

<p>PORTLAND CITY COUNCIL AGENDA City Hall - 1221 SW Fourth Avenue <u>WEDNESDAY, 9:30 AM, NOVEMBER 13, 2019</u></p>		<p>Disposition:</p>
<p>TIMES CERTAIN</p>		
<p>1038</p>	<p>TIME CERTAIN: 9:45 AM – Proclaim November 17th, 2019 to be World Day of Remembrance for Road Traffic Victims (Proclamation introduced by Mayor Wheeler) 30 minutes requested</p>	<p>No fiscal impact.</p>
<p>1039</p>	<p>TIME CERTAIN: 10:15 AM – Building Economic Justice in Portland: Presentation of the Cities for Financial Empowerment Blueprint for the City of Portland and Multnomah County (Report introduced by Mayor Wheeler) 30 minutes requested</p>	<p>No fiscal impact to accept the report. However, the report contains recommendations on changes in policy that, if implemented, may result in additional costs to the City which are not yet quantified.</p>
<p>CONSENT AGENDA – NO DISCUSSION</p>		
<p>Commissioner Chloe Eudaly</p> <p>Bureau of Transportation</p>		
<p>*1040</p>	<p>Authorize an Intergovernmental Agreement with the Oregon Department of Transportation for right-of-way services of the Brentwood Darlington Bike/Ped Improvements Project (Ordinance)</p>	<p>Total project cost is \$5.35 million and is included in the bureau's FY 2019-20 adopted budget and its five-year capital improvement plan.</p>

REGULAR AGENDA		
	Office of Management and Finance	
1041	Direct the Office of Management & Finance to create a 311 Program to improve and simplify community access to City information and services (Resolution introduced by Mayor Wheeler and Commissioner Eudaly) 30 minutes requested	See below.
Mayor Ted Wheeler		
	Bureau of Planning & Sustainability	
1042	Amend Deconstruction of Buildings Law Code to include houses and duplexes built in 1940 or earlier (Second Reading Agenda 1014; amend Code Chapter 17.106)	See below.
	Bureau of Police	
1043	Authorize three Oregon Impact traffic enforcement grants for a total of \$90,000 from the State of Oregon for officer overtime reimbursement and authorize the Mayor or Chief of Police to execute future Oregon Impact grant agreements (Second Reading Agenda 1019)	Oregon Impact will reimburse the City the actual officer overtime rate of pay per hour for the Traffic Division's direct enforcement of reducing impaired driving and improving traffic and pedestrian safety in an amount not to exceed \$90,000 for work performed before September 30, 2020. Local match is required in the amount of 20% for two of the grants; the match will be provided from existing bureau resources that support regular pay for officers performing enforcement in the Traffic Division.
	Office of Management and Finance	
*1044	Authorize \$235,000 total in grant funds for the Portland United Against Hate FY 2019-20 Special Appropriations Grant Program to support community organizations addressing hate violence (Ordinance) 30 minutes requested	Funding has been allocated for this purpose in the FY 2019-20 Adopted Budget.

<p>1045 Amend Revenue and Finance Code to streamline the procurement and contracting process (Previous Agenda 1022; amend Code Chapter 5.33, 5.34 and 5.68) 15 minutes requested</p>	<p>This Ordinance amends three chapters of the City's Revenue and Financial Code in order to streamline the procurement and contracting process. There is no direct fiscal impact from these changes; however, the bureau believes that the revisions included will enable bureaus to execute contracts in a more streamlined manner and accomplish work more efficiently.</p>
<p>Commissioner Amanda Fritz Water Bureau</p>	
<p>1046 Adopt a set of priority values, expectations, and the Recommended Option to guide the design and implementation of the City of Portland's Bull Run Filtration Projects (Resolution) 25 minutes requested for items 1046-1047</p>	<p>Water Bureau leaders provided an estimate for the current Recommended Option (the option proposed in this Resolution) at \$820 million dollars with an accuracy range of -30% to +50% (\$574 million to \$1.230 billion estimate range). These estimates do not include the additional interest costs associated with debt financing for the project. The preliminary estimate for operating and maintenance costs of the Recommended Option is \$13.5 million per year; there are current staff and treatment costs in the Water Bureau budget, so the additional cost related to corrosion control and filtration is estimated at \$10.75 million above the currently funded cost of approximately \$2.75 million. \$2.75 million.</p>

<p>1047 Authorize a contract with Stantec Consulting Services, Inc. for design services for the Bull Run Filtration Project in the amount of \$51 million (Ordinance)</p>	<p>In the September 19, 2019 City Council Work Session, Water Bureau leaders presented consulting costs estimates. This contract would approve a contract of \$51 million in consulting costs over the next 10 years. This amount is in line with the bureau's "Phased Implementation Minimum Compliance" option. The bureau states that the necessary initial FY 2019-20 funds are available in the current year budget, and that subsequent required funds will be requested as part of budget development over the next 9 years.</p>
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<u>WEDNESDAY, 2:00 PM, NOVEMBER 13, 2019</u>		
1048	TIME CERTAIN: 2:00 PM – Update bicycle parking regulations and amend fee schedule for Land Use Services (Ordinance introduced by Mayor Wheeler; amend Title 33, Planning and Zoning) 1.5 hours requested for items 1048-1049	See below.
1049	Establish standards for bicycle parking for certain City funded affordable housing projects designed but not yet permitted (Ordinance introduced by Commissioner Eudaly)	See below.
1050	TIME CERTAIN: 3:30 PM – Urge our Federal Government to engage in diplomacy with Iran (Resolution introduced by Commissioner Fritz) 25 minutes requested	No fiscal impact.
1051	TIME CERTAIN: 3:55 PM – Declare City’s opposition to nuclear weapons and urge the U.S. Federal Government to sign the Treaty on the Prohibition of Nuclear Weapons and take action to prevent nuclear war (Resolution introduced by Commissioner Fritz) 25 minutes requested	No fiscal impact.
1052	TIME CERTAIN: 4:20 PM – Amend Trees In Development Situations Code to extend sunset date for certain tree preservation regulations in development situations on private property (Ordinance introduced by Mayor Wheeler; amend Code Chapter 11.50) 40 minutes requested	No fiscal impact because there are no changes to the existing regulations.

THURSDAY, 5:30 PM, NOVEMBER 14, 2019

**Self Enhancement, Inc.
3920 N Kerby Ave, Portland 97227**

1053 **TIME CERTAIN: 5:30 PM** – Authorize the Office of Community & Civic Life to convene an internal multi-bureau work group to develop a plan for updating cross referenced responsibilities for public involvement and commit to renewing District Coalition Office contracts through June 2023 (Resolution introduced by Commissioner Eudaly) 2.5 hours requested

No immediate fiscal impact. The bureau has indicated that they may be requesting additional resources in FY 2020-21 budget development to continue the code change work. Should the Resolution pass, Civic Life would return to Council to extend the District Coalition Office contracts (funded at approximately \$2.5 million in FY 2019-20; these resources are part of the bureau's ongoing General Fund budget).

1041 Direct the Office of Management & Finance to create a 311 Program to improve and simplify community access to City information and services.

CBO Analysis

In response to a FY 2019-20 budget note, the Office of Management and Finance and the Office of Community & Civic Life have worked to identify the resources needed to fully implement a 311 program for the City of Portland. This Resolution addresses the Council directed budget note.

For FY 2019-20 the Office of Community & Civic Life (Civic Life) received \$306,895 in ongoing General Fund resources, \$251,710 in one-time General Fund resources, and 103,500 in Portland Building tenant interagency (IA) revenues to fund 5.5 FTE and launch the 311 Program within the Office of Community & Civic Life. The existing Information & Referral Program within Civic Life and its 6.0 FTE were included as a separate program offer in the FY19-20 Budget but will be integrated into the 311 Program for FY 2020-21.

At this time, OMF and Civic Life estimate a total program cost of \$3.1 million, \$150,000 one-time resources, and 28 FTE for a fully implemented 311 Program in FY 2022-23. This includes currently appropriated resources and FTE for the Information & Referral Program. The 311 Program is proposed to be funded through the General Fund Overhead model for a \$898,277 impact to ongoing General Fund discretionary resources, as described below:

- \$3.1 million total cost estimate less
 - IA revenue from Portland Building Tenants,
 - Intergovernmental (IGA) revenue from Multnomah County for the I&R program, and
 - Previously allocated resources for FY 2019-20's allocation for 311.
- Results in a \$1,911,227 total General Fund need split via the Overhead model – GF Discretionary 47% = \$898,277 and GF Overhead 53% = \$1,012,950.

While the confidence level for the ongoing program cost estimate is medium, it does represent the bureaus' best estimate of total costs to fully implement a 311 program. Should Council approve this Resolution, 311 will be funded on an ongoing basis via a Current Appropriation Level (CAL) adjustment. Funding this program outside of the budget cycle via CAL adjustment provides 311 with first claim on General Fund Discretionary resources heading into FY 20-21 budget development. This will result in fewer resources for other Council priorities, and depending on the final General Fund forecast, may necessitate reductions to other General Fund-funded functions.

The bureaus note that in FY 2020-21, the 311 program will not need the full \$3.1 million, therefore CBO recommends that Council reduce the allocated resources to the necessary level on a one-time basis. Based upon current estimates, this would result in a one-time reduction of \$1.27 million (a \$600,580 savings in General Fund discretionary) in FY 2020-21 and a one-time reduction of \$520,064 (a \$244,430 savings in General Fund discretionary) in FY 2021-22. These one-time reductions may come forward as decision packages in the next two fiscal year budget developments. Allocating the resources in this manner will provide the necessary phased-in resources while ensuring estimated ongoing resource stability for the program.

It is important to note that these are initial estimates, and do not account for possible savings through utilizing existing FTE resources across the City, pending a third-party consultant's report and recommendations which will be discussed with Council in a work session this December. CBO notes, savings would only occur if the bureau(s) for which FTE is transferred to 311 do not replace those FTE elsewhere within their bureau(s). It is important to also note that OMF and Civic Life are only estimating \$150,000 in one-time resources to address the call center location needs. At the moment, the call center location and spacing needs are not known. This cost could vary substantially, as the bureaus discuss locations including: co-locating with the Bureau of Emergency Communications (BOEC) at a new, additional facility to meet BOEC's redundancy needs for emergency preparedness, or utilizing space within the Portland Building, or a third option altogether. Lastly, OMF and Civic Life may identify other costs associated with implementing 311 at a later time. Those additional costs may come forward in future budget development via a decision package for new General Fund resources, related to space, FTE, technology needs, etc.

Other risks or cost vulnerabilities for a successful 311 program include:

- Negotiations with Multnomah County on I&R and how 311 changes this. The County could choose to not increase its service level with the City, and/or reduce its contribution to the existing program. This could impact General Fund resources needed to maintain the program.
- After the program is implemented and Civic Life has collected enough data, it is possible to transition the program from being General Fund supported to strictly an IA funded model, where the bureaus pay a proportional share of the program's cost based on use. This could result in General Fund savings in out years.

1042 Amend Deconstruction of Buildings Law Code to include houses and duplexes built in 1940 or earlier

CBO Analysis

This Ordinance amends City Code Chapter 17.106 changing the Deconstruction of Buildings Law Code to include houses and duplexes built in 1940 or earlier. There are no direct fiscal impacts of this ordinance; however there are administrative costs as this change results in program expansion and will increase the percentage of demolition permits captured.

Administration of the deconstruction ordinance is the responsibility of the Bureau of Planning and Sustainability (BPS). The current staffing requirement is approximately 0.5 FTE. Additional work created by the proposed amendment would be covered by existing staff and would require an expected increase in time for a total 0.6 FTE. The bureau plans to fund this with existing resources from a Metro Solid Waste Grant and Solid Waste Management Fund resources.

All demolition permit applications are taken in by the Bureau of Development Services (BDS). The assignment of any required deconstruction review based on the year-built threshold is programmed into the permit database (TRACS) and does not require BDS staff resources; however, updating the permit database to reflect the 1940 year change would require a one-time modification to TRACS programming by

BDS.

1048 Update bicycle parking regulations and amend fee schedule for Land Use Services

CBO Analysis

This Ordinance amends the City's Zoning Code to update existing requirements for bicycle parking to ensure new construction provides bicycle parking and amends the fee schedule for Land Use Services. The Bicycle Parking Code Update results in more complex code, thereby increasing expected plan review workload and associated expenses. BDS has determined an increase to the Land Use Services Fee Schedule. Additional details on the fiscal impacts are as follows:

Impacts to BDS:

BDS identified several aspects of the recommended regulations that may impact staff time and costs. Educating applicants on the bike parking requirements will initially add more time to each customer interaction after implementation and may create a one-time cost of \$42,000. BDS estimates that the cumulative effect of the new regulations could add as much as two hours to some permit reviews and cost the bureau an additional \$156,000 per year.

Impacts to BDS's customers:

BDS customers will be impacted by the 5% change in land use services fees. This would translate into an 11-cent increase in the land use fee per \$1,000 of permit valuation. For a typical 4-6 story apartment building, this means a \$462 to \$693 increase. Most projects are much smaller in valuation than a 4-6 story apartment. For the average project the proposed change would result in a less than \$50 increase to project fees.

In addition, the proposed changes could both increase or decrease the number of Adjustments or other land use reviews that customers may need to apply for. There could be a reduction in Adjustments/Modifications related to bike parking dimensions. With the proposed new standards, a specific type of adjustment will no longer be required, saving many customers time and possibly create total customer savings of about \$77,000 annually. However, an earlier omission by the PSC of land use reviews from the relevant code section could cause additional Adjustments or other land use reviews later in the design process, possibly creating \$65,000 in added customer fees.

Long-term Impacts to the City:

Change to bicycle parking requirements in the City's zoning code are expected to modestly increase the cost of development in some cases due to the need to allocate more space to accommodate more bicycle parking. The changes may affect private and public sector development activity, including housing development, which may in turn impact city costs and City tax revenues. An economic study commissioned by BPS to test different development scenarios found that multistory development on small (5,000-7,500 square foot) close-in sites, where parking is not typically provided, would be most impacted and could result in less units being developed.

1049 Establish standards for bicycle parking for certain City funded affordable housing projects designed but not yet permitted

CBO Analysis

The projects cited in this ordinance used the existing bicycle parking regulations in determining development costs, which have received funding commitments from the Portland Housing Bureau. Since these projects have not yet filed land use review, building, or development permit applications, they are not vested under the existing regulations, but would instead be subject to the new standards. Amending the project design to accommodate these new standards would impact development costs, which would either delay or possibly prevent the projects from moving forward altogether. This ordinance allows these projects to utilize the existing standards (if land use review application or permit applications are submitted on or before June 30, 2022; otherwise, the updated Title 33 bicycle requirements will apply).

The Recommended Draft notes that the updates aim to "balance the City goals of providing more affordable housing and supporting affordable, environmentally friendly transportation options." However, as noted above, the new standards being considered in Item 1048 may increase the cost and complexity of housing development for both market rate and affordable housing projects. The ultimate impact of this policy on the development of housing projects is unknown; however, depending on the extent of the impact, this policy

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may result in a need for larger government project subsidies, the need to reduce the number of units or rooms in order to finance or physically accommodate the new bike parking standards, and/or may render projects financially or physically unfeasible.