

**March 8, 2024**

**From:** Eben Polk, BPS Solid Waste & Recycling Manager

**To:** BPS Community Involvement Committee

**Re:** Development of a Reduced Garbage and Recycling Fee for Low-Income Residents

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Dear Community Involvement Committee Members:

BPS's Solid Waste and Recycling Division is researching options to offer a reduced fee for garbage and recycling service for residents with qualifying incomes. This document summarizes some of the design considerations to help you get oriented to the project. We look forward to discussing this project with you on Tuesday March 12.

### **Basis for the Program**

Garbage and recycling collection is a critical utility service to protect public health, provide a clean, livable community, and to recover useful materials and give them a new life. Although historically the cost of garbage service has been and remains much lower than utilities such as electricity, methane gas, or water and sewer, the cost of a critical utility service should be sensitive to affordability concerns. A low-income reduced fee for garbage and recycling service is an equity measure aligned with the city's core values. Our region's 2030 Regional Waste Plan, which was developed with significant community input, also calls for the development of low-income rate assistance program for residential garbage and recycling collection services (RWP Action 14.4).

### **Scope of the Program**

**Included:** This project would create a discount for qualifying low income customers who pay their own garbage bill—owner-occupied households in 1-4 unit housing who are served by the city's regulated residential collection system.

**Potentially Included:** The project may or may not include renters in single family homes. City policy has historically required that the landlord provide and pay for garbage service in a rented single-family home. If the city can allow renters to receive garbage and recycling service in their name, then such renters would be eligible. Extending the program to these renters could be a Phase II.

**Out of Scope:** A similar program for residents of multifamily housing cannot be created through this project. These residents use shared services paid for by the property manager, which is currently part of the city's commercial collection system, in which the city does not set the fees. We believe this remains an issue that deserves more exploration.

## Community Engagement

To inform our understanding of existing practices as well as to gather opinions, perspectives, and best practices from key stakeholders, our consultant Merina+Co conducted interviews with internal staff, peer programs, and community partners listed here:

Community Partners / Non-Profits	Utility Assistance Programs	City of Portland Solid Waste & Recycling
<ul style="list-style-type: none"> <li>+ Community Action Partnership of Oregon</li> <li>+ Community Energy Project</li> <li>+ Washington County Community Action</li> <li>+ Self Enhancement, Inc</li> </ul>	<ul style="list-style-type: none"> <li>+ Washington County Solid Waste &amp; Recycling</li> <li>+ Multnomah County Energy Assistance Program</li> <li>+ Beaverton Solid Waste &amp; Recycling</li> <li>+ Hillsboro Solid Waste &amp; Recycling (scheduled)</li> <li>+ City of Portland Water Bureau Assistance Program</li> <li>+ Seattle Public Utilities</li> </ul>	<ul style="list-style-type: none"> <li>+ City of Portland Bureau of Planning and Sustainability Staff (Equity and Engagement, Communication, Data Services, Solid Waste)</li> <li>+ Portland Haulers Association</li> <li>+ Sound Resource Economics (City's Solid Waste Rate Economist)</li> </ul>

## What Could Success Look Like?

Here are some of the criteria that we believe an ideal program would meet. In reality, the city will need to make some tradeoffs among these:

- Provide substantial assistance to community members in need
- Minimize barriers to access assistance
- Balance impacts to standard rates with potential benefit to low-income community members
- Is self-funded by the residential rate structure (i.e. the standard rate pays for others' reduced rate)
- Enable accountability in implementation
- Provide transparency in program development and administration
- Is simple to administer
- Is consistent with City or local assistance programs

## Project Design Questions

Here are some of the most important design questions that BPS and its consultant, Merina+Co, have been researching:

- What should be the income eligibility threshold?
- What amount of discount should be provided and what is a tolerable rate increase within our community, to fund the discount?
- How is the program marketed to eligible customers?
- Who should administer applications and how?

- To what extent can BPS align this program with other city utility discounts, e.g. the Water Bureau?
- Should BPS consider an automated discount system driven by data and algorithms?
- How will renters of single-family homes up through four-plexes be incorporated into the program?
- Does the program redistribute revenue to garbage haulers so that the program has an even impact across our collection system?