parks & Recreation. This project; expenses and revenues, are budgeted in both PBOT's and PP&R's FY 2019-20 budgets.</p>
<p>730 Vacate a portion of SW 9th Ave between SW Gibbs St and SW US Veterans Hospital Rd subject to certain conditions and reservations (Hearing; Ordinance; VAC-10123) 10 minutes requested</p>	<p>Total cost of vacating SW 9th Ave is estimated (moderate confidence) at \$7,500. The Petitioner will reimburse PBOT for the cost associated with street vacating. This project is budgeted in PBOT's FY 2019-20 budget.</p>
<p>S-731 Amend Public Improvements code to permit the attachment of wireless facilities on poles (Second Reading Agenda 674; amend Code Sections 17.04.010, 17.24.101, 17.60.110)</p>	<p>No fiscal impact.</p>

<p>732 Amend contract with TriMet for \$6,571,781 to provide for enhanced upkeep and security of the Portland Transit Mall and the original Light Rail Transit Loop segment of 1st Ave, Morrison and Yamhill Streets (Second Reading Agenda 675; amend Contract No. 30000826)</p>	<p>Total cost for the Transit Mall maintenance and security is \$6.6 million for five years. This ordinance renews and extends the existing agreement between the City and TriMet through 2024. For FY 2019-20, PBOT has included these costs, as has the Portland Parks Bureau.</p>
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<p>Commissioner Amanda Fritz</p> <p>Water Bureau</p>	
<p>733 Authorize the Water Bureau to acquire certain property and easements necessary for construction of the Corrosion Control Improvements Project through the exercise of the City’s Eminent Domain Authority as a last resort (Second Reading Agenda 693)</p> <p>RESCHEDULED TO A DATE TO BE DETERMINED</p>	<p>The cost to acquire the Project property rights 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 \$19,916,132. Funds of \$1,600,000 are available as part of the FY 2019-20 Budget. Additional funding will be requested in FY 2020-21 through FY 2022-23 Budgets.</p>
<p>734 Authorize Exchange Agreement with the USDA Forest Service to execute a land exchange in the Bull Run (Second Reading Agenda 694)</p>	<p>This exchange agreement does not require payment by either party to complete the transaction. As a result of this agreement, the Portland Hydroelectric Project (PHP) will realize savings of approximately \$150,000 per year due forgone fees paid to the Federal Energy Regulatory Commission for operating on federal land. Following this land exchange, the PHP will no longer operate on federal land. Costs of completing this real estate transaction are estimated to be \$100,000 and will be funded within the Portland Water Bureau’s FY 2018-19 and FY 2019-20 budgets.</p>
<p>Commissioner Nick Fish</p> <p>Bureau of Environmental Services</p>	
<p>*735 Authorize Intergovernmental Agreements and grant agreements in support of Your Neighborhood to the River Program for four years beginning FY 2019-20 in amounts up to \$100,000 per year, with a total aggregate cost not to exceed \$400,000 (Ordinance)</p>	<p>Funding for this IGA is incorporated into the BES Watershed Services Operating Budget across multiple capital projects, with the resources being granted from the Sewer System Operating Fund.</p>
<p>*736 Authorize Intergovernmental Agreement with the Oregon Department of Environmental Quality for regulatory oversight related to contamination management of various capital improvement and operating projects in an amount not to exceed \$1.5 million over 10 years (Ordinance)</p>	<p>The costs for DEQ review are baked into the expenditure budgets of capital project and facilities costs across the City, with BES acting as financial intermediary between the City and DEQ. BES projects to reimburse DEQ approximately \$150,000 per year for site assessment and other oversight</p>

	<p>activities. Costs will be charged to the Sewer System Operating Fund, which will be reimbursed by partnering bureaus.</p>
<p>737 Amend contract with Moore Excavation, Inc. for additional compensation to complete existing contract work due to increased bid item quantities and changed conditions for the Slabtown Sewer Replacement Project No. E10663 not to exceed \$4,157,000 (Ordinance; amend Contract No. 30006131) 10 minutes requested</p>	<p>This Ordinance amends Contract No. 30006131 with Moore Excavation, Inc. for additional compensation not-to-exceed an amount of \$4,157,000. The estimated amended not-to-exceed amount of the contract is \$12,580,219, which is 49.4% above the original contract. The level of confidence is moderate. Resources for the increased not to exceed amount are available in the bureau's FY 2019-20 Budget in the Sewer System Operating Fund.</p>
<p>738 Authorize a five-year Joint Funding Agreement between the Bureau of Environmental Services and the U.S. Geological Survey, U.S. Department of the Interior for hydrologic, temperature and sediment monitoring in Johnson Creek, Columbia Slough, Willamette River, Fanno Creek and Tryon Creek for \$672,108 (Ordinance) 10 minutes requested</p>	<p>This Ordinance authorizes a five-year Joint Funding Agreement between BES and the U.S. Geological Survey for monitoring services. The total cost of this effort will not exceed \$989,425; USGS is providing \$339,567 in Cooperative Matching Funds and the City of Portland is providing a not-to-exceed amount of \$672,108. Other jurisdictions throughout Johnson Creek are providing \$351,100 in matching funds. The budget for this City's contributions to the first year of the JFA (\$160,748) is included in the bureau's FY 2019-20 budget in the Sewer System Operating Fund. Future years are planned for in the bureau's 5- year budget. There is a high level of confidence in the cost estimates. The bureau notes the ability to reduce the scope of the JFA to match budget availability in the future.</p>
<p>City Auditor Mary Hull Caballero</p>	<p>No fiscal impact</p>

739 Amend City Code to update oath of office requirements (Second Reading Agenda 695; amend Code Chapter 3.74 and Code Sections 3.20.190 and 3.20.240)

THURSDAY, 2:00 PM, AUGUST 1, 2019

**DUE TO LACK OF AGENDA THERE WILL BE
NO THURSDAY 2:00 PM MEETING**

727 Establish an annual residential rental unit registration fee to fund the Housing Bureau's Rental Services Office from the Housing Investment Fund

CBO Analysis

The Rental Registration fee has been structured with the goal of raising \$3.6 million annually to support the Housing Bureau's Rental Services Office (RSO) and associated collection costs in the Revenue Division. This revenue target includes both costs that are currently funded with one-time resources as well as new anticipated expenditures.

- For the Housing Bureau, this includes all current Rental Services Office staff, programming, and indirect costs currently funded by one-time resources, including services that are new or being piloted in FY 2019-20. The budget includes the ongoing support for a separate, Commercial Off-the-Shelf system to collect Rental Registration unit data, but does not include funding to purchase said system.
- For the Revenue Division, this includes three FTE and associated materials and services, outreach materials, bureau overhead, and the Rental Registration's allocation of Integrated Tax System maintenance.

There are a number of low-confidence factors embedded in the fee revenue assumptions that could either cause over-recovery or under-recovery of program costs, depending on the outcome of new pilot programming and services and compliance functions. The fee as structured may ultimately over-collect if various pilots in the RSO are ultimately not scaled and made permanent. In addition, there are several new RSO services and compliance functions, the ultimate cost of which be higher or lower than currently anticipated. It will be important for the Revenue Bureau and the Housing Bureau to reconsider the fee structure and level after an acceptable trial period whereby ongoing program costs are more known.

The proposed fee assumes that the Rental Services Office will continue receiving ongoing General Fund and federal support of \$1.3 million to fully fund RSO operations. If fee revenues are sufficient, this General Fund subsidy could be reduced in the future. Alternatively, lower compliance could drive choices about which programs to cut or scale, require a General Fund subsidy to maintain current proposed service levels, increase enforcement costs, and/or require fee increases in future years.

Key Expenditure Risks and Uncertainties

- It is uncertain whether programs currently funded as pilot projects will be converted to ongoing programs. \$250,000 is budgeted in FY 2019-20 for pilot programs related to records expungement and mediation services.
- Estimates to implement the recently-adopted FAIR program are based on analysis completed by the bureau for Requested Budget submission in January 2019; actual costs may vary from these early initial estimates.
- It is uncertain whether the Housing Bureau will procure a separate Rental Registration system expansion to facilitate collection of unit data. The fee structure as proposed assumes \$650,000 in ongoing system maintenance costs based on a \$5/unit fee quote provided by a vendor. However, no funding source has been identified for procurement of the system itself, estimated at \$900,000 (including software procurement, project management costs, and configuration).
- It is unclear at this point how this new system and the tax platform (either the current BLISS or upcoming Integrated Tax System) will interface or what the total cost will be for integration. It is also unclear how compliance efforts will be coordinated (both internally and from a user experience perspective), and what impact this may have on operational costs in both bureaus.

Key Revenue Risks and Uncertainties

JULY 31, 2019

- The \$60 per unit annual fee assumes a year one 60% compliance rate, increasing to 80% over a five year horizon. As the Rental Registration program is unlike other fees administered by the Revenue Division, it is difficult to predict compliance and this is a low-confidence estimate. Actual compliance rates could be substantially lower or higher.
- Full data is not yet available from the first year of the Rental Registration program, which was mandatory but did not include a fee. Although only 14,000 units (out of 120,000 eligible) had registered in the April Business License Tax filing, the Revenue Division notes that most large property owners opt for the extended filing due date in October.
- As noted above, the fee scenario relies on both ongoing General Fund and federal support rather than full recovery of all costs through the Rental Registration fee.
- The fee may only be used for the Rental Services Office. Depending on choices made by Council about which services to fund and based upon actual unit numbers and compliance rates, it is possible that the fee could bring in revenue above and beyond what is required to fund costs currently backed by one-time resources.