

PORTLAND CITY COUNCIL AGENDA City Hall - 1221 SW Fourth Avenue <u>WEDNESDAY, 9:30 AM, FEBRUARY 12, 2020</u>		Disposition:
TIMES CERTAIN		
122	TIME CERTAIN: 9:45 AM – Accept Stipends Taskforce Report (Report introduced by Commissioner Eudaly) 45 minutes requested	See below.
123	TIME CERTAIN: 10:30 AM – Recognize 2019 Fire Prevention Poster contest winners (Presentation introduced by Commissioner Hardesty) 15 minutes requested	No fiscal impact.
124	TIME CERTAIN: 10:45 AM – Appoint Joy Mulumba to be available to serve on the Police Review Board for a term to expire February 10, 2023 (Report introduced by Auditor Hull Caballero) 15 minutes requested	No fiscal impact.
125	TIME CERTAIN: 11:00 AM – Appeal of the Portland Japanese Garden against the Hearings Officer’s decision of approval with conditions limiting the Garden’s office use in the house at 369 SW Kingston Ave to four years (Previous Agenda 83; Report introduced by Mayor Wheeler; LU 19-192268 CU) 30 minutes requested	This is not a legislative action. There are no ongoing costs to the City associated with this quasi-judicial land use review. The required land use review fees and appeal fees were paid by the applicant.

CONSENT AGENDA – NO DISCUSSION

Mayor Ted Wheeler

Bureau of Planning & Sustainability

***126** Accept a grant in the amount of \$60,000 from the Oregon Department of Land Conservation and Development to support marine industrial land analysis for the Economic Opportunities Analysis Update (Ordinance)

This Ordinance accepts grant resources from the Oregon Department of Land Conservation and Development (DLCD) to support marine industrial land analysis as part of the City's Economic Opportunities Analysis Update, which is in BPS' FY 2019-20 and FY 2020-21 workplan. DLCD does not require a match for this grant award and BPS believes the \$60,000 should cover the full amount of needed analysis. BPS received \$77,000 in additional General Fund one-time resources to support the EOA update in the FY 2019-20 Adopted budget and stated that it budgeted ~\$30,800 of additional staff time in its FY 2019-20 base budget and has budgeted ~\$113,600 to continue work on the update in its FY 2020-21 base budget in addition the grant resources.

Office of Management and Finance

***127** Pay property damage claim of Ben and Maja Harris in the sum of \$61,297 involving the Portland Bureau of Environmental Services (Ordinance)

Total cost is \$61,297 from the City's Insurance and Claims Fund. All costs of the settlement is in the current fiscal year.

***128** Pay property damage claim of Nicholas Rossi in the sum of \$8,117 involving Portland Fire & Rescue (Ordinance)

Total cost is \$8,116.69 from the City's Insurance and Claims Fund. All costs of the settlement is in the current fiscal year.

Commissioner Amanda Fritz

Water Bureau

<p>129</p>	<p>Accept contract with EC Company for the construction of the Groundwater Electrical Supply Improvements as complete, release retainage and authorize final payment (Report; Contract No. 30006001)</p>	<p>City Council approved this recommendation and a contract for \$621,819 was awarded to EC Company for construction of the Project. The final construction contract total was \$620,830. The Project was deemed substantially complete on May 10, 2019.</p>
<p>130</p>	<p>Authorize a contract with the lowest responsible bidder and provide payment for the construction of the Road 10E MP 6.2 – 8.2 Project at an estimated cost of \$2,220,000 (Ordinance)</p>	<p>The engineer's estimate for the contract action is \$2,220,000. Funding for the Project will be requested as part of the FY 2020-21 and FY 2021-22 budgets.</p>
<p style="text-align: center;">Commissioner Chloe Eudaly Bureau of Transportation</p>		
<p>*131</p>	<p>Accept a grant in the amount of \$530,000 from Oregon Department of Transportation, authorize Intergovernmental Agreement for Barbur Blvd Fiber Intelligent Transportation Systems Project, SW Barbur Blvd: SW Caruthers St to SW Capitol Highway, and appropriate \$40,000 in the FY 2019-20 budget (Ordinance)</p>	<p>This ordinance accepts a \$530,000 grant from ODOT to construct and implement fiber intelligent system infrastructure to improve traffic signal equipment along SW Barbur from SW Caruthers St to SW Capitol Hwy. The ordinance amends the FY 2019-20 Budget to appropriate \$40,000 from PBOT's grant fund for this project.</p>
<p>*132</p>	<p>Authorize a contract with the lowest responsible bidder for the Lombard Pedestrian Enhancements Project (Ordinance)</p>	<p>The pedestrian enhancement project is funded with a \$1 million grant from Prosper Portland for sidewalk corridor improvements, ADA improvements, tree planting and a signal enhancement project. The project is budgeted in PBOT's FY 20-21 Requested Budget for construction, inspection, and management of the project. The project's cost estimate level of confidence is moderate.</p>

<p>*133 Authorize a contract with the lowest responsible bidder for the NE 60th Alternative Pedestrian Walkway Project (Ordinance)</p>	<p>Costs related to this project are part of the PBOT's Cully North-South Connections project. \$430,479 is budgeted in the PBOT's FY 19-20 Revised Budget; \$1.3 million is budgeted in the Bureau's FY 20-21 Requested Budget and the five-year CIP forecast.</p>
<p>REGULAR AGENDA</p> <p>Mayor Ted Wheeler</p> <p>Bureau of Environmental Services</p>	
<p>134 Authorize a competitive invitation to bid for digester cleaning services to be performed at the Columbia Blvd Wastewater Treatment Plant (Ordinance) 15 minutes requested</p>	<p>While actual costs will be related to any purchases resulting from the proposed invitation to bid, the estimated cost is \$1.25 million per year. Funds for FY 2019-20 are available in BES's budget in the Sewer System Operating Fund.</p>
<p>Office for Community Technology</p>	
<p>135 Grant a one-year temporary, revocable permit to Cellco Partnership dba Verizon Wireless for wireless communications services in the City (Second Reading Agenda 103)</p>	<p>Council heard a first reading of 10-year franchise agreement with Verizon in January 2020. This action would grant a revocable permit to Verizon under substantially similar terms, but for one year or until the 10-year agreement is authorized by Council. Revenue assumptions remain the same; per the Office for Community Technology, a conservative estimate of revenues to the City under this agreement is \$138,000 annually.</p>
<p>Office of Management and Finance</p>	
<p>*136 Authorize North Macadam urban renewal and redevelopment refunding bonds (Ordinance) 20 minutes requested for items 136-137</p>	<p>See below.</p>
<p>*137 Authorize Lents Town Center urban renewal and redevelopment refunding bonds (Ordinance)</p>	<p>See below.</p>

138	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 Parklane Park Construction Project for an estimated amount of \$8,500,000 (Second Reading Agenda 105)	See below.
Portland Housing Bureau		
*139	Amend ordinance to increase compensation for subrecipient contract with Urban League of Portland in the amount of \$107,000 for services in support of coordinated Fair Housing Enforcement (Ordinance; amend Ordinance No. 189575; amend Contract No. 32001977) 20 minutes requested	No change in appropriations. This action allocates existing General Fund resources in the Rental Services Office budget for FY 2019-20.
Commissioner Chloe Eudaly		
Bureau of Transportation		
140	Establish a Heavy Vehicle Use Tax to fund Portland's Street Repair and Traffic Safety Program (Second Reading Agenda 114; amend Code Section 7.02.500)	See below.
141	Extend contract with Cale America, Inc. for Multi-Space Parking Pay Stations through April 23, 2025 for continued operations, additional door upgrades, system expansion and provide for Area Permit Program online permits for \$16,164,000 for a 10-year total not to exceed \$31,039,000 (Second Reading Agenda 89; amend Contract No. 31000720)	This ordinance extends PBOT's contract with Cale America until 4/23/25 for approximately \$16.2 million; the contract has a 10 year not to exceed amount of \$31 million. The cost of the contract is included in the Bureau's FY 20-21 Request Budget and Five Year Financial Plan. The five-year contract includes \$9.6 million to operate the 2,200 pay stations which includes the payment gateway, wireless fee and pay by plate system. The contract also includes \$6.23 million for pay station system hardware upgrades for existing machines, including the purchase of up to 600 new pay stations as needed. Further, there is \$322,870 in funding for an online parking permit system which is expected to go live in Oct. 2020 in zones C, D, and E. The current permit process is done all on paper.

<p>142 Extend contract with Central Parking System of Washington, Inc. through March 31, 2021 for Parking Garage Management Services (Second Reading Agenda 109; amend Contract No. 30001972)</p>	<p>This ordinance extends the contract for the City’s six owned parking garages. The total not to exceed value of this contract is \$1.45 million. The contract includes garage operations, equipment maintenance service, and janitorial services. The contract is funded from receipts from the SmartPark parking garages. PBOT estimates that the Smart Park garages will produce \$14.5 million in operational revenues in and approximately \$3.3 million in operational expenses in FY 20-21. The cost of the contract is included in the Bureau’s FY 2020-21 Requested Budget.</p>
<p><u>WEDNESDAY, 2:00 PM, FEBRUARY 12, 2020</u></p>	
<p>143 TIME CERTAIN: 2:00 PM – Amend the Comprehensive Plan, Comprehensive Plan Map, Zoning Map and Title 33 Planning and Zoning to revise the Single-Dwelling Residential designations and base zones (Previous Agenda 79; Ordinance introduced by Mayor Wheeler; amend Code Title 33 and Comprehensive Plan and Zoning Maps) 3 hours requested</p>	<p>See below.</p>
<p><u>THURSDAY, 2:00 PM, FEBRUARY 13, 2020</u></p>	
<p>144 TIME CERTAIN: 2:00 PM – Adopt the recommendations contained within the Rose Lane Project report (Resolution introduced by Commissioner Eudaly) 3 hours requested for items 144-145</p>	<p>See below</p>
<p>*145 Approve findings to authorize an exemption to the competitive bidding requirements and authorize the use of the alternative contracting method of Progressive Design-Build and authorize a contract for the design and construction of the Rose Lane Project, Phase II for an amount not to exceed \$10 million (Ordinance introduced by Commissioner Eudaly)</p>	<p>See below</p>

122 Accept Stipends Taskforce Report:

The Task Force report outlines recommendations for implementing a Citywide policy on Advisory Body Stipends. The two recommended scenarios for the approximately 4,000 qualifying volunteers are:

1. \$360 per person for a total cost of \$1.44 million, or
2. \$500 per person for a total cost of \$2.0 million

The total General Fund impact is not known at this time. The report recommends creating a Citywide Stipend Fund to track expenses for General Fund bureaus. In addition, the Office of Community & Civic Life would need to procure a database to track and manage the necessary data, the low-confidence estimates for which start at \$20,000. Civic Life plans to utilize the \$25,000 allocated for Advisory Board and Commissions in FY 2019-20's adopted budget.

Civic Life proposes conducting focus groups over the next few months to refine the recommendations based on community/stakeholder feedback. The estimated cost for these focus groups is \$3,000, and the bureau plans to cover these costs within its current year budget. The Task Force intends to bring the final recommendations to Council in May 2020 and conduct a year-long pilot in FY 2020-21. The total cost of the pilot is not yet known or estimated. CBO notes that funding for this pilot is not included in the Office of Community & Civic Life's FY 2020-21 Requested Budget, nor are the costs for stipends anticipated in individual bureau budgets to support advisory bodies in FY 2020-21. Additional analysis will be required to determine the fiscal impact by bureau and the total impact to the General Fund.

136 Authorize North Macadam urban renewal and redevelopment refunding bonds

137 Authorize Lents Town Center urban renewal and redevelopment refunding bonds

Items 136 and 137 are both refinancings for which OMF-BRFS has not yet finalized the structure.

North Macadam

Based on current market conditions, annual debt service savings are estimated at approximately \$640,000 per year assuming savings is taken uniformly. Net present value debt service savings are estimated at \$5.2 million through June 15, 2030, which is the maturity date of the 2010 Bonds. Net present value savings as a percentage of the proceeds of the Refunding Bonds would be approximately 15.5%. If the City structures level savings, savings in debt service should be realized each year through FY 2029-30, so the portion of the debt service funded by City's permanent rate should return to the City. BRFS estimates savings of about \$640,000 annually on this refunding but still needs to calculate how that would be allocated back to the General Fund each year.

Lents Town Center

Based on current market conditions, annual debt service savings are estimated at approximately \$365,000 per year assuming level annual savings. Net present value debt service savings would be approximately \$2.8 million if the Refunding Bonds are amortized through June 15, 2030, which is the maturity date of the 2010 Bonds. The structure of the Refunding Bonds will take into account planned growth in tax increment revenues and will permit the City to redeem bonds early if tax increment revenues exceed amounts needed for scheduled debt service. As a result, the Refunding Bonds are likely to be fully redeemed before 2030. Tax increment revenues are expected to be returned to overlapping taxing jurisdictions once the Refunding Bonds are retired. The refinancing for Lents Town Center is more complicated than that for North Macadam. It probably will not benefit the General Fund immediately because the City will likely shorten the term of the debt and keep debt service the same each year. There is interest in extending the life of the Lents URA by revising its URA plan and raising its maximum indebtedness. The latest plan is that any new borrowing related to Lents will be done on a short-term indebtedness basis (e.g. no long-term bond issue). The General Fund should then see the return of all Lents revenues based on how much additional indebtedness Prosper requests vs. how much annual tax increment revenue can be generated to reach that incremental additional indebtedness number. BRFS has not seen any hard numbers on a potential request so I cannot provide a firm estimate on the timing of the return, which can be two to three years.

138 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 Parklane Park Construction Project for an estimated amount of \$8,500,000

This Ordinance authorizes Parks to use an alternative contracting approach for the Parklane Park development project. The bureau offers a low confidence estimate of \$8.5M in project costs. Authorizing this contract will trigger an estimated operations and maintenance cost of for the project of \$470,000 (low confidence). The bureau notes that it intends to request resources for operations and maintenance of this

project in the budget process for FY 2021-22; approval of this project contract creates a de facto obligation to fund these future O&M costs that is currently unbudgeted.

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 FY 2019-20 Adopted Budget directs completion of this work as part of the Fall Supplemental budget. The Parks bureau and the City Budget Office are currently working to resolve this note, and a proposal is forthcoming.

140 Establish a Heavy Vehicle Use Tax to fund Portland's Street Repair and Traffic Safety Program

The legislation extends a temporary tax on heavy use vehicles to help fund PBOT’s street repair and traffic safety program that began on January 1, 2016 and imposed through the 2019 tax year. If passed by Council, the legislation would increase the tax from 2.8 to 3% of the total Oregon Weight-Mile Tax and extend it for four more tax years: 2020, 2021, 2022, and 2023. Business that have a Portland Business License and pay the Oregon weight-mile tax will be assessed the tax.

This legislation is expected to generate \$11 million in total revenue, a 38% increase from the first four years of the Heavy Use Tax which is estimated to bring in \$8 million. Administering the tax collection is estimated to cost approximately 5% of revenues annually. These estimates are medium confidence. If at the end of tax year 2021 the City is above or below the four year target by more than 10 percent, the legislation gives the City the authority to adjust the rate to meet the \$11 million target.

143 Amend the Comprehensive Plan, Comprehensive Plan Map, Zoning Map and Title 33 Planning and Zoning to revise the Single-Dwelling Residential designations and base zones

This Ordinance revises Zoning Code development standards in Portland's single-dwelling zones (Chapter 33.110) and associated regulations in other Zoning Code chapters as part of the Residential Infill Project (RIP). The amendments also make related changes to the Zoning Map and the Portland Comprehensive Plan and Comprehensive Plan Map. The amendments include Zoning Code regulations that will be administered by the Bureau of Development Services and development bonuses for affordable housing that will be administered by the Housing Bureau.

The Zoning Code amendments increase the number of residential dwelling units allowed in ~68% of Portland’s single-dwelling zoned land and provide development bonuses for projects that include affordable units. An economic feasibility analysis (Residential Infill Project, Volume 3, Appendix A) indicates that the changes enable the development of duplexes, triplexes and fourplexes and could generate as much as \$871 million of additional construction investment if the market supports demand for these housing types. This Ordinance has the following direct fiscal impacts for the City:

Bureau of Development Services

These changes will impact BDS in terms of staff time for administration and review. One-time costs include staff training, creation of public information, and permit system updates. These costs are currently unknown. Additional ongoing staff time will be necessary as a result of applying floor area ratio (FAR) limits and for increased input from infrastructure bureaus as a result of lot confirmation zoning code amendments. BPS estimated the impacts to BDS staffing and found that there was an increase in permit review time of 555 hours (0.27 FTE) and an increase in lot confirmation/property line adjustment reviews of 223 hours (0.11 FTE). BPS states that the increase in permit review time increases the cost of providing services by an amount equivalent to a 3-cent increase per \$1,000 in valuation to the land use plan review fee. BDS plans to address the fee in an ordinance closer to the effective date of these changes. Due to the small increased costs in lot confirmation/property line adjustment reviews, BDS plans to use existing resources to cover those costs.

Portland Housing Bureau

The new affordable unit bonus provision will require additional PHB staff time to develop administrative rules for both ownership and rental units, as well as administer and monitor the bonus and compliance with the associated rules. The impact is uncertain as it is not known how many projects will use this bonus; PHB intends to monitor and ascertain staffing needs after the ordinance has been in effect.

144 TIME CERTAIN: 2:00 PM – Adopt the recommendations contained within the Rose Lane Project report (Resolution introduced by Commissioner Eudaly) 3 hours requested for items 144-145

***145** Approve findings to authorize an exemption to the competitive bidding requirements and authorize the use of the alternative contracting method of Progressive Design-Build and authorize a contract for the design and construction of the Rose Lane Project, Phase II for an amount not to exceed \$10 million (Ordinance introduced by Commissioner Eudaly)

The PBOT's FY 20-21 Requested Budget includes \$2.75 million in funding for the Rose Lane Project. Of the \$2.75 million, \$1.35 million is dedicated to Phase I project development, design, and construction costs and \$1.4 million for Phase II project development costs. The Impact Statement indicates that Trimet is contributing funds to design and construct some of the Phase 1 projects through IGA agreements, however, an amount was not provided.

The ordinance directs the bureau to take a piloted approach for deploying transit improvements through the Rose Lane Project and to report back to Council once the Bureau develops project scope and cost estimates for the pilot projects. With the pilot approach, the Bureau will also monitor the potential tradeoffs of the Rose Lane Project, some of which could have a financial impact, including parking removal (and the loss of metered parking revenue), impacts on bike facilities, such as changes to bike lane configuration, impacts on pedestrian infrastructure and safety, such as crosswalks and curb extension and impacts on traffic.

It is currently unclear to CBO how the bureau intends to pay for the full contract or project cost, and what internal tradeoffs might be necessary to fund the entirety of the contract and project recommendations.