

**PORTLAND CITY COUNCIL AGENDA
City Hall - 1221 SW Fourth Avenue
WEDNESDAY, 9:30 AM, JULY 8, 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 July 8-9, 2020 Council meetings is Tuesday, July 7, 2020 at 4:00 p.m.**

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

TIMES CERTAIN

521 TIME CERTAIN: 9:30 AM – 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 (Second Reading Agenda 520; Ordinance introduced by Mayor Wheeler; readopt Ordinance No. 189000; amend Title 33) 15 minutes requested

See below.

CONSENT AGENDA – NO DISCUSSION

Mayor Ted Wheeler

Bureau of Development Services

***522** Authorize an Intergovernmental Agreement with the State of Oregon on behalf of Portland State University, for the use of parking permits and access cards at the 4th Avenue Garage and provide for payment (Ordinance)

The Bureau of Development Services currently has interagency agreements with BES, BTS, PF&R, Parks, PBOT, and the Water Bureau to handle and process all parking

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invoices and customer service issues with Portland State University Transportation and Parking Services. Monthly parking permit costs during FY 2020-21 fall within three tiers: 1. Non-Reserved parking permits are charged at a monthly rate of \$195 per space, 2. Parking spaces reserved all hours are charged a monthly rate of \$270/space, and 3. Parking spaces reserved after 1PM are charged a monthly rate of \$240 per space. The resulting City costs in FY 2020-21, for full utilization of this contract, will be approximately \$35,460 per month for 170 parking permits. Funds for this IGA with PSU are available in BDS's FY 2020-21 budget.

<p align="center">Bureau of Planning & Sustainability</p>	
<p>*523 Authorize a grant agreement to Cascadia Policy Solutions in a total amount not to exceed \$75,000 as part of the City's participation in the Pacific Coast Collaborative, a multi-state food waste reduction project (Ordinance)</p>	<p>This Ordinance authorizes a grant agreement to Cascadia Policy Solutions to reduce food waste in all food business sectors. The City will be joining other Pacific Coast Collaborative (PCC) participating governments in contributing grant funding for this project. The City will provide \$25,000 a year for the first two calendar years of a three-year period (2020, 2021 and 2022), with an option for the City to provide an additional \$25,000 in 2022 when the City will reassess its participation in the project. The bureau does not expect any staffing level changes. One grant agreement has been created for the three-year period, not to exceed \$75,000.</p>
<p>*524 Authorize the Director of the Bureau of Planning and Sustainability to execute grant agreement in the amount of \$100,000 with The Recycling Partnership, Inc. and execute subrecipient grant agreements with community organizations not to exceed \$100,000 (Ordinance)</p>	<p>This Ordinance authorizes BPS to receive a \$100,000 grant from The Recycling Partnership, Inc. Grant resources are provided to invest in community led engagement that pilots new methods of recycling engagement to multifamily residents in areas most vulnerable to displacement. In accordance, this Ordinance also authorizes BPS to execute subrecipient grant agreements to three community organization in a cumulative total amount not to exceed \$100,000. These include: Trash for Peace (\$30,500), Center for Intercultural Organizing ("Unite Oregon") (\$42,700), and ROSE Community Development Corporation ("Rose CDC") (\$20,000). BPS states that this grant agreement will not have long-term financial impacts, budget impacts, or staffing</p>

	<p>level changes. Four financial agreements have been created; one to accept the grant from Recycling Partnership and three others for the three community partner organizations that will be receiving grant funding.</p>
<p style="text-align: center;">Office of Management and Finance</p> <p>*525 Authorize a one-year agreement with the Regional Arts and Culture Council to administer art programs for the City and provide for payment (Ordinance)</p>	<p>The funding base for this Agreement in FY 2020-21 shall be \$3,771,363. At minimum, 40% of this amount will be distributed as follows: 1) \$66,000 to the creation of new murals, 2) \$55,000 to the Visual Chronicles of Portland for new portable works, and 3) the remainder as grants, consistent with RACC's grant programs, to arts organizations, artists or arts educators. No more than 60% of the funding base shall be used to support RACC's core operations and the outcomes and deliverables outlined in this Agreement. The budget for RACC is included in the FY 2020-21 Adopted Budget for Special Appropriations and is funded by General Fund discretionary resources.</p>
<p>*526 Extend contract with Providence Occupational Health Services for an amount not to exceed \$1,125,000 for post offer of employment medical examination and physical capacity testing services (Ordinance; amend Contract No. 30004322)</p>	<p>This contract extends the City's contract with Providence Occupational Health Service for medical and physical capacity testing services for five additional years. The not-to-exceed contact is for \$1.125 million. Costs for the exams are paid for by bureaus.</p>
<p>*527 Pay property damage claim of Northwest Natural in the sum of \$8,809 involving the Portland Water Bureau (Ordinance)</p>	<p>Total cost to the City to settle the claim is \$8,809. The source of funding is the City's Insurance and Claims Fund.</p>

<p>*528 Authorize an Intergovernmental Agreement with Multnomah County for the Revenue Division of the Bureau of Revenue and Financial Services to administer the Multnomah County Business Income Tax for ten years for an amount of \$1,393,468 in the first year and adjusted annually for inflation (Ordinance)</p>	<p>See below.</p>
<p>Commissioner Chloe Eudaly</p>	
<p>Bureau of Transportation</p>	
<p>*529 Authorize a contract with the lowest responsible bidder for the Connected Cully Project in the range of \$2 million to \$5 million (Ordinance)</p>	<p>The total cost for this project is \$4,721,823 (low confidence level). Costs for this project are included in PBOT's FY 2020-21 Adopted Budget and five year CIP. The project is funded by a federal grant and requires 10.27% in local match. The current anticipated match amount is \$1,727,200 which is funded by General Transportation Revenue and SDC funds.</p>
<p>*530 Authorize a contract with the lowest responsible bidder for the Red Electric Trail Project in the range of \$2 million to \$5 million (Ordinance)</p>	<p>The total project cost is \$4,756,291, including design and construction. Funding of the project comes from three sources: federal grants in the total amount of \$2,132,213, \$1,539,808 of PBOT's Transportation System Development Charge Program, and \$1,084,270 of Portland Parks Bureau System Development Charge Program.</p>
<p>REGULAR AGENDA</p>	
<p>*531 Adopt emergency temporary limitations on the fees third-party delivery services may charge restaurants during the COVID-19 emergency (Ordinance introduced by Mayor Wheeler and Commissioner Eudaly) 20 minutes requested</p>	<p>No anticipated fiscal impact to the City. This action temporarily limits fees third-party delivery services may charge to 10% during the State of Emergency. No funding is allocated for and no specific City entity is charged with enforcement. San Francisco, Seattle, Washington, D.C., and New York City enacted similar temporary restrictions limited charges to 15%, and</p>

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10% in Jersey City.

Mayor Ted Wheeler		
532	Appoint Kymberly Horner to the Portland Housing Advisory Commission for a term to expire July 7, 2022 (Report) 10 minutes requested	No fiscal impact.
Bureau of Environmental Services		
533	Authorize a competitive solicitation and contract with the lowest responsible bidder and provide payment for construction of the Columbia Boulevard Wastewater Treatment Plant Organic Waste Receiving Facility Project No. E10804, for an estimated amount of \$7,821,000 (Ordinance) 10 minutes requested	The engineer's final estimate of the probable cost of construction for this project at the 95% design is \$7,821,000. The level of confidence in the estimated cost of construction is moderate. The estimate at 100% is anticipated to be within 10% of the 95% estimate. Funds are available in BES's FY 2020-21 budget in the Sewer System Operating Fund. As a new system at CBWTP, the OWRF will slightly increase O&M costs at CBWTP. This is being planned for in future budget requests and will be more than offset by the expected savings in natural gas and power purchases and revenue from tipping fees.
534	Authorize the Bureau of Environmental Services to acquire certain permanent and temporary property rights necessary for construction of the Goose Hollow Sewer Rehabilitation Project No. E10683, through the exercise of the City's Eminent Domain Authority (Ordinance) 10 minutes requested	The cost of acquiring the needed property rights will be determined by an independent appraisal during the Eminent Domain process. Funds are available in BES's FY 2020-21 budget in the Sewer System Operating Fund.
535	Authorize grant agreement up to \$73,000 to Southwest Neighborhoods, Inc. to provide outreach, technical assistance and community involvement for watershed projects in westside sub-watersheds (Second Reading Agenda 499)	Maximum total costs for FY 2020-21 are \$73,000, to be allocated from BES's budget in the Sewer System Operating Fund.
Office of Management and Finance		
536	Accept Guaranteed Maximum Price of \$17,989,637 from MWH Constructors, Inc. for the construction of the Corrosion Control Improvements Project (Procurement Report - RFP No. 00001107) 15 minutes requested	Based on the Guaranteed Maximum Price received, the Portland Water Bureau anticipates the construction contract cost to not exceed \$17,989,637. Funding is available in the bureau's FY 2020-21 budget and will be requested in the FY 2021-22 and FY 2022-23 budgets.

<p>*537 Authorize revenue bonds to refund outstanding bonds and revenue bonds in an amount sufficient to provide not more than \$4.3 million to finance improvements to the Headwaters Apartments Project (Ordinance) 10 minutes requested</p>	<p>See below</p>
<p>*538 Grant voluntary recognition as provided under ORS 243.666(3) to the Professional and Technical Employees Union, Local 17 to represent the collective bargaining interests of City employees in the classification of Engineer II, job class number 30003046 (Ordinance) 10 minutes requested</p>	<p>Currently, there are four incumbents in the classification that will be impacted by this change. BHR estimates that the full year fiscal impact is \$2,500 in additional costs (i.e. Water Bureau: \$1,300 and BES: 1,200). This estimate does not include the potential cost of overtime which will be 1.5 times the employee's base salary.</p>
<p>Portland Housing Bureau</p>	
<p>*539 Amend the FY 2020-21 budget and authorize amending the Intergovernmental Agreement with Home Forward and payment of up to \$5,175,233 and appropriation of \$2 million for capital repairs to the Headwaters Apartments (Ordinance; amend Contract No. 30006255) 15 minutes requested</p>	<p>This action appropriates \$2.0 million in the Housing Property Fund in order to complete necessary repairs on the Headwaters Apartments during the summer construction season. The revenue source is Limited Tax Revenue Bond proceeds.</p>

<p>*540 Authorize 17 subrecipient contracts totaling \$5,062,200 for services in support of providing affordable housing to include emergency home repair, Fair Housing, Homeownership Counseling and Education and renter services, including relocation assistance and education and advocacy (Ordinance) 10 minutes requested</p>	<p>Funding has been allocated for this purpose in the Portland Housing Bureau's FY 2020-21 Adopted Budget.</p>
<p>*541 Establish Code Sections to administer the FAR Transfer from Existing Affordable Housing and Three-Bedroom Unit FAR Density Bonus Option Programs that were approved through the Better Housing by Design zoning Code project (Ordinance; add Code Sections 30.01.150 and 30.01.160) 10 minutes requested</p>	<p>No fiscal impact – this ordinance adopts code for policies already authorized by Council.</p>
<p>*542 Approve application under the Multiple-Unit Limited Tax Exemption Program under the Inclusionary Housing Program for Burney 1 located at 5980 E Burnside St (Ordinance)</p>	<p>This action would result in estimated foregone property tax revenues to the City totaling \$14,844 over ten years for 4 units affordable at or below 80% MFI. Total cost to all jurisdictions forgoing revenue is estimated at \$44,982. The estimated value of the tax exemption for the first year is \$4,885 (all jurisdictions), which equals approximately \$1,125 per affordable unit per year during the exemption period. 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 \$3,400 application activation fee if the application moves forward.</p>
<p>*543 Approve application under the Multiple-Unit Limited Tax Exemption Program under the Inclusionary Housing Program for Burney 2 located at 5960 E Burnside St (Ordinance)</p>	<p>This action would result in estimated foregone property tax revenues to the City totaling \$22,986 over ten years for 6 units affordable at or below 80% MFI. Total cost to all jurisdictions forgoing revenue is estimated at \$69,658. The estimated value of the tax exemption for the first year is \$7,564 (all jurisdictions), which equals approximately \$1,161 per affordable unit per year during the exemption period. The City will still benefit from property taxes collected on the improved value of the land during the exemption</p>

	<p>period. The City will pay Multnomah County the \$5,100 application activation fee if the application moves forward.</p>
<p>*544 Approve application under the Multiple-Unit Limited Tax Exemption Program under the Inclusionary Housing Program for Cesar Apartments located at 1604 SE Cesar Chavez Blvd (Ordinance)</p>	<p>This action would result in estimated foregone property tax revenues to the City totaling \$28,213 over ten years for 8 units affordable at or below 80% MFI. Total cost to all jurisdictions forgoing revenue is estimated at \$85,493. The estimated value of the tax exemption for the first year is \$9,283 (all jurisdictions), which equals approximately \$1,069 per affordable unit per year during the exemption period. 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 \$6,800 application activation fee if the application moves forward.</p>
<p>*545 Approve application under the Multiple-Unit Limited Tax Exemption Program under the Inclusionary Housing Program for Prov 3 Apartments located at 5505 NE Glisan St (Ordinance) 10 minutes requested</p>	<p>This action would result in estimated foregone property tax revenues to the City totaling \$13,238 over ten years for 3 units affordable at or below 80% MFI. Total cost to all jurisdictions forgoing revenue is estimated at \$40,115. The estimated value of the tax exemption for the first year is \$4,356 (all jurisdictions), which equals approximately \$1,338 per affordable unit per year during the exemption period. 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 \$2,550 application activation fee if the application moves forward.</p>

<p>546 Approve application under the Multiple-Unit Limited Tax Exemption Program under the Inclusionary Housing Program for Pepsi Blocks Phase 1A, Building A located at 827 NE 27th Ave (Ordinance) 10 minutes requested</p>	<p>This action would result in estimated foregone property tax revenues to the City totaling \$181,280 over ten years for 44 units affordable at or below 60% MFI. Total cost to all jurisdictions forgoing revenue is estimated at \$549,333. The estimated value of the tax exemption for the first year is 59,647 (all jurisdictions), which equals approximately \$1,249 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>
<p>*547 Authorize Intergovernmental Agreement with Prosper Portland in support of the ongoing implementation of housing functions at the Portland Housing Bureau and economic opportunity functions at Prosper Portland (Ordinance) 10 minutes requested</p>	<p>Funding has been allocated for this purpose in the FY 2020-21 Adopted Budget. The ordinance creates the mechanism by which TIF funds will flow through Prosper Portland to the City on a reimbursement basis, and by which federal grant funds will flow from PHB to Prosper Portland.</p>
<p>Commissioner Chloe Eudaly</p> <p>Bureau of Transportation</p>	
<p>*548 Approve findings to authorize an exemption to the competitive bidding requirements and authorize a competitive solicitation for the use of the alternative contracting method of Negotiated Request for Proposals for construction of the Outer Division Multi-Modal Safety Project (Ordinance) 15 minutes requested</p>	<p>The Bureau's FY 2020-21 Adopted Budget includes \$7.128 million in funding for this project and \$9.128 million in the bureau's five-year CIP.</p>

<p>549 Authorize an Intergovernmental Agreement with TriMet for Friends of Frog Ferry funding in the amount of \$40,000 as part of local match for the State Transportation Improvement Funds discretionary grant in the amount \$200,000 to develop the Frog Ferry Operations and Finance Plan (Ordinance) 15 minutes requested</p>	<p>PBOT's FY 2020-21 Adopted Budget includes \$40,000 for the City's local match to develop the Frog Ferry Operations and Finance Plan. The total cost of the plan is \$250,000. In addition to the \$40,000 City local match, Friends of Frog Ferry is providing \$10,000 and a grant award of \$200,000 is provided via the Statewide Transportation Improvement Fund to TriMet to pass to Friends of Frog Ferry.</p>
<p><u>WEDNESDAY, 2:00 PM, JULY 8, 2020</u></p>	
<p>550 TIME CERTAIN: 2:00 PM – Amend Planning and Zoning Code to extend the expiration date for some land use approvals, maintain inclusionary housing rates outside the Central City and Gateway Plan Districts, and allow for virtual neighborhood contact meetings (Ordinance introduced by Mayor Wheeler; amend Title 33) 2 hours requested</p>	<p>See below.</p>
<p><u>THURSDAY, 2:00 PM, JULY 9, 2020</u></p>	
<p>551 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 494; Ordinance introduced by Mayor Wheeler; amend Code Title 33 and Portland Comprehensive Plan and Zoning Maps) 90 minutes requested</p>	<p>See below.</p>
<p>552 TIME CERTAIN: 3:30 PM – Authorize \$1,623,850 for grant agreements to be divided among the five non-profit neighborhood District Coalitions to support Neighborhood Associations and community engagement activities from July 1, 2020 through June 30, 2021 (Previous Agenda 497; Ordinance introduced by Commissioner Eudaly) 1 hour requested for items 552 and 553</p>	<p>This Ordinance, if approved, reflects Civic Life's grant expenses within its Neighborhood Outreach and Support Program. This amount is \$343,709 less than budgeted for in the FY 2020-21 Adopted Budget, as the bureau is planning for further bureau-wide reductions to meet Fall BMP Guidance to reach a total budget reduction of 5.6% for the fiscal year.</p>

<p>553 Authorize \$851,646 for grant agreements with Center for Intercultural Organizing- Unite Oregon; Latino Network; Immigrant Refugee Community Organization; Native American Youth and Family Center; Momentum Alliance; and Urban League of Portland for the Diversity and Civic Leadership Organizing Project for July 1, 2020 through June 30, 2021 (Previous Agenda 498; Ordinance introduced by Commissioner Eudaly)</p>	<p>This Ordinance, if approved, reflects Civic Life's grant expenses within its Diversity and Civic Leadership Program. This amount is \$16,998 less than budgeted for in the FY 2020-21 Adopted Budget, as the bureau is planning for further bureau-wide reductions to meet Fall BMP Guidance to reach a total budget reduction of 5.6% for the fiscal year.</p>
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521 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.

528 Authorize an Intergovernmental Agreement with Multnomah County for the Revenue Division of the Bureau of Revenue and Financial Services to administer the Multnomah County Business Income Tax for ten years for an amount of \$1,393,468 in the first year and adjusted annually for inflation

CBO Analysis

This Ordinance extends the agreement between the City and the County for the Bureau of Revenue and Financial

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Services, Revenue Division to administer the County's Business Income Tax for ten years. As a result of this IGA, the Revenue Division will administer and collect the Multnomah County Business Income tax and remit those funds to the County. The Revenue Division will bill an administration fee of \$1,393,468 for the first year of this agreement, which will be adjusted annually for inflation. The current IGA expires on June 30, 2020. The new IGA is a ten-year agreement and reflects a 2.9% increase over the County's current cost-sharing contribution. The \$1,393,468 administration fee is \$4 greater than the amount budgeted in the FY 2020-21 Adopted Budget. The Revenue Division plans to address the \$4 difference in the Fall Budget Monitoring Process.

Collections that are above a baseline, using an agreed-upon methodology, will be earmarked toward funding the County's portion of the Revenue Division's Integrated Tax System costs. Annually, the County shall pay for its allocated share of ITS project costs based on proportion of the revenues collected on the ITS platform. The County's portion of ITS costs related to collection of the Business Income Tax are currently estimated to be \$1,327,883 annually (\$13,278,830 over 10 years, estimated), estimates will be finalized by June 30, 2021.

City Council previously directed, via budget note, the Revenue Division to achieve cost recovery with the County based on the proportion of business income taxes received by the City and County. Under this methodology, the County's proportional payment would be closer to \$2.5 million, based on a cost recovery expectation of 41% of the total \$6.1 million cost of providing this service. However, the IGA that governed this arrangement previously and this ten-year extension requires annual payment from the County of approximately \$1.4 million. In line with previous years, the FY 2020-21 Adopted Budget includes bridge one-time General Fund funding for the County's portion of costs not covered in the current IGA in the amount of \$753,815. Approval of this IGA will require this bridge funding to become an ongoing allocation from the General Fund in order to maintain current revenue collection levels and will signal an end of negotiations on cost recovery to the County for at least ten years.

537 Authorize revenue bonds to refund outstanding bonds and revenue bonds in an amount sufficient to provide not more than \$4.3 million to finance improvements to the Headwaters Apartments Project

CBO Analysis

This Ordinance authorizes the issuance of limited tax revenue bonds in an amount sufficient to provide up to \$4.3 million to finance improvements and tenant relocation costs to the Headwaters Apartments Project and related financing costs. The ordinance also authorizes additional amounts to refund any or all of the City's Limited Tax Housing Revenue Bonds, 2005 Series A including costs of issuance. The proposed Bonds are expected to be issued in the summer of 2020. The Bonds will be secured by and paid from the Net Revenues of the Headwaters Apartments Project. The Bonds will also be secured by the City's full faith and credit. The combined term of the Bonds is expected to be twenty years. Based on current market conditions, total debt service savings from the refunding are estimated to be \$1,010,000 (\$970,000 on a present value basis). Preliminarily, \$715,000 of debt service savings are expected to be concentrated in FY 2020-21 and FY 2021-22 to better match the Project's revenue projections. Net present value savings as a percentage of the proceeds of the Refunding Bonds would be approximately 13.1%. On a combined basis, the New Money Bonds' and Refunding Bonds' debt service is not expected to exceed existing annual debt service requirements on the Project.

550 Amend Planning and Zoning Code to extend the expiration date for some land use approvals, maintain inclusionary housing rates outside the Central City and Gateway Plan Districts, and allow for virtual neighborhood contact meeting

CBO Analysis

This Ordinance amends the City's Zoning code in several ways as a result of economic and social disruption impacting the development review process caused by the COVID-19 pandemic as part of the Expiration Date Extension Project. Proposed amendments include the following:

- Temporarily extend the expiration dates of land use reviews, land divisions, final plats, and the Con-Way Master Plan.
- Permanently extend the expiration of pre-application conferences from one year to two years.
- Temporarily extend the compliance period for nonconforming upgrades.
- Temporarily allow neighborhood contact meetings to be held virtually.
- Extend the currently lower inclusionary housing rates for areas of the city outside of the Central City and the Gateway Plan Districts that are set to increase on January 1, 2021 until January 1, 2024.

The bureau states the long-term impacts of this proposal are minimal as all of the proposed amendments are temporary in nature and include sunset dates, with the exception of the proposal to extend the expiration of pre-

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application conferences. The bureau does not expect the changes to result in changes to staffing levels. The bureau also states that the proposal supports the economic recovery of the city by allowing projects in the midst of the development review process that would otherwise be delayed or abandoned to continue to completion.

551 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

CBO Analysis

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 Impacts:

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 Impacts:

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.