

**PORTLAND CITY COUNCIL AGENDA
City Hall - 1221 SW Fourth Avenue
WEDNESDAY, 9:30 AM, MAY 27, 2020**

Disposition:

Please note, City Hall is closed to the public due to the COVID-19 Pandemic.

Under Portland City Code and state law, the City Council is holding this meeting electronically. All members of council are attending remotely by video and teleconference, and the City has made several avenues available for the public to listen to the audio broadcast of this meeting.

The meeting is available to the public on the City's YouTube Channel, eGov PDX, www.portlandoregon.gov/video and Channel 30. The public can also provide written testimony to Council by emailing the Council Clerk at cctestimony@portlandoregon.gov.

The Council is taking these steps as a result of the COVID-19 pandemic and the need to limit in-person contact and promote social distancing. The pandemic is an emergency that threatens the public health, safety and welfare which requires us to meet remotely by electronic communications. Thank you all for your patience, flexibility and understanding as we manage through this difficult situation to do the City's business.

Provide Public Testimony: City Council will hear public testimony on resolutions and ordinances (first readings only). Public testimony will be heard by electronic communication (internet connection or telephone). Please identify the agenda item(s) you want to testify on, and then visit the Council Clerk's agenda webpage to register, www.portlandoregon.gov/auditor/councilagenda. Provide your name, agenda item number(s), zip code, phone number and email address. Individuals have three minutes to testify unless otherwise stated at the meeting. Testimony is not taken on communications, reports, second readings, proclamations or presentations in accordance with Code 3.02.040 F. and G. **The deadline to sign up for the May 27-28, 2020 Council meetings is Tuesday, May 26, at 4:00 p.m.**

Email the Council Clerk at cctestimony@portlandoregon.gov with any questions.

CONSENT AGENDA – NO DISCUSSION

Mayor Ted Wheeler

Office of Management and Finance

MAY 27-28, 2020

<p>*396 Authorize an emergency contract for police utility vehicle upfitting at a not-to-exceed amount of \$185,000 (Ordinance)</p>	<p>This action authorizes an emergency contract with Systems for Public Safety to reconfigure rear seat and cargo sections of Ford Police Interceptor Utility Vehicles to maintain safety standards and allow for equipment space needs. The not-to-exceed amount of the contract is \$185,000, which will be paid from existing vehicle replacement funds that have been generated via the PPB-CityFleet interagency agreement.</p>
<p>*397 Close the Enterprise Business Solution Services Fund, the Public Safety General Obligation Bond Fund and the Bureau of Fire, Rescue and Emergency Services Facilities General Obligation Bond Construction Fund (Ordinance)</p>	<p>No fiscal impact. The remaining balances for the Public Safety GO Bond Fund and the BFRES Facilities GO Bond will be expended in the current year or transferred to the Fire Capital Fund. The Enterprise Business Solution (EBS) Services Fund (Fund 708) will be closed and all balance sheet accounts will be transferred to the Technology Services Fund (706). The fund statement of purpose for Fund 708 states that in the event of fund closure, all remaining funds will revert to customer bureaus. The action in this Ordinance differs from the fund statement of purpose; however, the intent of the action in this ordinance is absorption of Fund 708 services into Fund 706 rather than the ending of Fund's 708 service. Approval of this ordinance and associated transfer actions Council will effectively waive this aspect of financial policy.</p>

<p>*398 Pay settlement of Ethiopia Amdino bodily injury claim for the sum of \$125,000 involving the Portland Police Bureau (Ordinance)</p>	<p>Total cost to the City to settle the claim is \$125,000. The source of funding is the City's Insurance and Claims Fund. All cost of the settlement is in the current fiscal year.</p>
<p>*399 Pay settlement of Mark Mayberry personal injury lawsuit in the sum of \$50,000 involving Portland Parks & Recreation (Ordinance)</p>	<p>Total cost to the City to settle the lawsuit is \$50,000. The source of funding is the City's Insurance and Claims Fund. All cost of the settlement is in the current fiscal year.</p>
<p>*400 Pay settlement of Raylyнна Peterson property damage lawsuit in the sum of \$202,500 involving the Homelessness/Urban Camping Impact Reduction Program (Ordinance)</p>	<p>Total cost to the City to settle the lawsuit is \$202,500. The source of funding is the City's Insurance and Claims Fund. All cost of the settlement is in the current fiscal year.</p>
<p>Commissioner Chloe Eudaly Bureau of Transportation</p>	
<p>*401 Amend an Intergovernmental Agreement with the State of Oregon for the Columbia/Lombard Mobility Plan to include an addendum to the Statement of Work and extend the contract date to September 30, 2020 with no modifications to the total project amount of \$444,860 (Ordinance; amend Contract No. 30006638)</p>	<p>The ordinance amends the IA with the Oregon Department of Transportation (ODOT) who is providing an additional \$90,720 in funding for consultant services to support the project. The City's local match amount and total project costs remain unchanged at \$444,860.</p>
<p>*402 Authorize an Intergovernmental Agreement with Multnomah County for coordination of construction and operations of the Hawthorne Bridge Traffic Signal Improvement project for an amount not to exceed \$242,090 (Ordinance)</p>	<p>The total project construction is estimated to cost \$8.9 million. The total costs to PBOT for this agreement are not to exceed \$242,090. Costs for this agreement are included in PBOT's FY 2019-20 budget and FY 20-21 Approved Budget and five-year CIP forecast. This project is funded via the Fixing Our Streets program and matching TSDCs.</p>

MAY 27-28, 2020

<p>403 Accept a grant from Oregon Department of Transportation and authorize an Intergovernmental Agreement for the NW Thurman over Macleay Park project in the amount of \$476,421 (Second Reading Agenda 380)</p>	<p>This project is included in PBOT's FY 20-21 budget and five-year CIP forecast. PBOT will match up to 10.27% or approximately \$54,529 of the \$476,421 grant.</p>
City Auditor Mary Hull Caballero	
<p>404 Approve Council Minutes for August – December 2019 (Report)</p>	<p>No fiscal impact.</p>
REGULAR AGENDA	
Mayor Ted Wheeler	
Bureau of Environmental Services	
<p>405 Revise sewer and stormwater rates, charges and fees in accordance with the FY 2020-21 Sewer User Rate Study (Second Reading Agenda 395)</p>	<p>See below.</p>
Bureau of Planning & Sustainability	
<p>406 Revise residential solid waste and recycling collection rates and charges, effective July 1, 2020 (Second Reading Agenda 393; amend Code Chapter 17.102)</p>	<p>See below.</p>
Parks & Recreation	
<p>407 Amend fee schedule for tree permits (Second Reading Agenda 388)</p>	<p>See below.</p>

<p style="text-align: center;">Commissioner Chloe Eudaly</p> <p style="text-align: center;">Bureau of Transportation</p> <p>408 Accept a grant in the amount of \$1,957,230 from the Oregon Department of Transportation and authorize Intergovernmental Agreement for the NE 12th Ave over I-84 & Union Pacific Railroad Bridge project (Ordinance) 15 minutes requested</p>	<p>The \$1.9 million grant from ODOT for structural and aesthetic upgrades to the existing bridge has a \$200,007 local match requirement which will be included in PBOT's FY 2020-21 Budget and five year CIP.</p>
<p style="text-align: center;">Commissioner Amanda Fritz</p> <p style="text-align: center;">Water Bureau</p> <p>409 Authorize the rates and charges for water and water-related services beginning July 1, 2020 to June 30, 2021 and fix an effective date (Second Reading Agenda 394)</p>	<p>See below.</p>
<p><u>WEDNESDAY, 2:00 PM, MAY 27, 2020</u></p>	
<p>410 TIME CERTAIN: 2:00 PM – Amend Planning and Zoning Code, the Comprehensive Plan Map, and the Zoning Map to implement the Expanding Opportunities for Affordable Housing project (Previous Agenda 392; Ordinance introduced by Mayor Wheeler; amend Title 33) 90 minutes requested</p>	<p>See below.</p>
<p><u>THURSDAY, 2:00 PM, MAY 28, 2020</u></p>	
<p>411 TIME CERTAIN: 2:00 PM – Readopt remanded ordinance for the Central City 2035 Plan and amend the Comprehensive Plan, Comprehensive Plan Map, Transportation System Plan, Willamette Greenway Plan, Scenic Resources Protection Plan and Zoning Map, authorize adoption of administrative rules, and repeal and replace prior Central City plans and documents (Ordinance introduced by Mayor Wheeler; readopt Ordinance No. 189000; amend Title 33) 3 hours requested</p>	<p>See below.</p>

405 Revise sewer and stormwater rates, charges and fees in accordance with the FY 2020-21 Sewer User Rate Study

CBO Analysis

This annual ordinance establishes rates, charges and fees to generate sufficient revenue for projected expenditures in FY 2020-21. Under these proposed rates, the typical single-family residential bill is expected to increase by \$2.16 per month or 2.85%. Increases to each individual customer and other customer classes may vary based on actual usage and circumstances. This rate ordinance will generate \$387 million in operating revenue to support the Mayor's FY 2020-21 Proposed budget for the Bureau of Environmental Services. \$345 million of this estimate is from billed retail revenues for sanitary and stormwater services. The estimate reflects revenue reductions anticipated due to COVID-19 impacts. The proposed rate ordinance will

enable the Bureau to continue collecting and treating wastewater from residences and businesses; managing stormwater to prevent erosion, flooding and water quality problems; operating the combined sewer overflow (CSO) system to prevent sewage overflows into the Willamette River and Columbia Slough; and repairing and replacing inadequate public sewer lines that cause sewage overflows and basement backups. The rate ordinance does not create costs or expenses to the City. This legislation does not specifically create or eliminate positions in future years. Future position decisions will be made by the Council within the annual budget process.

406 Revise residential solid waste and recycling collection rates and charges, effective July 1, 2020 (Ordinance introduced by Mayor Wheeler; amend Code Chapter 17.102)

CBO Analysis

This Ordinance amends Code Chapter 17.102 and revises residential solid waste and recycling collection rates and charges as outlined in Exhibit A and effective as of July 1, 2020. The recommended rates are a result of the annual rate review process required by the franchise agreement with residential haulers. The Spring 2020 rate review shows that the rate for most customers will increase by \$1.00, but depending on service level it ranges from no increase to \$1.20 for a small set of customers.

Increases are partially due to the removal of a customer rebate to compensate customers for payments made through the rates towards the Clean Energy Surcharge, which is included in rates until June 30, 2020 via Ordinance No. 189816. Increases are also due to:

- the new State of Oregon Corporate Activity Tax (included as a pass-through expense);
- increased garbage tipping fees;
- increased costs from hauler investments in newer, cleaner collection vehicles; and
- increased inflationary pressures.

This ordinance continues the 5% franchise fee that funds solid waste and recycling program administration costs. Because rate revenue will increase, City revenues from the 5% franchise fees are anticipated to increase by \$40,500 this fiscal year, or 1 percent. The effects of the COVID-19 pandemic will be reflected in the cost reports the haulers will submit next Spring, which, along with projections for other associated costs, will form the basis for the FY 2021-2022 rates.

407 Amend fee schedule for tree permits (Ordinance) 10 minutes requested

CBO Analysis

No General Fund fiscal impact to accepting this fee schedule. This Ordinance increases development tree permitting fees and maintains non-development tree permitting fees for FY 2020-21. Parks' Urban Forestry Division is proposing a 5% increase to all development permit fees, except the Residential Remodel \geq \$25,000 valuation fee which will increase by 29% (from \$400 to \$516) in FY 2020-21. These fees will maintain cost recovery at 95% on development fees. Urban Forestry is proposing no changes to non-development fees, current cost recovery is 28%. COVID-19 has impacted fee revenues and projections indicate revenue reductions of less than \$650,000 in FY 2020-21. It is too early to determine the specific impacts.

409 Authorize the rates and charges for water and water-related services beginning July 1, 2020 to June 30, 2021 and fix an effective date

CBO Analysis

Retail rates are expected to generate approximately \$179.7 million in water sales revenue in FY 2020-21. Retail customers are also expected to pay \$2.8 million in customer late charges. FY 2020-21 wholesale revenues will be \$20.2 million. Other rates and charges within this Ordinance are expected to generate \$11.8 million for water-related services including system development charges, new service installations, customer requested new main connections, engineering permit fees, hydrant installation and usage, and miscellaneous utility charges. The proposed overall average effective retail rate increase is 6.5 percent in FY 2020-21. With a retail rate increase of 6.5 percent, the retail commodity rate will increase from \$5.252 to \$5.593, and the base charge will increase from \$47.65 to \$50.75 per quarterly bill (the billed base charge varies depending on the number of days in the billing period). The "typical" residential water customer using 5 hundred cubic feet (ccf) per month will now pay \$44.89, up 6.5 percent from the FY 2019-20 "typical" bill of \$42.14. The "medium" commercial customer using 100 ccf per month will see a water bill increase from \$572.85 to \$610.05; an increase of \$37.20 or 6.5 percent.

Two tiers of fixed low-income discount for qualified single family quarterly billed residential water customers are included in the Ordinance. The discount is 50% for a typical low-income customer bill and is \$67.30 quarterly for FY 2020-21. The discount is 80% for a typical extremely low income customer bill and is \$107.70 quarterly for FY 2020-21.

410 Amend Planning and Zoning Code, the Comprehensive Plan Map, and the Zoning Map to implement the Expanding Opportunities for Affordable Housing project

CBO Analysis

This Ordinance implements recommendations from the Expanding Opportunities for Affordable Housing (EOAH) project, including amendments to Title 33 (Planning and Zoning Code). The recommended EOAH amendments allow institutions regulated through the Zoning Code as “Conditional Uses” to add housing without a new Conditional Use Review, if relevant conditions and standards are met. They also allow more flexibility for small increases in non-residential floor area, allow site area to be reduced, and allow removal of some parking for the development of housing, without a Conditional Use review. The recommendation also includes rezoning and changing the Comprehensive Plan map designations on 20 community-based sites to further housing opportunities, including affordable housing.

There are no direct financial impacts resulting from the adoption of this Ordinance; however, in the long term, the EOAH code and map changes could impact City finances and budgets through impacts to BDS fees and workloads, and to the number of affordable housing projects in the PHB pipeline. These are discussed more in depth below.

BDS Impacts: The code changes being made with the EOAH project will likely reduce the number of Conditional Use applications that the BDS Land Use Services Division handles. This will reduce BDS revenue, but also reduce BDS workloads by a corresponding amount. BDS expects an increase in applications from institutions for either an Early Assistance Appointment or a Tier 3 Zoning Confirmation letter to verify that they are meeting these new requirements. Currently, this determination is done as part of the Conditional Use review. BDS, therefore, expects a shift in workload from Conditional Use Reviews to Early Assistance Appointments and Zoning Confirmation requests.

PHB Impacts: The EOAH amendments support the voluntary production of regulated and non-regulated affordable housing by community-based organizations. The ordinance may increase the number of faith-based organizations seeking funding from various PHB programs. The EOAH ordinance does not allocate any funds to these organizations, but the passage of more flexible zoning regulations could cause more inquiries to PHB from these organizations, with some staff time impacts to answer questions and guide these organizations toward partnerships with experienced affordable housing developers.

411 Readopt remanded ordinance for the Central City 2035 Plan and amend the Comprehensive Plan, Comprehensive Plan Map, Transportation System Plan, Willamette Greenway Plan, Scenic Resources Protection Plan and Zoning Map, authorize adoption of administrative rules, and repeal and replace prior Central City plans and documents

CBO Analysis

This Ordinance readopts 10 Central City 2035 Plan documents that were included in the remanded Ordinance #189000, which was appealed to the Oregon Land Use Board of Appeals (LUBA) and then the Court of Appeals. On March 16, 2020, the Oregon Court of Appeals remanded Ordinance 189000 of the Central City 2035 Plan back to the City. Pursuant to the Court of Appeal’s final order, the City is readopting CC2035 with additional findings and evidence to demonstrate that the proposed heights in New Chinatown/Japantown comply with applicable goals and policies. The plan’s goals, policies, zoning regulations and other implementation measures provide a comprehensive framework to guide public and private decision-making, investments, and development in Portland’s Central City over the next 20 years. There are no direct fiscal impacts from the adoption of this Ordinance as it does not amend the budget, make any changes to appropriations, or authorize additional spending; however, there may be unknown future costs associated with the plan’s policies and recommendations. Specific impacts are as follows:

Goal and Policy Amendments

The goals and policies of the plan inform future investments over a 20-year time-frame. BPS states that the financial impacts of the plan’s policies and goals are long-term in nature and further action by City Council is

needed before any specific policy is translated into action.

Scenic and Natural Resources Protection Plans

The plan includes protection plans and inventories of Central City scenic and natural resources. Individual projects would be determined by the bureau that owns or manages affected property and budgets would be reviewed at that time.

Transportation System Plan Amendments

The plan includes changes to the Portland Bureau of Transportation's *Transportation System Plan* (TSP) list of major projects. The list of projects adds up to \$47 million, spread over 20 years. Future decisions regarding TSP project funding and implementation will be made as part of separate PBOT budget requests.

Zoning Code and Map Amendments

The plan's zoning provisions support the highest density of jobs and housing in the region within the Central City. BPS states that this helps reduce long-term costs associated with absorbing population growth. Fiscal impacts from implementation of the amended zoning code and maps could include changes to the costs of administering the readopted code versus the previous code; these costs are currently unknown. There may also be costs associated with training staff on the new codes, but the bureau expects this to be minimal. The affordable housing fee-in-lieu FAR bonus is administered by the Portland Housing Bureau. Ongoing administration of the program is expected to be funded through the proceeds received from developers utilizing the bonus. Some code provisions, including the Central City parking regulations and regulations related to the Willamette River, have been streamlined and may result in reduced administration costs.