

ORDINANCE No. 190197 As Amended

Adopt Code and administration rules for the Community Opportunities and Enhancements Program (Ordinance; add Code Chapter 5.35 and Portland Policy Document ADM 1.25)

The City of Portland Ordains:

Section 1: The Council finds:

1. The City of Portland (City) recognizes that historical disparities exist in the construction industry which has prevented equity in construction contracting opportunities for Disadvantaged, Minority-owned, Women-owned, Emerging Small Businesses and Service-Disabled Veteran-owned Business Enterprises (D/M/W/ESB/SDVBE) as well as diversity in the workforce in the construction trades.
2. The City has a responsibility to ensure public dollars spent benefit the community the City serves by optimizing diverse community participation in contracting. The City has committed to increasing this diversity and equity in contracting and has undertaken the development of the Community Opportunities and Enhancements Program (COEP or Program), authorized by Resolution 37331, passed by the Council on November 8, 2017 as well as the Community Equity and Inclusion Plan (CEIP) and Community Benefits Agreement (CBA), authorized by Resolution 37329, also passed by the Council on November 8, 2017. Authorization to develop the COEP and implement the CEIP and CBA as contractual agreements are key strategies for helping to ensure that the City achieves greater diversity in the workforce on City construction projects and more participation by D/M/W/ESB/SDVBE firms.
3. The concept of COEP was to collect 1% of hard construction costs on each City public improvement construction contract to support business development for D/M/W/ESB/SDVBE firms and workforce development for low-income, disadvantaged, minority and women workers in the construction trades. By collecting 1% of each project's hard construction costs, the City would create a reliable source of funding for long-term, sustainable solutions to achieve the outcomes of the Program.
4. During development of COEP, OMF and the Office of Equity and Human Rights (OEHR) were directed to partner with Prosper Portland (Prosper) to pilot the initial administration of the Program. The first operating Memorandum of Understanding (MOU), between Prosper and the City was signed April 5th, 2019, and the subsequent IGA to implement phase one of the COEP was approved January 29, 2020.
5. Ordinance 189834, approved by council January 29, 2020 authorized the Chief Administrative Officer continue working with the infrastructure bureaus who execute public improvement construction contracts to establish Portland City Code and Administrative Rules to further outline the details of the COEP including how the 1% of hard construction costs is to be collected from the infrastructure bureaus by OMF, how those funds will be administered, and how the Program will be implemented.

6. While the City has existing policies and procedures to advance many of the objectives and goals included in these projects for all City construction projects, the City does not have a policy requiring the 1% set-aside of construction costs for community enhancements, opportunities and benefits.
7. By creating the COEP and having a Citywide program to distribute these funds, the City can establish consistent, efficient, and accountable processes to address funding priorities, develop workable reporting requirements, while ensuring transparency and accountability.

NOW, THEREFORE, the Council directs:

- a. Code Chapter 5.35 Community Opportunities and Enhancements Program is added, as shown as Exhibit A.
- b. Administrative Rules 1.25 is added, as shown in Exhibit B, which is binding City policy.
- c. The Chief Administrative Officer is authorized to implement, monitor and report on this process and its efficacy in context to the accompanying Portland City Code and Administrative Rules that define how the 1% of hard construction costs is to be collected from the infrastructure bureaus by OMF and how those funds will be administered.
- d. The Chief Administrative Officer is directed to return to City Council in the Fall of 2021 to report on the City's experience utilizing the CEIP and CBA on City construction projects.

Passed by the Council: November 12, 2020

Commissioner: Mayor Wheeler
Prepared by: Lester Spitler
Date Prepared: September 29, 2020

Mary Hull Caballero

Auditor of the City of Portland

By *Keelan McClymont*
Deputy

Agenda No. ~~874~~ ~~872~~ 900
Item Type: Ordinance No. 190197 As Amended
Council Meeting Date: October 22, 2020

Title: Adopt Code and administration rules for the Community Opportunities and Enhancements Program (Ordinance; add Code Chapter 5.35 and Portland Policy Document ADM 1.25)

AGENDA TYPE

Consent

Regular

Time Certain Start Time 3:30pm

Item 1 of 1

Total amount of time needed for presentation, testimony and discussion (Regular and Time Certain Only): 45 Minutes

INTRODUCED BY: Mayor Wheeler

COMMISSIONER / AUDITOR APPROVAL

Mayor - Finance & Admin. - Wheeler Digitally signed by Mustafa Washington Date: 2020.10.13 10:01:57 -0700'
 Position 1/ Utilities - Fritz
 Position 2/ Works - Ryan
 Position 3/ Affairs - Hardesty
 Position 4/ Safety - Eudaly
 City Auditor - Hull Caballero

BUREAU APPROVALS

Bureau: OMF/CAO
 OMF/CAO: Tom Rinehart Digitally signed by Tom Rinehart Date: 2020.10.06 10:09:22 -0700'
 Bureau Approval: Michelle Kirby Digitally signed by Michelle Kirby Date: 2020.10.01 16:50:30 -0700'

Prepared By: Lester Spitler
 Date Prepared: September 30, 2020

1) Is a completed Impact Statement attached? Yes

2) Does the item amend the budget? Yes No
 If yes, **Budget Office** Approval

3) Is the item a Code ordinance? Yes No
 If yes, **Auditor Office** Approval DB

4) Is this item a contract (current or future), code, easement, franchise, comp plan or Charter? Yes No
 If yes, **Attorney Office** Approval

Digitally signed by Karen Moynahan Date: 2020.09.30 14:58:54 -0700'

5a) Is item a Portland Policy Document or Administrative Rule? Yes No

5b) If yes, is the City Policy/Admin Rule directive in the ordinance or resolution? Yes No

ACTION TAKEN:

October 22, 2020 Rescheduled to November 4, 2020 at 9:45 a.m. Time Certain
 November 4, 2020 Passed to Second Reading November 12, 2020 at 9:30 a.m. As Amended

CLERK USE: DATE FILED 10/13/20

Mary Hull Caballero
 Auditor of the City of Portland

By: Keelan McClymont Digitally signed by Keelan McClymont Date: 2020.10.13 15:10:38 -0700'
 Deputy

FOUR-FIFTHS AGENDA

1. Fritz
2. Ryan
3. Hardesty
4. Eudaly
Wheeler

COMMISSIONERS VOTED AS FOLLOWS:

	YEAS	NAYS
1. Fritz	<input checked="" type="checkbox"/>	
2. Ryan	<input checked="" type="checkbox"/>	
3. Hardesty	<input checked="" type="checkbox"/>	
4. Eudaly	<input checked="" type="checkbox"/>	
Wheeler	<input checked="" type="checkbox"/>	