

<p><b>PORTLAND CITY COUNCIL AGENDA</b> <b>City Hall - 1221 SW Fourth Avenue</b> <b><u>WEDNESDAY, 9:30 AM, DECEMBER 16, 2020</u></b></p>	<p><b>Disposition:</b></p>
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**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). 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](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.

**The deadline to sign up for the December 16-17, 2020 Council meetings is Tuesday, December 15, 2020 at 4:00 p.m.**

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

<p><b>TIMES CERTAIN</b></p>	
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<p><b>984 TIME CERTAIN: 9:45 AM</b> – Approve small grants funding recommendations made by Children’s Levy Allocation Committee for January 1, 2021 – December 31, 2023 (Ordinance introduced by Commissioner Ryan) 15 minutes requested</p>	<p>There are no costs to the City's General Fund from this Ordinance. Children’s Levy revenues are generated by a special property tax levy and the proceeds of the levy will fund the proposed allocations. The current levy runs July 2019 through June 2024. The legislation will result in 8 new grant agreements with 8 non-profit corporations totaling \$1.0 million in recommended funding over three years to organizations for grants in after school, mentoring, and hunger relief services as listed in Exhibit A.</p>
<p><b>985 TIME CERTAIN: 10:00 AM</b> – Approve the Amended and Restated Interstate Corridor Urban Renewal Plan 2021 to add projects and increase the maximum indebtedness (Ordinance introduced by Mayor Wheeler) 45 minutes requested</p>	<p>See below.</p>
<p><b>986 TIME CERTAIN: 10:45 AM</b> – Adopt the River Plan / South Reach, amend the Comprehensive Plan and Comprehensive Plan Map, the Willamette Greenway Plan, Title 33, and the Zoning Map; repeal the Macadam Corridor Design Guidelines; and adopt the Willamette River Greenway Inventory and the Central City Natural and Scenic inventories as supporting documents (Second Reading Agenda 982; Ordinance introduced by Commissioner Hardesty; amend Code Title 33, amend the Portland Comprehensive Plan and zoning maps, amend Ordinance Nos. 160237 and 163957, and repeal Ordinance Nos. 157795 and 186858) 15 minutes requested</p>	<p>See below.</p>
<p><b>CONSENT AGENDA – NO DISCUSSION</b></p> <p><b>Mayor Ted Wheeler</b></p> <p><b>City Budget Office</b></p>	
<p><b>987</b> Adopt the Budget Calendar for FY 2021-22 (Resolution)</p>	<p>There is no financial impact with this resolution.</p>

<b>Office of Management and Finance</b>	
<p><b>988</b> Assess property for system development charge contracts, private plumbing loan contracts and safety net loan deferral contracts (Second Reading Agenda 957; Z0844, K0186, T0203, W0072, Z1209, K0187, T0204, Z0845, W0073, P0165, P0166)</p>	<p>See below.</p>
<p><b>989</b> Update salary grade for Environmental Supervisor classification (Second Reading Agenda 958)</p>	<p>There is no immediate fiscal impact as individual salaries will not be changing. The annual maximum rate for the Environmental Supervisor classification is currently \$131,248. This ordinance will raise the annual maximum rate to \$145,808, an increase of \$14,560. There are currently nine incumbents in the classification, for a maximum cost increase of \$131,040.</p>
<b>Commissioner Chloe Eudaly</b>	
<b>Bureau of Transportation</b>	
<p>990 Adopt updated bylaws for the City's Pedestrian, Bicycle, and Freight Advisory Committees and the Fixing Our Streets Oversight Committee (Resolution)</p>	<p>No financial impacts.</p>
<p><b>*991</b> Authorize a contract with the lowest responsible bidder for the O'Bryant Square SmartPark Repair Project (Ordinance)</p>	<p>Total anticipated costs for this project is \$850,000. Costs for this project are included in PBOT's FY 20-21 Adopted Budget and CIP.</p>
<p><b>992</b> Amend Title 17 Public Improvements Code to align with changes to commercial zone names, creation of the Campus Institution zone, and application of new Transportation and Parking Demand Management Plan requirements (Ordinance; amend Code Sections 17.88.010 and 17.107.030)</p>	<p>The proposed updates reflect the changes to multi-dwelling zone names adopted in May 2018. There are no associated financial or budgetary impacts as a result of this code change.</p>



<p style="text-align: center;"><b>Commissioner Jo Ann Hardesty</b> <b>Portland Bureau of Emergency Management</b></p> <p><b>*993</b> Accept a grant from the Oregon Office of Emergency Management Emergency Management Performance Grant Program COVID-19 Supplemental, Grant No. 20-542, in the amount of \$86,794 for emergency management activities related to the ongoing Coronavirus Disease 2019 public health emergency (Ordinance)</p>	<p>This action increases the bureau’s grant by \$86,794 and will be used for emergency management activities related to the ongoing COVID-19 public health emergency. The grant requires a 50% local match; currently within the bureau’s General Fund Budget.</p>
<p style="text-align: center;"><b>Portland Fire &amp; Rescue</b></p> <p><b>994</b> Provide an exception to Human Resources Administrative Rule 6.0 Vacation to allow for members of Portland Fire Fighters’ Association to carryover 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 (Ordinance)</p>	<p>Assuming that firefighters would utilize their vacation hours rather than lose those hours at the end of the fiscal year, this action would not increase overall costs for Portland Fire &amp; Rescue, but may shift some costs for the current calendar year to the next. Most vacation leave results in overtime to maintain minimum daily staffing. If employees delay vacation due to the carryover exception, then some overtime costs would shift to 2021. As the Portland Firefighters Association contract limits vacation leave payouts at retirement to a maximum of three years of leave, the carryover exception will not increase retirement payouts.</p>
<p><b>REGULAR AGENDA</b></p>	

<b>Mayor Ted Wheeler</b>		
<b>995</b>	Proclaim December 16, 2020 to be Karla Moore-Love Day (Proclamation introduced by Mayor Wheeler) 10 minutes requested	No fiscal impact.
<b>996</b>	Proclaim December 31, 2020 to be Pink Martini Day (Proclamation introduced by Mayor Wheeler and Commissioner Eudaly) 10 minutes requested	No fiscal impact.
<b>997</b>	Proclaim September 21, 2021 to be Anne Hughes Day (Proclamation introduced by Mayor Wheeler and Commissioner Eudaly) 10 minutes requested	No fiscal impact.
<b>998</b>	Appoint Laura Benedict and Dean Lukowicz to the Electrical Code Board of Appeal for terms to expire December 15, 2023 (Report) 15 minutes requested	No fiscal impact.
<b>999</b>	Appoint Zeenab A. Fowlk to the Portland Committee on Community-Engaged Policing for a term to expire December 16, 2022 (Report) 10 minutes requested	No fiscal impact.
<b>1000</b>	Appoint Robin Castro, Julia DeGraw, Theresa Huang and Tom Liptan as voting members of the Portland Utility Board for terms to expire June 30, 2023 (Report) 15 minutes requested	No fiscal impact.
<b>Office of Management and Finance</b>		
<b>1001</b>	Authorize contract with Jacobs Engineering Group, Inc. for Design Services for the Bull Run Pipeline Project for \$29 million (Second Reading Agenda 963; Contract No. 30007505)	This ordinance authorizes a contract with an external firm for design services and represents 14% of current estimated project costs (\$201.4M low-confidence estimate). The capital costs for this project are budgeted in the Water Bureau's CIP and all operating costs are captured in the bureau's rate forecast and annual adopted budget.
<b>Portland Housing Bureau</b>		

**1002** Approve and terminate limited tax exemptions for properties under the Homebuyer Opportunity Limited Tax Exemption Program (Resolution)

This Resolution approves and terminates tax exemptions under the Homebuyer Opportunity Limited Tax Exemption Program, as listed in the attached Exhibit A, removing 3 exemptions as a result of ongoing compliance review of active exemptions and approves 50 new exemptions. The approved Homebuyer Opportunity Limited Tax Exemption applications will increase revenue for the City of Portland in the form of a one-time application fee totaling \$45,000. A total of \$1,750 is collected for each completed application, \$900 goes towards PHB administrative costs, and \$850 is paid to Multnomah County for administrative costs. In addition, this legislation will decrease revenue for the City of Portland in the form of foregone revenue from HOLTE units totaling \$40,950, but increase revenue for the City of Portland in the form of reclaimed tax revenue from HOLTE units totaling \$2,457.

<p><b>1003</b> Establish 2021 sale price cap for the Homebuyer Opportunity Limited Tax Exemption Program (Resolution)</p>	<p>This Resolution establishes the annual HOLTE sale price cap of \$412,000 for the 2021 calendar year, which goes into effect January 1, 2021. Although the HOLTE program itself reduces future revenue to the City in the form of forgone property taxes, this resolution does not impact the amount of foregone revenue; this resolution merely limits the sale price for units eligible to receive the property tax exemption under the program.</p>
<p style="text-align: center;"><b>Portland Police Bureau</b></p> <p><b>1004</b> Accept the 2019 Annual Report of the Portland Police Bureau (Report) 25 minutes requested</p>	<p>No fiscal impact to accepting the 2019 annual report.</p>
<p style="text-align: center;"><b>Commissioner Amanda Fritz</b></p> <p><b>1005</b> Establish a language pay differential for multilingual City employees and authorize the Bureau of Human Resources and the Office of Equity and Human Rights to establish processes and procedures necessary for implementation (Resolution) 25 minutes requested</p>	<p>The fiscal impact to implement this policy could vary widely. See below for more detail.</p>



<p><b>1006</b> Amend the Open and Accountable Elections Program to eliminate the election matching periods and maintain the program’s oversight with the Commissioner of Public Utilities through 2022 (Second Reading Agenda 967; amend Code Chapter 2.16)</p>	<p>This ordinance simplifies compliance with Open and Accountable Elections program requirements by aligning all requirements with the timeline of election periods. One result of this adjustment is that certified candidates may submit contributions for matching funds up to 10 days before an election whereas the previous cutoff was 21 days prior. This may somewhat affect the volume of matching requests submitted to the program, but the program does not anticipate significant fiscal impacts to the City from this change.</p>
<p style="text-align: center;"><b>Bureau of Environmental Services</b></p> <p><b>1007</b> Authorize a competitive solicitation and Price Agreements for Furnishing Sewer Improvements for Nonconforming Sewer Conversions, Project No. E08748, for a total amount of \$15 million (Ordinance) 10 minutes requested</p>	<p>See below.</p>

<p><b>1008</b> Approve findings to authorize an exemption to the competitive bidding requirements and authorize the use of the alternative contracting method of Construction Manager/General Contractor for the NW 9th Avenue/NW Hoyt Street System Improvements Project No. E11252 (Second Reading Agenda 968)</p>	<p>Project construction is estimated to cost approximately \$5.4 million. The estimated total project cost is anticipated to be approximately \$8.2 million, including construction, design services, project management/staff costs, construction management and other direct costs and contingences. The proposed budget is a project estimate based on similar projects. Design work in the early stages and the level of confidence is "Moderate." Costs for the project are provided by BES and Water Bureaus' Capital Improvement Programs, funded by ratepayers.</p>
<p style="text-align: center;"><b>Water Bureau</b></p> <p><b>1009</b> Approve findings to authorize an exemption to the competitive bidding requirements and authorize the use of the alternative contracting method of Construction Manager/General Contractor in connection with the Bull Run Pipeline Project for an estimated amount of \$162,900,000 (Second Reading Agenda 976)</p>	<p>This ordinance waives the competitive bidding parameters typically required for procurements of this nature in favor of CM/GC contracting method to allow for better cost control and cost certainty related to a project of this magnitude. This project exists in the Water Bureau's CIP and thus all projected capital and costs are baked into the Bureau's debt issuance and rate forecast documents and therefore generate no unbudgeted fiscal impacts.</p>

<p><b><u>WEDNESDAY, 2:00 PM, DECEMBER 16, 2020</u></b></p> <p><b>1010 TIME CERTAIN: 2:00 PM</b> – Adopt an internal cost of carbon policy to ensure major City decisions formally consider the social and environmental costs of carbon emissions in evaluation processes (Resolution introduced by Mayor Wheeler and Commissioner Hardesty) 2 hours requested</p>	<p>See below.</p>
<p><b>1011 TIME CERTAIN: 4:00 PM</b> – Establish selection criteria for a Commission to craft the new police oversight system authorized by voters at the November 3, 2020 general election (Resolution introduced by Commissioner Hardesty) 1 hour requested</p>	<p>There is no direct fiscal impact to this ordinance, which establishes criteria for selection of a Commission for a new police oversight system. Filing documents for the passage of these changes set a budget for the police oversight commission at no less than 5% of the Police Bureau’s annual operating budget. At current, this is approximately \$11 million. No specific funding plan exists yet to meet this requirement, though reallocation of resources for existing police oversight functions will likely be a part of the funding plan.</p>
<p><b><u>THURSDAY, 2:00 PM, DECEMBER 17, 2020</u></b></p>	

**1012 TIME CERTAIN: 2:00 PM** – Adopt actions identified through the Regional Collaborative Land Acknowledgement Project that promote consistent awareness and inclusion of Native people in all City business and more equitable outcomes for Native people (Resolution introduced by Commissioner Fritz) 30 minutes requested

This resolution adopts several Citywide actions that will incur some level of costs for bureaus. Changes to annual work planning processes and an additional annual reporting requirement will require a commitment of staff time across all bureaus. Several other items in the Resolution, such as the directive for the Parks bureau to explore park fee waivers and for BHR to explore creation of an employment preference, while they will not have immediate fiscal impacts, may have additional costs in the future. Additionally, the bureau did not provide an estimate of the cost of adding a paid holiday for all City employees and many of the Resolution's action items involve consultation or partnership with the Tribal Relations Program, which may prompt additional consideration of the right level of capacity and resource for that program.

<p><b>1013 TIME CERTAIN: 2:30 PM</b> – Authorize the Chief Human Resources Officer to enter an initial three-year period to provide benefit eligible employees access to fertility and family planning benefits for an amount not to exceed \$350,000 over the life of the initial contract (Ordinance introduced by Mayor Wheeler and Commissioner Fritz) 15 minutes requested</p>	<p>The contract would begin on or before July 1, 2021 for a three-year period, with an option to renew, but not to exceed a cost to the City of \$350,000 within the initial contract period. According to the bureau, the Health Insurance Operating Fund sufficient appropriation in support of the benefit.</p>
<p><b>1014 TIME CERTAIN: 2:45 PM</b> – Accept the Year Five Bond Oversight Committee Report on the \$68 million 2014 Parks General Obligation Bond (Report introduced by Commissioner Fritz) 15 minutes requested</p>	<p>No fiscal impact—adopting a report.</p>
<p><b>1015 TIME CERTAIN: 3:00 PM</b> – Recognize City progress toward core values over the past decade (Resolution introduced by Commissioner Fritz) 1 hour requested</p>	<p>No fiscal impact.</p>

**985** Approve the Amended and Restated Interstate Corridor Urban Renewal Plan 2021 to add projects and increase the maximum indebtedness

CBO Analysis

The maximum indebtedness is increased by twenty percent (20%) in this Amended and Restated Plan 2021, and the estimated time frame for division of tax revenues is increased by two years to Fiscal Year End 2024. The potential amount for maximum indebtedness increase is currently estimated at \$67.0 million, of which approximately \$45.0 million would be reserved for PHB investments, and the remaining will be under the management of Prosper Portland to be invested in N/NE Action Plan priorities, including the Williams and Russell project.

If the proposed amendment to the Interstate Plan is approved, the impacts to the City would take effect in FY 2022-23. The proposed amendment would extend the date that the City will begin receiving incremental assessed value to FY 2024-25, instead of in FY 2022-23 without the amendment. The value of those taxes and impact to the City over two years is expected to be \$16,184,221 (\$9,421,865 in FY 2022-23 and \$6,762,356 in FY 2023-24), and to FPDR, it would be \$11,165,169 (\$5,455,089 in FY 2022-23 and \$5,710,080 in FY 2023-24).

**986** Adopt the River Plan / South Reach, amend the Comprehensive Plan and Comprehensive Plan Map, the Willamette Greenway Plan, Title 33, and the Zoning Map; repeal the Macadam Corridor Design Guidelines; and adopt the Willamette River Greenway Inventory and the Central City Natural and Scenic inventories as supporting documents

**CBO Analysis**

This Ordinance adopts the River Plan / South Reach, which is an update to the Willamette Greenway Plan for the South Reach area of the Willamette River. The plan establishes a renewed 20-year vision for the area, updates existing policies and regulations, identifies implementation actions and prioritizes future investments to achieve the plan's vision.

Direct Fiscal Impacts

Adoption of this plan does not have any direct fiscal impact and the bureau states that it is not expected to result in any long-term financial impacts for the City. However, future implementation of the actions and recommendations identified in the plan could result in significant costs to the City; the amount of this impact and funding sources is currently unknown.

Impacts on the Bureau of Development Services

Because this ordinance changes aspects of the Zoning Code, it impacts BDS in terms of staff time spent reviewing applications and working with applicants. BDS will be impacted by increased staff time related to some provisions and reduced staff time for other provisions because the number of land use reviews is expected to be reduced. The reduced staff time associated with a reduction in land use reviews is already accounted for in fees associated with those processes. A new BDS fee will be needed to compensate for the costs associated with implementing some Title 33 code changes. BDS created this new fee through a separate ordinance for the Land Use Services Fee Schedule that was adopted Council this Fall.

**988** Assess property for system development charge contracts, private plumbing loan contracts and safety net loan deferral contracts

**CBO Analysis**

Current lien revenues generated by this ordinance:

- Transportation Operating Fund: \$135,104
- Parks Capital Improvement Fund: \$142,970
- SDC Sewer System Operating Fund: \$149,573
- Water Construction Fund: \$31,769

Future lien revenues generated by this ordinance:

- Transportation Operating Fund: \$194,839
- Sewer System Operating Fund: \$104,776
- SDC Sewer System Operating Fund: \$231,648
- Parks Capital Improvement Fund: \$354,302
- Water Construction Fund: \$13,757

**1005** Establish a language pay differential for multilingual City employees and authorize the Bureau of Human Resources and the Office of Equity and Human Rights to establish processes and procedures necessary for implementation

CBO Analysis

The proposed policy would provide a \$1.00 per hour base salary language pay differential for employees who qualify. The City of Portland does not currently collect data on employees' language abilities, so there is no definite way to calculate the number of employees who would be eligible for this benefit. Previous estimates using a 3% participation rate on the low end to 25% on the top end (representing bureaus with a higher concentration of outwardly facing work and direct community service) could result in costs of \$450,390 to \$3.8 million annually. These estimates were developed assuming eligibility across all City position types and classifications; since then, the proposed policy has been adjusted to limit automatic eligibility to certain public-facing job classifications, with processes in place for exceptions as needed. This adjustment likely means that

the Citywide cost would not range to the very upper end of the previous estimates, but the scope of job classifications that will be automatically eligible is still to be determined. This benefit would also require bargaining with represented labor groups, which could increase or decrease the pay differential.

The program is proposed to be implemented on a pilot basis in the FY 2021-22 fiscal year; bureaus would be responsible for tracking and paying the pilot costs, including the fees associated with testing (approximately \$60-\$150 per test). Bureaus would be allowed to request funding to help pay for program costs on a one-time basis in the FY 2021-22 Spring Budget Monitoring Process, if resources are available.

**1007** Authorize a competitive solicitation and Price Agreements for Furnishing Sewer Improvements for Nonconforming Sewer Conversions, Project No. E08748, for a total amount of \$15 million

CBO Analysis

The level of confidence in this contract estimate is high due to the nature of the price agreement contract. The price agreement will be utilized as project funds are available. Project funds are included in BES's FY 2020-24 forecast for its Sewer System Operating Fund. After the project is completed, the assets will be maintained by BES Wastewater Group using their operation and maintenance budget.

Property owners receiving a new conforming sewer connection route of service through this work are required to pay the applicable sewer conversion charge to BES prior to making the new connection. These conversion rates are subsidized by BES, and full cost recovery is not achieved, which is in accordance with the Council direction and adoption of the nonconforming sewer program that began in 2008.

**1010****TIME CERTAIN: 2:00 PM** – Adopt an internal cost of carbon policy to ensure major City decisions formally consider the social and environmental costs of carbon emissions in evaluation processes

This Resolution adopts a carbon shadow price for the City, which means that "City staff responsible for conducting options analyses for projects and plans within the Current Scope will apply an internal cost of carbon in the form of a carbon shadow price." The carbon shadow price represents the value (expressed as a project cost or credit) of applicable sources of carbon emissions associated with each option. This policy applies to all City infrastructure bureaus that manage City-funded projects and planning initiatives, including the Office of Management and Finance, Division of Asset Management, Portland Parks and Recreation, Portland Fire and Rescue, Portland Bureau of Transportation, Portland Water Bureau, and Portland Bureau of Environmental Services. The internal cost of carbon is a non-cash cost that serves as an evaluation tool meant to inform the business case for City investments; however, CBO notes that shadow pricing will likely require additional resources to build frameworks and business processes to apply the policy for bureaus not set up for this level of analysis. In addition, there may be indirect financial impacts associated with the implementation of this policy in such cases where a bureau decides to proceed with a lower carbon, but higher cost, project option. BPS staff time will also be required to develop resources and tools to aid in the calculation methodology and to conduct staff training to implement the policy. An estimate on required staff time or costs was not provided to CBO.

The internal cost of carbon policy is intended as the first phase of the City's climate test policy, and BPS will continue to work with stakeholders to refine and expand a climate test that applies to other areas where the City has authority. CBO notes that the concept of shadow pricing the cost of carbon aligns with the new capital set aside methodology that was implemented in FY 2020-21. The methodology is based on a Business Case Evaluation (BCE) framework using a triple bottom line approach that considers the financial,

environmental, and social impacts of proposed major maintenance investments. This type of analysis relies on monetary indicators of value, including carbon, to compare the benefits and costs of different project alternatives.

Although this resolution adopts a climate fee and therefore does not have significant direct fiscal costs, the City's Climate Emergency Declaration, Resolution No. 37494, adopted in June 2020, does state an internal carbon fee as a policy option for the City's climate test, which would result in real costs borne by City bureaus based upon their actual carbon emissions. It is CBO's understanding that this option may still be explored by the bureau in future phases of this policy, which would result in significant financial impacts to infrastructure bureaus.

Current and future Carbon Shadow Prices are as follows:

**Table 1: City of Portland Carbon Shadow Price (2020-2050)**

Year	Carbon Shadow Price
2020	\$117 per ton CO2e
2025	\$130 per ton CO2e
2030	\$143 per ton CO2e
2035	\$156 per ton CO2e
2040	\$170 per ton CO2e
2045	\$182 per ton CO2e
2050	\$194 per ton CO2e