

**PORTLAND CITY COUNCIL AGENDA  
 City Hall - 1221 SW Fourth Avenue  
WEDNESDAY, 9:30 AM, AUGUST 5, 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](http://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](mailto: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](http://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 August 5, 2020 Council meeting is Tuesday, August 4, 2020 at 4:00 p.m.**

Email the Council Clerk at [cctestimony@portlandoregon.gov](mailto:cctestimony@portlandoregon.gov) with any questions.

**CONSENT AGENDA – NO DISCUSSION**

**Mayor Ted Wheeler**

**Office of Management and Finance**

**\*639** Pay settlement of Bradley Tellam property damage claim in the sum of \$9,235 resulting from a motor vehicle collision involving the Portland Bureau of Transportation (Ordinance) 1 hour requested

The FY 2020-21 Adopted Budget for Risk Management includes resources for property insurance claims payments within the base budget. This claims payment is covered through this base budget allocation and there is no financial impact with this legislation.

<p><b>640</b> Provide an exception to Human Resources Administrative Rule 6.03, Vacation, for employees required to furlough allowing for carryover of all vacation accruals earned by the end of the first pay period in January 2021 to the end of the first pay period in January 2022 (Second Reading Agenda 622)</p>	<p>See below.</p>
<p><b>641</b> Provide an exception to Human Resources Administrative Rule 8.03, Hours of Work, Overtime Compensation &amp; Management Leave for Fair Labor Standards Act Exempt Employees allowing for carryover of unused management leave to calendar year 2021 as a result of required furloughs for FLSA exempt employees (Second Reading Agenda 623)</p>	<p>This ordinance is not anticipated to have a significant financial impact on the City. Those receiving management leave are FLSA exempt employees and not entitled to overtime (OT). It is assumed that in most instances, a bureau who will need to backfill can do so with other FLSA exempt employees. If any additional costs due result from management leave carryover, the ordinance directs bureaus to manage those costs within existing current service level appropriation.</p>
<p><b>Commissioner Jo Ann Hardesty</b> <b>Portland Fire &amp; Rescue</b></p>	
<p><b>*642</b> Accept and appropriate a grant in the amount of \$659,443 from the Department of Homeland Security through its Federal Emergency Management Agency for COVID-19 Supplemental (Ordinance)</p>	<p>This action increases Portland Fire &amp; Rescue's FY 2020-21 budget by \$659,443. The 10% matching requirement is entirely covered by essential COVID-19 PPE purchases that were made last fiscal year using PF&amp;R FY 2019-20 General Fund budget.</p>
<p><b>Commissioner Chloe Eudaly</b> <b>Bureau of Transportation</b></p>	
<p><b>*643</b> Amend contract with TriMet for Design and Construction Management Services for the Portland-Milwaukie Light Rail Project (Ordinance; amend Contract No. 30001514)</p>	<p>Amending the IGA will have no budgetary impact. There are no changes to the agreement beyond the extended completion date.</p>

**644** Authorize application to Oregon Department of Transportation for a grant in the amount of \$5 million for the Safe Routes to School Competitive Infrastructure Grant Program (Second Reading Agenda 625)

If all three grants are funded, which PBOT states is unlikely, the total estimated cost to complete the plans are \$6,435,000 over roughly three years. The ODOT Grant program will pay up to an estimated \$5,000,000. The local match in the amount of \$1,435,000 will be provided by Fixing Our Streets Safe Routes to School funding, and depending on the location, SDC funding may be appropriate. If awarded, PBOT's FY 2021-22 and FY 2022-23 budgets would include any funding as a result of grant award(s), however, this would not impact the current fiscal year budget. Though PBOT is submitting three grant applications through this program, staff assume only one will be awarded.

<p><b>REGULAR AGENDA</b></p> <p><b>Mayor Ted Wheeler</b></p> <p><b>Bureau of Planning &amp; Sustainability</b></p>	
<p><b>645</b> Replace Title 13 Animals with Bees and Livestock to update the regulations for keeping bees and livestock (Second Reading Agenda 632; replace Code Title 13)</p>	<p>See below.</p>
<p><b>Commissioner Chloe Eudaly</b></p> <p><b>Bureau of Transportation</b></p>	
<p><b>646</b> Vacate a portion of SW 3rd Ave south of SW Arthur St subject to certain conditions and reservations (Second Reading Agenda 629; Ordinance; VAC-10126)</p>	<p>The process for vacating streets is a cost recovery program which is typically paid for by the Petitioner. The bureau states it does not have a net impact on PBOT's budget.</p>
<p><b>Commissioner Amanda Fritz</b></p> <p><b>Water Bureau</b></p>	
<p><b>647</b> Authorize a contract with the lowest responsible bidder and provide payment for the construction of the Powell Butte Reservoir 1 Roof Upgrades Project at an estimated cost of \$5,140,000 (Second Reading Agenda 626)</p>	<p>This project is budgeted with the Water Bureau's FY 2020-21 Adopted Budget and Capital Improvement Plan.</p>
<p><b><u>WEDNESDAY, 2:00 PM, AUGUST 5, 2020</u></b></p>	
<p><b>648</b> <b>TIME CERTAIN: 2:00 PM</b> – Amend the Comprehensive Plan, Comprehensive Plan Map, Zoning Map, Title 33 Planning and Zoning and Title 30 Affordable Housing, to revise the Single-Dwelling Residential designations and base zones (Second Reading Agenda 551; amend Code Title 33 and Portland Comprehensive Plan and Zoning Maps, and Title 30) 1 hour requested</p>	<p>See below.</p>

**640** Provide an exception to Human Resources Administrative Rule 6.03, Vacation, for employees required to furlough allowing for carryover of all vacation accruals earned by the end of the first pay period in January 2021 to the end of the first pay period in January 2022 (Second Reading Agenda 622)

**CBO Analysis**

This ordinance authorizes the one-time exception to Human Resources Administrative Rule 6.03 to allow for the carryover of vacation accruals that exceed accrual limits earned by the end of the first pay period in January 2021 to be carried over to the end of the first pay period in January of 2022. This exemption is in response to cost saving measures taken due to the fiscal impact of COVID-19 which included furloughs for

non-public safety represented staff and non-representative staff. Employees paid under \$29.55 hourly or \$61,463.99 annually, were not required to take furloughs. As such, this ordinance does not apply to employees that were exempt from the furlough requirements.

Currently, HRAR 6.03, allows for vacation credits to be accrued up to a maximum of two year's earnings, or three years (dependent upon position) by the end of the first pay period in January of each calendar year. Hours in excess of an employee's 24-month vacation accrual, which are not used by the end of the first pay period in January of any year are no longer available for use. This action eliminates the potential loss of these vacation credits that exceed accrual limits over the maximum of one year. Employees must take their additional credits no later than the end of the first pay period of January 2022.

In practice, the productivity loss and the potential backfill or overtime costs that may result from employees using their vacation leave carryover are difficult to quantify. An analysis of vacation accrual data for the end of the pay period in January 2020 provides some insight, albeit imperfect, into the number of employees this exemption could impact. For example, if the one-year exemption was for the period January 2020 to January 2021, 758 non-public safety represented and non-represented employees within the compensation furlough requirements would have qualified for the exemption. Of those 758 staff, 136 or 17.9% are funded with General Fund resources. The remaining 82% or 622 employees are from non-General Fund bureaus.

The Bureau of Human Resources (BHR) provided a low, medium and high impact scenario analysis to estimate the potential overtime costs that may result from this exemption. Their analysis estimates additional overtime costs could increase between \$3.9 million (low) to \$8.1 million (high). CBO notes that the analysis assumes the vacation leave carryover exemption will trigger additional overtime for the highest overtime earners. However, this may overstate the potential cost as bureaus will be expected to manage extra overtime costs within their appropriation levels. Without additional appropriation, bureaus will need to ensure that coverage requirements are met in the most cost effective manner possible. CBO also notes that many of the top overtime-earners are also the same staff that would likely qualify for the vacation leave carryover exemption. Thus, depending on how bureaus manage coverage requirements, their absence could potentially reduce overtime costs.

Another impact of the ordinance is an increase in the City's liability from higher vacation payouts. According to HRAR 6.03 all vacation leave must be cashed out when an employee separates from City employment. It is difficult to determine the City's potential liability as a result of this ordinance as it's unknown how many staff will leave the City's employment during the one-year exemption period. To help determine the impact, BHR's analysis uses 2019 separations as a proxy to estimate the City's payout liability. Their analysis demonstrates that if the ordinance was in effect in 2019, the City would have assumed an additional \$1.2 million in payout liability.

Finally, while this ordinance will result in productivity loss and additional liability for vacation payouts, it directs bureaus to "manage staffing coverage requirements in order to minimize additional costs that may result from Vacation Leave carryover *and manage those costs within existing current service level appropriation.*"

**645** Replace Title 13 Animals with Bees and Livestock to update the regulations for keeping bees and livestock (Second Reading Agenda 632; replace Code Title 13)

### **CBO Analysis**

This Ordinance replaces Portland Title 13, Animals and renames the code Title 13, Bees and Livestock. The updated Title 13 will allow Portland residents to keep bees and livestock in an urban environment under certain circumstances and replaces the current permit process to provide more certainty and transparency for residents and streamlines the implementation of the code to reduce costs and administrative burdens to the public and the City. Previously, Multnomah County administered the City's Title 13, Animals code, but in March 2018, the Bureau of Planning and Sustainability (BPS) temporarily took over the program while it worked to update the Title 13 code, develop administrative rules, and identify an appropriate long-term code administrator. The bureau expects this work to be completed with an established administrator by spring 2021. There are no additional fiscal impacts as a result of this Ordinance. When BPS temporarily absorbed these functions in 2018, the ongoing Special Appropriation resources the City paid Multnomah County Vector Control was transferred to BPS to cover staffing needs, which totals approximately \$60,000. It is anticipated

that once the code update work is complete the cost of enforcement activities will not exceed the existing ongoing Special Appropriations budget allocation.

- 648** Amend the Comprehensive Plan, Comprehensive Plan Map, Zoning Map, Title 33 Planning and Zoning and Title 30 Affordable Housing, to revise the Single-Dwelling Residential designations and base zones (Second Reading Agenda 551; amend Code Title 33 and Portland Comprehensive Plan and Zoning Maps, and Title 30) 1 hour requested

**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.