

**PORTLAND CITY COUNCIL AGENDA
City Hall - 1221 SW Fourth Avenue
WEDNESDAY, 9:30 AM, SEPTEMBER 9, 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). Testimony is not taken on communications, reports, second readings, proclamations or presentations in accordance with Code 3.02.040 F. and G. 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.

The deadline to sign up for the September 9-10, 2020 Council meeting is Tuesday, September 8, 2020 at 4:00 p.m.

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

TIMES CERTAIN

***677 TIME CERTAIN: 9:35 AM** – Authorize eight grant agreements and Intergovernmental Agreements related to the Community Watershed Stewardship Program for a cumulative total of up to \$100,000 (Ordinance introduced by Mayor Wheeler) 15 minutes requested

The projects have a 12-month execution period. The level of confidence for these project estimates are high. Funding for the CWSP is included in BES's FY 2020-21 budget in the Sewer System Operating Fund.

<p>678 TIME CERTAIN: 9:50 AM – Amend the Building Demolition Code to move implementation details to the administrative rule, update asbestos requirements to conform to state regulations, update demolition inspections language to be consistent with current practices, increase fines for non-compliance, and make other modifications for clarity and consistency and amend fee schedule (Ordinance introduced by Mayor Wheeler; amend Code Chapter 24.55 and Portland Policy Document ENB 14.10) 45 minutes requested</p>	<p>BDS does not anticipate direct cost impacts from implementing the updated requirements. The ordinance increases fines for violations that are non-correctable, doubling the fine for the first non-correctable violation, with increasing fines for subsequent violations. This may generate some increased revenue, the extent of which will depend on how successful the increased fines are at discouraging violations.</p>	
<p>*679 TIME CERTAIN: 10:35 AM – Amend contract with F.C. Hurdle Consulting, LLC in the amount of \$15,000 to provide additional community stakeholder engagement consulting services (Ordinance introduced by Mayor Wheeler; amend Contract No. 31001591) 15 minutes requested</p>	<p>The \$15,000 in increased costs for consulting services will be funded from the Office for Community Technology’s existing FY 2020-21 resources.</p>	
<p>CONSENT AGENDA – NO DISCUSSION</p> <p>Mayor Ted Wheeler</p> <p>Bureau of Development Services</p> <p>680 Amend Seismic Related Definitions for Existing Buildings Code to update references from the old American Society of Civil Engineers standards to the current version of the standards (Ordinance; amend Code Section 24.85.020)</p>		<p>This ordinance updates the references but does not change the substance of the code itself, so there is no fiscal impact.</p>
<p>Bureau of Environmental Services</p> <p>*681 Authorize the Bureau of Environmental Services to transfer up to \$369,000 to the Peninsula Drainage District #1 for operational and capital expenses expected during FY 2020-21 (Ordinance)</p>		<p>See below.</p>
<p>City Budget Office</p>		

<p>*682 Authorize an Intergovernmental Agreement with Prosper Portland for FY 2020-21 economic development activities (Ordinance)</p>	<p>The total value of the IGA/contract is for \$7,004,102, with \$6,145,662 funded by the General Fund and \$858,440 funded by the Recreational Marijuana Tax. This amount is appropriated in the FY 2020-21 Adopted Budget. It is anticipated that the results of Prosper Portland's economic development efforts will lead to job growth and retention as well as to increased economic activity, leading, in turn, to potentially increased revenue to the City.</p>
<p>Office of Management and Finance</p>	
<p>*683 Amend contract with Net Assets Corporation to extend term for providing online access to the City's lien docket in a not to exceed amount of \$105,000 (Ordinance; amend Contract No. 30003264)</p>	<p>The agreement's not-to-exceed amount of \$1,550,000 is increased by \$105,000 to a new total not-to-exceed amount of \$1,655,000. The Term is extended from June 30, 2020 to December 31, 2020, unless terminated sooner under the provisions of the Agreement. Net Assets, the developer of the Conduits system, bills the Revenue Division for each search performed. Revenue's Liens Section in turn bills out the cost of these searches plus administrative expenses to the parties performing the searches.</p>
<p>*684 Authorize an Intergovernmental Agreement with Metro Regional Government for the Revenue Division of the Bureau of Revenue and Financial Services to administer the Metro Supportive Housing Services Tax (Ordinance)</p>	<p>See below.</p>
<p>*685 Amend contract with FAST Enterprises, LLC, to increase contract amount by \$27,807,054 and extend the contract term by up to 15 months to incorporate Metro's Supportive Housing Services personal and business income taxes into the Revenue Division's Integrated Tax System (Ordinance; amend Contract No. 30006958)</p>	<p>See below.</p>

<p>*686 Pay settlement of Leonette Fauria bodily injury claim in the sum of \$16,972 involving the Office of Management & Finance (Ordinance)</p>	<p>The source of funding is the City's Insurance and Claims Fund. All costs of the settlement are in the current fiscal year.</p>
<p>*687 Pay settlement of Sally Seeger employment discrimination lawsuit in the sum of \$150,000 involving the Portland Bureau of Transportation (Ordinance)</p>	<p>The sources of funding are the City's Insurance and Claims Fund and Payroll. All costs of the settlement are in the current fiscal year.</p>
<p>688 Amend Business License Law Code related to the administration of the Residential Rental Registration Program and housekeeping changes (Ordinance; amend Code Chapter 7.02)</p>	<p>The proposed code changes should not have a material impact on City revenue or expenses. Among other minor changes, creating a definition of "Residential Rental Unit" should reduce taxpayer confusion and increase compliance.</p>
<p>Commissioner Jo Ann Hardesty</p>	
<p>Portland Fire & Rescue</p>	
<p>689 Authorize an Intergovernmental Agreement with Burlington Water District for fire prevention, suppression and emergency response services effective July 1, 2020 through June 30, 2030 (Ordinance)</p>	<p>No fiscal impact. The bureau's budget includes ongoing revenue from the Burlington Water District to provide these services.</p>
<p>Commissioner Chloe Eudaly</p>	
<p>Bureau of Transportation</p>	
<p>690 Amend Local Improvement District procedure for technical clarifications (Ordinance; amend Code Chapter 17.08)</p>	<p>According to PBOT, the Code updates reflect past financial practices, and no significant financial impact is anticipated.</p>
<p>Commissioner Amanda Fritz</p>	
<p>Water Bureau</p>	
<p>691 Accept contract with Pioneer Waterproofing Company, Inc. for the construction of the Mt. Tabor Reservoirs Preservation Project - Phase 2 as complete, release retainage, and authorize final payment (Report; Contract No. 30006778)</p>	<p>This ordinance recognizes Phase 2 of the Mt. Tabor Reservoirs Preservation Project as complete. The project finished \$73,579 or 8.9% over project budget. These costs will be absorbed into the Water Fund's existing budget with no significant fiscal impact.</p>
<p>Auditor Mary Hull Caballero</p>	

692 Certify August 11, 2020 Municipal Special Election results, proclaim candidate elected (Report)

This special election was administered by Multnomah County and the full cost of the special election is to be determined. The cost is estimated to fall between \$500,000 and \$700,000. The Auditor's Office will request this resource from the General Fund in the Fall Supplemental Budget in alignment with administrative rule 2.01.

REGULAR AGENDA

Mayor Ted Wheeler

Bureau of Environmental Services

693 Authorize the Bureau of Environmental Services to enter into an Intergovernmental Agreement with the City of Lake Oswego to cooperate on a potential replacement of the Tryon Creek Wastewater Treatment Plant via a public-private partnership (Ordinance) 15 minutes requested

See below.

Office of Management and Finance	
<p>*694 Conduct a pilot program for the 2021 Citywide Charitable Campaign to respond to COVID-19 and the racial justice movement as well as the financial hardship facing City employees and the community (Ordinance) 15 minutes requested</p>	<p>Administrative costs associated with the Charitable Campaign pilot are budgeted in the OMF Business Operations budget. The ordinance would result in a loss of approximately \$12,000 to \$14,000 in revenue that OMF Business Operations would previously seek as a reimbursement for the campaign participants. The practice of billing charitable organizations for administrative costs will be suspended. Hard costs will be kept to a minimum and staff time will be absorbed to run this streamlined campaign.</p>
<p>*695 Pay settlement of the Estate of Lane Martin's wrongful death lawsuit in the sum of \$975,000 involving Portland Police Bureau (Ordinance) 20 minutes requested</p>	<p>The source of funding is the City's Insurance and Claims Fund. All costs of the settlement are in the current fiscal year.</p>
<p>696 Authorize sewer revenue bonds to finance sewer system capital improvements in an amount not to exceed \$350 million and to refund outstanding bonds (Ordinance) 10 minutes requested</p>	<p>See below.</p>
Portland Parks & Recreation	
<p>697 Approve findings to authorize an exemption to the competitive bidding requirements, authorize a competitive solicitation for the use of the alternative contracting method of Negotiated Request for Proposals, and authorize the Chief Procurement Officer to execute a contract with the successful proposer upon acceptance by the Council of the Procurement Report, for the Mt. Tabor Yard Maintenance Facility and Multimodal Pathway project for an estimated \$8,100,000 (Ordinance) 10 minutes requested</p>	<p>This costs of this project at current estimation are budgeted in the Parks Bureau CIP. Operations and maintenance costs of \$45,000 are also budgeted in outyears and had ongoing General Fund resources appropriated in the FY 2020-21 Budget.</p>
Portland Housing Bureau	

<p>*698 Authorize an Intergovernmental Agreement with the City of Gresham for \$1,184,642 for the HOME Investment Partnership Program (Ordinance) 10 minutes requested</p>	<p>This Ordinance authorizes an intergovernmental agreement with the City of Gresham for \$1,184,642 for the HOME Investment Partnership Program. The source of funding for this IGA is federal entitlement funds from the HUD HOME Program. There is a total of \$1,184,642 in HOME funds available to Gresham in the Portland Housing Bureau budget, comprised of \$708,006 in FY 2020-21 Gresham HOME funds, \$441,460 in carryover funds, and \$35,176 in program income. The City of Gresham will implement a portion of the HOME Program in the amount of \$1,151,199. The balance of Gresham's HOME program funding, \$33,443, will be administered by the City of Portland.</p>
<p>*699 Amend Joint Office of Homeless Services Intergovernmental Agreement with Multnomah County to authorize FY 2020-21 budget allocation to the Joint Office of Homeless Services and extend to June 2022 (Ordinance; amend Contract No. 30005335) 10 minutes requested</p>	<p>This amendment authorizes the City's FY 2020-21 allocation to the Joint Office totaling \$52.2 million, including \$32.5 million in City funds (General Fund, Short-Term Rental Revenue, and Recreational Cannabis Tax Funds) and \$19.7 million in Federal resources (which includes additional funds related to the CARES Act and COVID-19 Response). In the event the federal government makes resources available for COVID-19 related activities, the City will request reimbursement from the federal government for allowable expenses. The City may also amend the budget to substitute the source of funding.</p>

<p>*700 Approve application under the Multiple-Unit Limited Tax Exemption Program under the Inclusionary Housing Program for Sullivan’s Ridge-Building A located at 1722 NE Multnomah St (Ordinance)</p>	<p>This action would result in estimated foregone property tax revenues to the City totaling \$10,977 over ten years for 8 units affordable at or below 80% MFI, with 4 of these 8 units transferred Via On-Site Consolidation from another building in the site. Total cost to all jurisdictions forgoing revenue is estimated at \$33,262. The estimated value of the tax exemption for the first year is \$3,612 (all jurisdictions), which equals approximately \$416 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 \$6,800 application activation fee if the application moves forward.</p>
<p>*701 Approve application under the Multiple-Unit Limited Tax Exemption Program under the Inclusionary Housing Program for Sullivan’s Ridge-Building D located at 1812 NE Multnomah St (Ordinance) 10 minutes requested</p>	<p>This action would result in estimated foregone property tax revenues to the City totaling \$21,532 over ten years for 16 units affordable at or below 80% MFI. Total cost to all jurisdictions forgoing revenue is estimated at \$65,247. The estimated value of the tax exemption for the first year is \$7,085 (all jurisdictions), which equals approximately \$408 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>Commissioner Chloe Eudaly</p> <p>Bureau of Transportation</p>		
<p>702 Vacate SW Broadway Dr at SW Grant St subject to certain conditions and reservations (Hearing; Ordinance; VAC-10110) 15 minutes requested</p>		<p>The process for vacating streets is a cost recovery program and according to the Bureau does not have a net impact on PBOT's budget. The costs for processing the vacation request are being paid by the Owners. The cost of the street vacation is estimated (with moderate confidence) to be approximately \$24,000. Fees paid by the Owners for this street vacation will cover the actual expenditures incurred by City staff for the processing of this request.</p>
<p><u>WEDNESDAY, 2:00 PM, SEPTEMBER 9, 2020</u></p>		
<p>*703 TIME CERTAIN: 2:00 PM – Prohibit the acquisition and use of Face Recognition Technologies by City bureaus (Ordinance introduced by Mayor Wheeler) 2 hours requested for items 703-704</p>		<p>See below.</p>
<p>704 Prohibit the use of Face Recognition Technologies by private entities in places of public accommodation in the City (Ordinance introduced by Mayor Wheeler; add Code Title 34)</p>		<p>See below.</p>
<p><u>THURSDAY, 2:00 PM, SEPTEMBER 10, 2020</u></p>		
<p>705 TIME CERTAIN: 2:00 PM – Consider appeal by Leonard Gionet, Yvonne Meekoms, and Mary Henry De Tesson against the Design Commission's decision to approve, with conditions, the Alamo Manhattan 4-block development in the South Waterfront Sub-District of the Central City Plan District (Hearing introduced by Mayor Wheeler; LU 20-102914 DZM AD GW) 2 hours requested</p>		<p>This is not a legislative action. There are no ongoing costs to the City associated with this quasi-judicial land use review. City staff costs to conduct Land Use Reviews and process appeals are generally fee-supported; in this case the appeal fee was paid by the appellant.</p>

<p>*706 TIME CERTAIN: 4:00 PM – Authorize changes to established Safety Net Program allowing the Director of Human Resources and Bureau Directors additional authority to enter into flexible safety net temporary leave, safety net severance, and reduction of hours agreements during FY 2020-21 and FY 2021-22 (Ordinance introduced by Mayor Wheeler) 20 minutes requested</p>	<p>See below.</p>
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681 Authorize the Bureau of Environmental Services to transfer up to \$369,000 to the Peninsula Drainage District #1 for operational and capital expenses expected during FY 2020-21

CBO Analysis

Council has previously authorized the transfer of \$123,000 to PEN 1 in FY 2020-21 via Special Appropriations in the FY 2020-21 Adopted Budget for portions of the PEN 1 request that are not related to stormwater services. \$369,000 in BES FY 2020-21 resources are currently available in the Sewer System Operating Fund. At the time of development of BES's Requested Budget, it was not clear that the PEN 1 funding request would be necessary and supportable. This expense was therefore not included in the Requested or Adopted FY2020-21 Budget but was included in the BES forecast that identified revenues required to support FY2020-21 revenues. There is no additional rate impact that results from this action; however, BES anticipates an adjustment in the FY2020-21 Fall BMP to reflect this specific expense.

684 Authorize an Intergovernmental Agreement with Metro Regional Government for the Revenue Division of the Bureau of Revenue and Financial Services to administer the Metro Supportive Housing Services Tax

CBO Analysis

Metro will pay One-time Implementation Services not-to-exceed \$27,377,956 to initiate the program. Metro will also pay Annual Compensation to the City for all services provided under this Agreement during the Term. The Annual Compensation is equal to the actual costs incurred by the City, not-to-exceed the annual amounts shown in Exhibit A for FY 2020-21 through FY 2024-25. The Annual Compensation includes an amount for "ITS Upgrade Set Aside", a reserve amount to cover future upgrade costs of the ITS. Upon termination of this Agreement, the City will refund any unused ITS Upgrade Set Aside funds paid by Metro, plus any interest earned by those funds based on the City's internal interest allocation used for its own funds.

Maximum Annual Compensation for years starting FY 2025-26 will be escalated by the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for West Region– Size Class A, not seasonally adjusted, as published by the United States Bureau of Labor Statistics.

One-time Implementation Services and Annual Compensation will include a contingency budget line item to cover unforeseen expenses. If contingency is unneeded, it will be deducted from One-time Implementation Services and/or Annual Compensation.

The City is implementing new tax collection software ("Integrated Tax System" or "ITS") that will be operational in FY 2020-21. Each of the tax programs on the ITS platform will contribute to ITS project costs for bonded and un-bonded debt service based on their relative proportion of the total revenue collected using a three-fiscal year look back of actual revenues. In the event a new program is collected on ITS after this IGA is implemented, it will be allocated a portion of ITS project costs for bonded and un-bonded debt service commencing in the fiscal year in which the program begins to generate revenue. This will result in a reduction of debt service costs for existing revenue programs on the platform assuming no other factors change, such as the amount collected by those programs, or programs terminating. Debt service costs will cease after the 10th year. Annual ITS debt service to be recovered is currently estimated at \$2,263,736, and will be finalized on June 30, 2021. Metro's estimated ITS Debt Service payment to the City is \$753,727 each year.

685 Amend contract with FAST Enterprises, LLC, to increase contract amount by \$27,807,054 and extend the contract term by up to 15 months to incorporate Metro's Supportive Housing Services personal and business income taxes into the Revenue Division's Integrated Tax System

CBO Analysis

The new not-to-exceed amount of the contract will be \$48,807,054. Metro will reimburse the City for the City's actual costs related to the administration of the new tax programs, including ITS costs, in accordance with the negotiated IGA. FAST's ITS development costs of \$25,307,054 would be a component of the City's total actual costs to administer Metro's tax programs. The additional \$2,500,000 in the increased contract amount results from adding 15 months of City maintenance to the contract term. The additional months are needed for the new contract expiration date to match the Metro IGA. The added maintenance amount is already included in budgeted City maintenance costs and does not represent any increase to that budget. The additional City maintenance cost will not be reimbursed by Metro, as it is directly related only to the original implementation scope of ITS.

693 Authorize the Bureau of Environmental Services to enter into an Intergovernmental Agreement with the City of Lake Oswego to cooperate on a potential replacement of the Tryon Creek Wastewater Treatment Plant via a public-private partnership

CBO Analysis

There is no direct budgetary or fiscal impact of this proposed action. BES staff will continue to contribute staff time to participate in the procurement process and project feasibility review. Capital reinvestment needed at TCWTP is estimated to be in the range of \$150 million to \$200 million or more over next 30 years, with nearly \$100 million of that amount anticipated within the next 10 years.

This Ordinance and the accompanying draft intergovernmental agreement will support the cities of Portland and Lake Oswego to proceed with the procurement process for a public-private partnership to design, build, finance, operate and maintain ("DBFOM") a replacement sewer treatment plant within the City of Lake Oswego. The procurement process is being led and managed by the City of Lake Oswego as they will become the long-term owner of the new treatment plant and will have the direct contractual relationship with the DBFOM provider. Portland will pay Lake Oswego for wastewater collection and treatment services rendered under the new DBFOM arrangement. (This is the reverse of the current arrangement, where Portland owns/operates and Lake Oswego pays for services.) The City of Portland expects to have two representatives on the committee responsible for selection of the DBFOM provider.

If the City of Lake Oswego procurement is successful and DBFOM of a new Lake Oswego-owned treatment plant proceeds, future City Council action (via a new intergovernmental agreement) will define long-term responsibilities under the new arrangement, including financial obligations and costs. The expectation of BES staff is that the all-in long-term costs of a DBFOM will be, at minimum, cost neutral to the City of Portland. Current indications are that the long-term all-in costs of the DBFOM will be less than the status quo of City of Portland ownership and reinvestment. The procurement process will provide the information necessary to make a confident determination regarding long-term cost expectations. An indication that all-in long-term costs are equal to or below the status quo of City Portland ownership and reinvestment is expected to be a condition of deeming the procurement successful. If the procurement indicates higher costs than the status quo, the procurement is expected to be deemed unsuccessful. If the procurement is not successful, the City of Portland will continue to own and operate TCWTP, and investment in major facility upgrades will commence under the terms of the 1984 Agreement.

If the procurement is successful and the DBFOM project is deemed feasible based upon those results, and either Lake Oswego or Portland subsequently decide to terminate the project, the City of Portland could be responsible for a portion of the costs incurred by the successful bidder as of the point of that termination decision. Those costs are not expected; the scope of those potential costs is currently not known.

696 Authorize sewer revenue bonds to finance sewer system capital improvements in an amount not to exceed \$350 million and to refund outstanding bonds

CBO Analysis

The proposed legislation authorizes the issuance of bonds secured by the net revenues of the City's sewer system that are sufficient to provide proceeds of up to \$350 million to finance capital assets of the sewer system. Additionally, the Ordinance authorizes the issuance of sewer system revenue refunding bonds to refund any outstanding sewer system revenue bonds (the "Refundable Bonds") that produce debt service savings or to reorganize outstanding debt if necessary. Currently, the only outstanding Refundable Bonds would need to be advance refunded. The City may consider a taxable advance refunding or secondary market purchase of bonds if advantageous market conditions exist at the time of the bond sale(s).

The Ordinance is intended to authorize Bonds that are expected to be issued in FY 2020-21 and FY 2021-22. While approximately \$140 million of Bonds are expected to be issued in the current fiscal year, a higher amount may be issued to fund project needs if there is a financial benefit in doing so based on market conditions at the time of the sale.

While the repayment structure will not be finalized until the sale date of the Bonds, estimated annual debt service on the Bonds is expected to be issued in FY 2020-21 is approximately \$8.8 million. The rate increase of 2.85% in FY 2020-21 for the average sewer single family bill is projected to be sufficient to meet debt service coverage requirements with the issuance of the Bonds.

703 TIME CERTAIN: 2:00 PM – Prohibit the acquisition and use of Face Recognition Technologies by City bureaus

CBO Analysis

This Ordinance prohibits the use of Face Recognition Technologies by all City of Portland bureaus. Each bureau director is responsible for enforcing this policy within its bureau. It also directs the Bureau of Planning and Sustainability and the Office of Equity and Human Rights to coordinate actions to create awareness among City bureaus about this policy. There is no immediate financial or budget impact that would result from adopting this ordinance; however the Bureau of Planning and Sustainability states that it will likely seek future budget resources needed to implement a process for more privacy and surveillance governance, and awareness and future work related to these topics. The amount and timeline for required resources is currently unknown.

704 Prohibit the use of Face Recognition Technologies by private entities in places of public accommodation in the City

CBO Analysis

This Ordinance adopts Code Title 34 Digital Justice effective January 1, 2021 as shown in Exhibit A. This Code will "prohibit the use of Face Recognition Technologies in Places of Public Accommodation by Private Entities within the boundaries of the City of Portland." This is a precautionary action that shall remain in effect until the City adopts or revises an appropriate model for the regulation of Face Recognition Technologies. The bureau notes that Face Recognition Technologies are not widely used in places of public accommodation in Portland; however, some local businesses may be impacted by the ban.

There are no direct financial costs to the City as a result of this Ordinance; however there may be unknown future costs to the City to develop rules and structures that allow appropriate uses of Face Recognition Technologies and/or enforcement, as noted in above analysis for Council Item 703. The Ordinance also directs additional public awareness, engagement, and coordination work by BPS, OEHR, and the City Attorney's Office on the topic of facial recognition with other jurisdictions and community members, which

may result in increased staff time and resources; budgetary information for these efforts was not provided by the bureau nor outlined in the Ordinance.

***706 Authorize changes to established Safety Net Program allowing the Director of Human Resources and Bureau Directors additional authority to enter into flexible safety net temporary leave, safety net severance, and reduction of hours agreements during FY 2020-21 and FY 2021-22**

CBO Analysis

This Ordinance expands the Safety Net Program to allow for additional leave and reduced work-hour agreement options for City employees with increased caregiving responsibilities due to COVID-19. The ordinance also expands the Safety Net Program's severance option which currently provides a one-time severance payment and continuation of healthcare coverage for up to 6 months for certain categories of employees who are at risk of lay-off from City employment. Due to the financial impacts of the COVID-19 pandemic, the ordinance would allow the severance program to be offered to any employee or groups of employees, whether at risk of layoff or not, either one or a combination of the following: (1) continued coverage of healthcare for up to six months; and/or (2) cash payout. Total costs of one or a combination of these options shall not exceed \$15,000. Employees that take the severance package will not have recall rights.

It is difficult to calculate the potential costs of the expanded Safety Net Program as it depends largely on the number of employees that participate in the program, the options selected by staff, and how the productivity lost from reduced hours, leaves of absence, and separations are managed by the bureaus. The financial impact statement states that the expanded program should not result in increased overtime costs, but there may be short-term increased costs in Safety Net Severance and voluntary lay-off payouts upon separations, but anticipates vacancy savings will offset any increase in short-term expense. The ordinance also emphasizes that Bureau deliverables and timelines may need to be adjusted during this unprecedented time, but makes an exception for work of a critical nature (e.g. public safety, water main break). While the ordinance gives bureaus discretion to make decisions that work best for them, CBO notes that the expanded Safety Net Program could result in additional overtime and temporary staff costs if large numbers of staff participate in Safety Net Program simultaneously, particularly for bureaus that perform work that cannot be reprioritized.