ORDINANCE No. 188973

Authorize an Intergovernmental Agreement with Home Forward for an annual amount of \$640,000 to assist City of Portland utility customers that encounter barriers in paying water and sewer services (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

- The Portland Water Bureau is committed to serving all customers with clean, safe and reliable water. The Bureau of Environmental Services provides sewage and stormwater collection and treatment services to accommodate Portland's current and future needs.
- 2. The Water Bureau bills for water, sewer and stormwater services, and provides customer assistance for both utility bureaus.
- Portland's current combined water, sewer and stormwater rate is less than half of the U.S. Environmental Protection Agency's affordability threshold (4.5% of median household income). However, customers with lower incomes are more challenged in meeting basic costs. In 1995, the City introduced a low-income discount program to help low-income customers by crediting their account every billing cycle.
- 4. The City's low-income discount program is not an option for tenants that live in multifamily units because they do not receive a bill as a direct customer. Despite paying for water and sewer services through rent payments to landlords or property management companies, these customers cannot access the Water Bureau's lowincome assistance services because they do not receive a bill that can be credited with a discount or a crisis voucher.
- 5. The need to extend utility bill relief to tenants in multi-family units is growing. Since 1999, residents living in multifamily housing have been twice as likely to have incomes below the poverty level than residents living in single-family housing. In 2017, Commissioner Nick Fish tasked the Water Bureau with identifying a mechanism with which to reach multi-family tenants.
- 6. Home Forward provides a Short-Term Rent Assistance (STRA) to households that are homeless or at risk of homelessness. STRA includes Crisis and Emergency Services, Rapid Re-Housing, and Homelessness Prevention Services. For tenants at risk of eviction and homelessness due to non-payment of rent STRA provides immediate resolution in the form of direct payment to landlords or a property management company.
- 7. The City of Portland, Water Bureau and the Bureau of Environmental Services, is proposing to partner with Home Forward by entering into an Intergovernmental Agreement for an annual amount not to exceed \$640,000 to support the STRA program with providing assistance with water, sewer and stormwater services to

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those households in need.

- 8. Each qualifying customer will be eligible to receive one time per year up to an approximately 85 percent rebate of the average annual cost of water and sewer services for a multi-family unit in Portland.
- 9. The funding will be used by Home Forward to supplement the current STRA Program and provide for utility payment assistance to customers with limited incomes and experiencing a hardship that causes them to fall behind in their rent payments and be at risk of eviction.
- 10. Funding has been requested in the FY 2018-19 Water Bureau and Bureau of Environmental Service Budgets and will be requested in future FY Budgets. No changes to personnel or maintenance schedules will be needed as a result of this transaction.
- 11. After the first year of the Intergovernmental Agreement, an annual review shall take place. The City's Project Manager shall meet with Home Forward and review the Agreement to discuss the progress of the first year and any required improvements that can be made to the process.
- 12. Based on the outcome of the review, the Water Bureau and Bureau of Environmental Service will determine if it is in the best interest of the City to continue the Agreement.

NOW, THEREFORE, The Council Directs:

- a. The Commissioner is authorized to execute the Intergovernmental Agreement with Home Forward, in a form substantially similar to the attached Exhibit A, in support of the Short-Term Rent Assistance Program when funds are allocated by City Council and included in the Water Bureau and Bureau of Environmental Service approved budgets.
- b. The Intergovernmental Agreement will not exceed \$640,000 per year and will become effective on July 1, 2018. The Agreement may be renewed up to four successive one-year renewal terms through an amendment agreed to by both parties and executed by the Commissioner-in-Charge.
- c. Amendments increasing the total annual compensation for said Agreement may be agreed to and executed by the Commissioner-in-Charge up to twenty-five percent of the total annual Agreement amount. Any annual increase exceeding twenty-five percent of the total annual compensation would need City Council approval.
- d. All Agreements and amendments authorized by this ordinance are subject to approval as to form by the City Attorney's Office.

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e. The Mayor and Auditor are hereby authorized to draw and deliver checks chargeable to the Water Fund and Environmental Services Fund when demand is presented and approved by the proper authorities.

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Passed by the Council, MAY 3 0 2018

Commissioner Nick Fish Prepared by: Liam Frost April 19, 2018

Mary Hull Caballero

Auditor of the City of Portland By Deputy

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Agenda No. ORDINANCE NO. 188973

Title

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INTRODUCED BY MOYOF Commissioner/Auditor: Wheel	CLERK USE: DATE FILED MAY 1 5 2018
COMMISSIONER APPROVAL Mayor—Finance & Administration - Wheeler	Mary Hull Caballero Auditor of the City of Portland
Position 1/Utilities - Fritz Position 2/Works - Fight C Position 3/Affairs - Saltzman	By:
Position 4/Safety - Eudaly	ACTION TAKEN:
BUREAU APPROVAL Bureau: Water Bureau Head: Michael Stuhr, P.E Prepared by: Kathy Koch Date Prepared: April 19, 2018	MAY 2 3 2018 PASSED TO SECOND READING MAY 3 0 2018 9:30 A.M.
Impact Statement Completed Amends Budget	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes No	
City Auditor Office Approval: required for Code Ordinances	
City Attorney Approval: Kaund required for contract, code, easement, Mynch franchise, comp plan, charter	
Council Meeting Date May 23, 2018	

AGENDA	FOUR-FIFTHS AGENDA COMMISSIONERS VOTED AS FOLLOWS:			
TIME CERTAIN			YEAS	NAYS
Start time: <u>10:45 AM</u> Total amount of time needed: <u>15 min</u> (for presentation, testimony and discussion)	1. Fritz	1. Fritz	~	
	2. Fish	2. Fish	~	
	3. Saltzman	3. Saltzman	\checkmark	
REGULAR	4. Eudaly	4. Eudaly	i-	
Total amount of time needed: (for presentation, testimony and discussion)	Wheeler	Wheeler	\checkmark	