

PORTLAND CITY COUNCIL AGENDA City Hall - 1221 SW Fourth Avenue <u>WEDNESDAY, 9:30 AM, DECEMBER 4, 2019</u>		Disposition:
TIMES CERTAIN		
1102	TIME CERTAIN: 9:45 AM – Appeal of the Southwest Hills Residential League against the Hearings Officer’s decision to approve, with conditions, a 1-lot partition with concurrent environmental and planned development review adjacent to 1315 SW Broadway Dr (Previous Agenda 968; Report introduced by Mayor Wheeler; LU 18-119056 LDP EN PD) 1 hour requested	<p>This is an appeal of a Type III quasi-judicial land use review (not legislation). The City Council decision on this matter will not have financial or budgetary impacts on the City. Generally, Land Use Reviews are fee supported. In this case, the appeal fee was waived because the appellant is a Recognized Organization as defined by Portland Zoning Code 33.910. City costs associated with this appeal are for staff time to process the appeal.</p>
1103	TIME CERTAIN: 10:45 AM – Grant a ten-year franchise to Verizon Wireless LLC dba Verizon Wireless for wireless communications services in the City (Ordinance introduced by Mayor Wheeler) 20 minutes requested	<p>The City’s previous franchise agreement with Verizon for wireless communication produced annual revenues of approximately \$120,000 - \$130,000. Under the current proposed agreement, annual revenues are expected to be approximately \$138,000.</p>
1104	TIME CERTAIN: 11:05 AM – Update bicycle parking regulations and amend fee schedule for Land Use Services (Second Reading Agenda 1061; Ordinance introduced by Mayor Wheeler; amend Title 33, Planning and Zoning) 10 minutes requested for items 1104 and 1105	<p style="text-align: center;">See below.</p>
1105	Establish standards for bicycle parking for certain City funded affordable housing projects designed but not yet permitted (Second Reading Agenda 1062; Ordinance introduced by Commissioner Eudaly)	<p style="text-align: center;">See below.</p>

CONSENT AGENDA – NO DISCUSSION		
Mayor Ted Wheeler		
1106	Proclaim results of the Municipal Non-Partisan Special Election on Measure 26-204: Amends Charter: increases protections for Bull Run Watershed (Proclamation introduced by Mayor Wheeler)	No fiscal impact.
1107	Proclaim results of the Municipal Non-Partisan Special Election on Measure 26-205: Amends Charter: authorizes City participation in emergency mutual aid agreements (Proclamation introduced by Mayor Wheeler)	No fiscal impact.
Office of Management and Finance		
1108	Assess property for system development charge contracts, private plumbing loan contracts and safety net loan deferral contracts (Ordinance; Z0840, K0182, T0199, W0069, Z1207, K0183, T0200, Z0841, W0069, P0161, P0162)	See below.
*1109	Create a new represented classification series of Water Distribution Worker and Water Distribution Worker, Apprentice, and establish interim compensation rates for these classifications (Ordinance)	This action creates a new represented classification series with interim compensation rates. The reclassification from Utility Worker II will result in a \$5,990 increase in the maximum annual rate for 16 FTE for a total increase of \$95,840. The reclassification for 18 FTE from Utility Worker II, Apprentice will result in a maximum annual rate increase of \$5,990 for a total maximum increase of \$107,820. The increase would be funded from Water rate revenue.

Portland Housing Bureau		
1110	Approve and terminate limited tax exemptions for properties under the Homebuyer Opportunity Limited Tax Exemption Program (Resolution)	This action adds tax exemptions for 77 units totaling \$210,113 annually for a period of 10 years; the City's portion of that revenue is \$63,063. The City will collect \$69,300 in one-time application revenue. This action also terminates exemptions for 11 units, returning \$30,019 in tax revenue annually; the City's share of this revenue is \$9,009.
1111	Terminate limited tax exemptions for properties under the Homebuyer Opportunity Limited Tax Exemption Program (Resolution; amend Resolution No. 37449)	This action terminates exemptions for 28 units, returning \$67,536 in tax revenue annually. The City's portion of that revenue is \$20,272.
*1112	Approve application under the Multiple-Unit Limited Tax Exemption Program under the Inclusionary Housing Program for 1500 SW Taylor located at 911 SW 15th Ave (Ordinance)	This action would result in estimated foregone property tax revenues to the City totaling \$450,071 over ten years for 11 units affordable at or below 60% MFI. Total cost to all jurisdictions forgoing revenue is estimated at \$1.4 million. The estimated value of the tax exemption for the first year is \$148,086 (all jurisdictions), which equals approximately \$13,463 per affordable unit per year of affordability. The City will still benefit from property taxes collected on the improved value of the land during the exemption period. The City will pay Multnomah County the \$9,000 application activation fee if the application moves forward.

<p>Commissioner Chloe Eudaly</p> <p>Bureau of Transportation</p>		
<p>*1113</p>	<p>Amend contract for the North Rivergate Overcrossing Project with HDR Engineering, Inc., to allow for additional design and construction engineering services not to exceed \$298,149 (Ordinance; amend Contract No. 30005876)</p>	<p>This action increases the contract for additional design and construction engineering services for North Rivergate Overcrossing Project by \$298,149. The additional costs for the project will be funded in PBOT's FY 2019-20 budget and included in the Bureau's five year CIP.</p>
<p>City Auditor Mary Hull Caballero</p>		
<p>1114</p>	<p>Certify abstract of votes cast, proclaim measures approved at the Municipal Non-Partisan Special Election held in the City of Portland on November 5, 2019 (Report)</p>	<p>No fiscal impact.</p>
<p>REGULAR AGENDA</p> <p>Mayor Ted Wheeler</p> <p>Bureau of Development Services</p>		
<p>1115</p>	<p>Appoint Derek Spears and reappoint Kristen Minor and Matthew Roman to the Portland Historic Landmarks Commission (Report) 20 minutes requested</p>	<p>No fiscal impact.</p>
<p>Portland Housing Bureau</p>		
<p>*1116</p>	<p>Amend Affordable Housing Code to establish a Manufactured Dwelling Park Affordable Housing Bonus Density Program (Ordinance; add Code Section 30.01.130) 10 minutes requested</p>	<p>This action implements code changes adopted by Council related to Residential Manufactured Dwelling Parks (MDPs). The bureau expects to absorb any workload associated with managing this new density bonus option within existing resources.</p>

<p>*1117 Amend Joint Office of Homeless Services Intergovernmental Agreement with Multnomah County to authorize FY19-20 revised budget allocation to the Joint Office of Homeless Services (Ordinance; amend Contract No. 30005335) 15 minutes requested</p>	<p>This amendment transfers \$180,000 in Recreational Cannabis Tax funding allocated to the Portland Housing Bureau in the FY 2019-20 Adopted Budget to the Joint Office of Homeless Services to fund two new positions. The expectation is that this will be an ongoing transfer funded out of PHB's ongoing RCT funding allocation. The amendment also transfers federal grant carryover from prior years totaling \$214,381.</p>
<p>Commissioner Chloe Eudaly</p>	
<p>Bureau of Transportation</p>	
<p>*1118 Authorize the Bureau of Transportation to acquire certain temporary rights necessary for construction of the Signal Rebuild - SE 52nd Ave and SE Woodstock Blvd project, through the exercise of the City's Eminent Domain Authority (Ordinance) 15 minutes requested</p>	<p>The budget impact is unclear as property values associated with the property acquisitions have not been quantified. Negotiations are ongoing. The bureau states that funds are available in its operating fund for this work.</p>
<p>1119 Amend Towing and Disposition of vehicles Code to clarify when a vehicle may be towed (Ordinance; amend Code section 16.30.210) 15 minutes requested</p>	<p>No fiscal impact</p>
<p>Commissioner Nick Fish</p>	
<p>Bureau of Environmental Services</p>	
<p>1120 Authorize a competitive solicitation and contract with the lowest responsible bidder and provide payment for construction of the NW Thurman St Sewer Reconstruction project No. E10696 for an estimated cost of \$4,680,000 (Ordinance) 10 minutes requested</p>	<p>The level of confidence in the construction cost estimate of \$4,680,000 is high. Funds for the project will be appropriated in BES's FY 2020-21 budget in the Sewer System Operating Fund.</p>

<p>1121 Authorize a competitive solicitation and contract with the lowest responsible bidder and provide payment for construction of the Arbor Lodge - Kenton Sewer Rehabilitation Project No. E10978, for an estimated cost of \$5,350,000 (Second Reading Agenda 1095)</p>	<p>The proposed project estimate of \$5,350,000 has been assigned a high confidence level. This project is part of BES's Large Scale Sewer Rehabilitation Program, which is funded through FY 2020-21. Specifically, the project is a secondary project under the Phase III Pipe Rehab primary project, with a FY 2019-20 budget of \$16.2 million and an expected completion date of July 2021.</p>
<p>Parks & Recreation</p>	
<p>*1122 Authorize bid solicitation and contracting with the lowest responsive and responsible bidder for construction of the Creston Park Play Area Improvements Project (Ordinance)</p>	<p>See below.</p>
<p><u>WEDNESDAY, 2:00 PM, DECEMBER 4, 2019</u></p>	
<p>1123 TIME CERTAIN: 2:00 PM – Direct all City bureaus to transition from gas-powered to electric and/or battery-operated leaf blowers (Resolution introduced by Commissioner Fish) 30 minutes requested</p>	<p>The fiscal impact is likely less than \$20,000 Citywide. To the extent bureaus are able to replace existing blowers as part of their regular replacement schedule, the financial impact will be minimal. The legislation allows for bureaus to bring budget requests to help fund cost impacts in the FY 2020-21 budget.</p>
<p>1124 TIME CERTAIN: 3:00 PM – Appoint Elliott Young, Amy Anderson, Marcia Perez, Steve Trujillo and Britton Masback to the Portland Committee on Community-Engaged Policing (Report introduced by Mayor Wheeler) 45 minutes requested</p>	<p>No fiscal impact.</p>

<u>THURSDAY, 2:00 PM, DECEMBER 5, 2019</u>	
<p>1125 TIME CERTAIN: 2:00 PM – Adopt the <i>Southwest in Motion</i> plan and its recommendations (Previous Agenda 913; Resolution introduced by Commissioner Eudaly) 1 hour requested</p>	<p>No immediate fiscal impact. However, the adoption of this plan would result in an increase to PBOT’s Transportation System Plan (TSP) total costs by \$10.0 million for the projects listed in Exhibit A.</p>
<p>1126 TIME CERTAIN: 3:00 PM – Amend Trees In Development Situations Code to extend sunset date for certain tree preservation regulations in development situations on private property (Previous Agenda 1052; Ordinance introduced by Mayor Wheeler; amend Code Chapter 11.50) 30 minutes requested</p>	<p>No fiscal impact because there are no changes to the existing regulations.</p>
<p>1127 TIME CERTAIN: 4:00 PM – Amend the Comprehensive Plan, Comprehensive Plan Map, Zoning Map, Title 33-Planning and Zoning, Title 18-Noise Control, Title 32-Signs and Related Regulations to revise the Multi-Dwelling Residential designations and base zones (Previous Agenda 1085; Ordinance introduced by Mayor Wheeler; amend Code Title 33, and Code Title 18 and 32) 1 hour requested for items 1127-1128</p>	<p>See below.</p>

1128 Adopt the recommendations within the Connected Centers Street Plan (Resolution introduced by Commissioner Eudaly)

No immediate fiscal impact. This plan proposes allowing adjacent properties to share more of the responsibility (and costs) for building a required street connection (per City Code 33.654.110 and 17.88.040), and requiring less space/cost on an individual site. Costs or cost sharing per property is not quantified, but PBOT is proposing using Transportation System Development Charges (TSDC) revenues to help offset these costs to developers. The bureau notes that this is a concept plan which relies on private development to build new (code-required) connections as infill occurs. There are two capital projects that are proposed to be added to the Transportation System Plan (TSP) totaling \$2.23 million, covering up to half of the cost for the developer through TSDCs. All new street connections (right-of-way access) would be owned and maintained by PBOT, costs of which are not yet quantified.

1104 TIME CERTAIN: 11:05 AM –

Update bicycle parking regulations and amend fee schedule for Land Use Services (Second Reading Agenda 1061; Ordinance introduced by Mayor Wheeler; amend Title 33, Planning and Zoning) 10 minutes requested for items 1104 and 1105

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.

1105 Establish standards for bicycle parking for certain City funded affordable housing projects designed but not yet permitted (Second Reading Agenda 1062; Ordinance introduced by Commissioner Eudaly)

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 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.

1108 Assess property for system development charge contracts, private plumbing loan contracts and safety net loan deferral contracts

CBO Analysis

This Ordinance assesses property for system development charge contracts, private plumbing loan contracts and safety net loan deferral contracts. Combined total of the contracts to be assessed by this Ordinance is \$3,591,850.29.

This legislation will generate current revenue coming to the City. It will increase Lien Revenues for:

- Fund 200000 – Transportation Operating Fund by \$590,411.68
- Fund 402000 – Parks Capital Improvement Operating Fund by \$498,128.73
- Fund 600001 – Sewer Operating Fund (SDC Sewer System Subfund) by \$897,774.92
- Fund 615001 – Water Construction Fund by \$46,742.00
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This legislation will generate future revenue coming to the City. It will increase Lien Revenues for:

- Fund 200000 – Transportation Operating Fund by \$5,341.66
- Fund 600000 – Sewer Operating Fund by \$151,428.19
- Fund 600001 – Sewer Operating Fund (SDC Sewer System Subfund) by \$61,305.88
- Fund 402000 – Parks Capital Improvement Operating Fund by \$8,543.27
- Fund 615001 – Water Construction Fund by \$12,814.89

1122 Authorize bid solicitation and contracting with the lowest responsive and responsible bidder for construction of the Creston Park Play Area Improvements Project (Ordinance)

CBO Analysis

Authorizing bid solicitation will authorize the Chief Procurement Officer to proceed with bid solicitation and a contract award for improvements at Creston Park. The project budget is estimated at \$2.3 million and it is projected that annual operations and maintenance costs to the General Fund would be \$7,000 per year which the bureau would request through the FY 2020-2021 budget process. Authorizing solicitation and the subsequent contract will create a de facto obligation to fund the future O&M costs.

CBO notes that the FY 2019-20 budget note “Operations and Maintenance Funding Sustainability” directs the Portland Parks & Recreation bureau and the City Budget Office to work together to develop, as part of the Parks bureau’s financial sustainability plan, a mechanism that allows the bureau to better plan for and transparently communicate the bureau’s out-year operations and maintenance needs and provide Council with clearer decision points regarding approval of new parks amenities. The Parks bureau and the City Budget Office are currently working to resolve this note, and a proposal is forthcoming.

1127 TIME CERTAIN: 4:00 PM – Amend the Comprehensive Plan, Comprehensive Plan Map, Zoning Map, Title 33-Planning and Zoning, Title 18-Noise Control, Title 32-Signs and Related Regulations to revise the Multi-Dwelling Residential designations and base zones (Previous Agenda 1085; Ordinance introduced by Mayor Wheeler; amend Code Title 33, and Code Title 18 and 32) 1 hour requested for items 1127-1128

CBO Analysis

This Ordinance amends several titles of the Comprehensive Plan, Comprehensive Plan Map, and Zoning Map in Portland’s multi-dwelling zones (Chapter 33.120) and associated regulations in other Zoning Code chapters and Titles 18 and 32 in accordance with the Better Housing by Design Recommended Draft. There are no direct fiscal impacts of this ordinance; however, it will increase staff time costs associated with implementing the amended Zoning Code regulations in BDS and PHB.

BDS indicates there will be an increase in review time associated with the Zoning Code amendments (estimated as a net increase of 20 hours of total review time per year), but that this is not substantial enough to require fee increases at this point. BDS will track the accuracy of workload projections associated with the code changes and make amendments to the fees at a later date if necessary.

The Housing Bureau will need additional funding to compensate for the bureau's role in administering the new affordable housing bonus provisions. The Housing Bureau estimates the fiscal impact of administering the new affordable housing bonuses, in combination with costs for administering previously-adopted inclusionary housing bonuses, at \$254,414 in ongoing costs for 2.0 FTE program specialists and \$14,000 in onetime costs for workspace and equipment.

The Housing Bureau expects that additional funding will be required to compensate for the bureau's role in administering the new affordable housing bonus provisions. The Housing Bureau estimates the fiscal impact of administering the new affordable housing bonuses, in combination with costs for administering previously-adopted inclusionary housing bonuses, at \$254,414 in ongoing costs for 2.0 FTE program specialists and \$14,000 in onetime costs for workspace and equipment. However, the total workload associated with these amendments is unknown at this time. Additional funding may come from an interagency collaboration involving fees or a budget request with the Bureau of Planning & Sustainability.

As far as long term impacts on the city, Economic feasibility analysis (Appendix C of the Recommended Draft) suggests that these proposed changes could result in increased development in multi-dwelling zones over the long term. Additional considerations complementary to the Better Housing by Design Recommended Draft includes the proposed Resolution from PBOT (Item #1128) adopting the recommendations within the Connected Centers Street Plan, which proposes the requirement of new "connection options" or right-of-way access on future developments, resulting in increased development costs. PBOT's proposal will also suggest offsets to these costs, for Council's consideration.