



[Home](#) / [Council Documents](#)

191340

Emergency Ordinance

*Certify and transfer delinquent sewer system user fees to the Multnomah, Washington, or Clackamas County Assessor for collection pursuant to ORS 454.225

Passed

The City of Portland ordains:

Section 1. The Council finds:

1. City Code Chapter 17.36 authorizes the collection of sewer user service charges.
2. ORS 454.225 authorizes the City to certify and present delinquent sewer system user fees to the county assessor to be billed and collected with property taxes ("special tax assessments"). The authority to make such transfers is limited to circumstances in which the City is prevented from using water shut-off as a means of prompting payment of delinquent sewer system user fees.
3. The City provides sanitary sewer and/or stormwater management service to more than 6,000 properties that receive water service from independent water providers or sources. The City is therefore prevented from using water shut-off to force payment of delinquent sewer system user fees for those properties.
4. Many of those properties are occupied by tenants who have proven unresponsive to the City's efforts to compel payment. The City's preferred solution is to shift the obligation to the owners of those properties. However, ORS 91.255 prohibits the City from transferring delinquent sewer system user fees from tenants to property owners unless the City provides notice to those owners.
5. The City has notified all property owners whose tenants have past-due charges of the City's intent to certify and present those charges to the county tax assessor for collection.
6. Notices mailed to ratepayers (and, where appropriate, to the property owners) with delinquent sewer and/or stormwater bills included information relating to special tax assessments, financial penalties,

Introduced by

[Commissioner Mingus Mapps](#)

Bureau

[Environmental Services](#)

Contact

Eli Rosborough

Analyst II

✉ Eli.Rosborough@portlandoregon.gov

☎ [503-823-5745](tel:503-823-5745)

Requested Agenda Type

Consent

Date and Time Information

Requested Council Date
June 28, 2023

payment arrangement options, financial assistance, and, as applicable, information related to one-time waivers as authorized by Ordinance No. 191172.

7. Notices were mailed again in May 2023 offering to establish a collection or payment arrangement deadline of June 1, 2023, and setting forth conditions for ratepayers or property owners to meet in order to avoid the transfer of delinquent sewer system user fees to the county tax assessor.

NOW, THEREFORE, the Council directs:

- A. The Director of the Bureau of Environmental Services to present and certify to the Multnomah, Washington, or Clackamas County Tax Assessors, as appropriate, all sewer-only accounts that are delinquent as of June 1, 2023.
- B. The Water Bureau Administrator to prepare all necessary forms and reports required by the Multnomah, Washington, and Clackamas County Tax Assessors.
- C. The Water Bureau Administrator to recover direct and indirect costs incurred by the City, and to further discourage non-payment, through the application of a penalty equal to 20% of each ratepayer's assessed balance.
- D. The Water Bureau Administrator may make subsequent adjustments to the City's certification as needed to assure the timely and accurate recording of the delinquent sewer system user fees.

Section 2. The Council declares that an emergency exists because ORS 454.225 requires the timely and accurate filing of delinquent utility charges prior to July 15, 2023, and the Water Bureau requires sufficient time to prepare and file the required assessment forms; therefore, this Ordinance shall be in full force and effect from and after its passage by the Council.

An ordinance when passed by the Council shall be signed by the Auditor. It shall be carefully filed and preserved in the custody of the Auditor (City Charter Chapter 2 Article 1 Section 2-122)

Passed by Council
June 28, 2023

Auditor of the City of Portland
Simone Rede

Impact Statement

Purpose of Proposed Legislation and Background Information

The Bureau of Environmental Services (BES) protects public health, water quality and the environment. It provides sewer and stormwater collection and treatment services to accommodate Portland's current and future needs. BES protects the quality of surface and ground water and conducts activities that protect and restore our watersheds. The services provided by BES are paid by our ratepayers through user fees approved annually by Council.

Both bond covenants and City Code obligate BES to collect payment for services provided. Since 2004, BES has utilized special tax assessments as a method of last resort to collect unpaid sewer and stormwater fees for services provided to owner-occupied properties. In 2023, BES included fees for services which were provided to rental properties and remained unpaid after outreach efforts, payment arrangement offers, and proposed partial debt waivers.

This ordinance facilitates fair and equitable sewer and stormwater billing by ensuring that unpaid fees for service are collected from property owners who directly use, or indirectly benefit from, City sewer and stormwater management services.

Financial and Budgetary Impacts

The 2023 special tax assessment process is projected to result in the settlement of approximately \$2,100,000 in past due sewer and/or stormwater fees. The expected amount to be collected will be lower as a result of one-time waivers, authorized by Ordinance No. 191172, in previously unpaid sewer and/or stormwater management fees.

In pursuing these past-due balances, the City has incurred costs beyond those related to standard debt recovery actions. These costs may include, but are not limited to, administrative burden, interagency agreements, additional notifications, and system configuration. In addition, the City has not benefited from timely repayment of fees for services provided. To account for these additional costs, and to discourage continued non-payment, this ordinance will authorize the City to apply a penalty equal to 20% of a ratepayer's balance subject to assessment and to include that penalty in the amount to be presented to the county tax assessor.

Community Impacts and Community Involvement

Special tax assessments applied to sewer-only properties primarily impact those who own property in east Portland, typically those with property within the Rockwood Water District. By many commonly used metrics, this is a historically underserved community comprised of communities of color, a higher than City average population who speak English less than well, and the area typically has lower median incomes than the City of Portland as a whole.

Since 2019, BES has partnered with the Rockwood Water District and contracted with the Rosewood Initiative to advance BES affordability goals and to promote financial assistance. Going forward, BES will continue to nurture these relationships and explore other ways of effectively promoting bill reduction and repayment alternatives.

100% Renewable Goal

This item does not contribute to or detract from the City's goal of meeting 100 percent of community-wide energy needs with renewable energy by 2050.

Agenda Items

**538 Consent Agenda in [June 28, 2023 Council Agenda](https://www.portland.gov/council/agenda/2023/6/28)
(<https://www.portland.gov/council/agenda/2023/6/28>)**

Passed

Commissioner Dan Ryan Yea

Commissioner Rene Gonzalez Yea

Commissioner Mingus Mapps Yea

Commissioner Carmen Rubio Yea

Mayor Ted Wheeler Yea