

### Home / Council Clerk / Council Documents / Ordinance

## 191896

Emergency Ordinance

# \*Accept and appropriate grant for \$405,720 from Oregon Department of Emergency Management for the Fossil Fuel Terminal Zoning and Comprehensive Plan Amendments project

Passed

The City of Portland ordains:

#### Section 1. The Council finds:

- 1. The State of Oregon and the greater Pacific Northwest are vulnerable to powerful subduction zone earthquakes that occur with periodic frequency along the Juan de Fuqua and North American plates.
- 2. In the past, both the Huu-ay-aht First Nation peoples and the Makah tribe shared similar stories of lost land and peoples as a result of these earthquakes and tsunamis which scientific research has matched with Japanese tsunami records and on-the-ground geologic field research to reconstruct the Cascadia earthquake of 1700. This research shows that subduction zone earthquakes have occurred along the Pacific Northwest with relative regularity over the last 10,000 years, and if averages from past events are predictive, the region could be overdue for another powerful subduction zone earthquake.
- 3. Many of the city's buildings and critical infrastructure were built before the city's seismic exposure was widely understood. This infrastructure includes Oregon's primary liquid fuel storage facilities, the Critical Energy Infrastructure (CEI) hub, which is located in northwest Portland and receives 90 percent of the state's liquid fuel supply either via pipeline or marine vessel. Most of the storage tanks within the CEI hub have been built prior to any design and performance lessons learned from the damaging Great Alaskan earthquake of 1964 and the many other documented earthquakes that followed.
- 4. The CEI hub is vulnerable to failure in the event of subduction zone earthquake. A 2012 Oregon Department of Geology and Mineral Industries (DOGAMI) Earthquake Risk Study for Oregon's Critical Energy Infrastructure Hub report states that a magnitude 8 or 9 Cascadia Subduction Zone earthquake would impact the CEI Hub with: ground shaking; liquefaction (soil behavior phenomenon in which a saturated sand softens and loses strength during strong earthquake ground

### Introduced by

<u>Commissioner Carmen Rubio;</u> <u>Mayor Ted Wheeler</u>

### City department

<u>Planning and Sustainability</u> (BPS)

#### Contact

#### **Tom Armstrong**

Supervising Planner, Planning and Sustainability

<u>tom.armstrong@portlandoregon.gc</u>

**J** 503-823-3527

# Requested Agenda Type

Regular

#### Date and Time Information

**Requested Council Date** September 18, 2024

30 minutes

**Time Requested** 

- shaking); lateral spreading (where surficial soil permanently moves laterally due to earthquake shaking); landslides; co-seismic settlement (where the ground surface is permanently lowered due to seismic shaking); and bearing capacity failures (when the foundation soil cannot support the structure it is intended to support). The study also notes that, at the time, only three existing storage tanks were known to have addressed liquefaction vulnerabilities.
- 5. Resolution 37168, adopted November 12, 2015, expressed the City Council's opposition to the "expansion of infrastructure whose primary purpose is transporting or storing fossil fuels in or through Portland or adjacent waterways." It also expressed the Council's intent not to restrict improvements in safety, efficiency, or seismic resilience; the provision of service directly to end users; or infrastructure that will accelerate the transition to non-fossil fuel energy sources.
- 6. Application for this grant was authorized by Council Ordinance No. 190685, January 2022.
- 7. The Portland Bureau of Emergency Management's Mitigation Action Plan (MAP) identifies how natural hazard events like floods, landslides, and earthquakes might affect the City of Portland. The Portland area has experienced numerous earthquakes in the past, ranging from Magnitude 4.5 to 9.0. Portland is certain to experience seismic events in the future. Many of Portland's fossil fuel storage tanks were built before seismic design requirements in building codes were adopted.
- 8. Most of Portland's industrial districts, especially those areas with river access, are located in areas with a high probability of liquefaction, as documented by the 2018 DOGAMI Earthquake Regional Impact Analysis. Fossil fuel infrastructure poses considerable risks in the event of a major earthquake as documented by the Portland Bureau of Emergency Management's 2016 Critical Energy Infrastructure Hub Study; the 2012 DOGAMI Earthquake Risk Study for Oregon's Critical Energy Infrastructure Hub report; the 2019 Portland State University Critical Energy Infrastructure Hub Fuel Tank Seismic Assessment, and the 2022 Multnomah County/City of Portland Impacts of a Cascadia Subduction Zone Earthquake on the CEI Hub. Continuing to allow fossil fuel storage in a high-risk area increases the risk to the surrounding industrial district, the Willamette River and Portland as a whole.
- 9. The Climate Emergency Declaration (Resolution 37494, adopted June 30, 2020) declared that a human-made climate emergency threatens our city, our region, our state, our nation, humanity, and the natural world, and that such an emergency calls for an immediate mobilization effort initiating greater action, resources, and collaboration that prioritizes frontline communities to restore a safe climate.
- 10. The Climate Emergency Declaration (Resolution 37494) further resolved that the City of Portland will adopt new policies and development standards to further prevent expansion of new fossil fuel infrastructure and reduce the risk to the community and the environment.
- 11. Ordinance 190978 (2022) adopted limits on new fossil fuel storage tank capacity. This grant will support additional code and policy changes to reduce risks in the CEI Hub.

- 12. The U. S. Department of Homeland Security (DHS) Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program (HMGP) (Project) provides funding to state, local, tribal, and territorial governments so they may reduce or mitigate future disaster losses in their communities.
- 13. Total estimated project costs is \$450,800. The City will be reimbursed \$405,720 (90%) for eligible direct project costs. Local match in the amount of \$45,080 will be provided by funds from on-going bureau program budget appropriations in the form of salary, benefits, and materials as in-kind services from the Bureau of Planning and Sustainability.

#### NOW, THEREFORE, the Council directs:

- A. The City Administrator is authorized to execute a grant agreement with ODEM in a form substantially similar to Exhibit A.
- B. The FY 2024-25 budget is hereby amended as follows: GRANTS FUND Fund – 217

Business Area – PN00 Bureau Program Expenses - \$405,720

- C. The Office of Management & Finance Grants Management Division is authorized to perform all administrative matters in relation to the grant application, grant agreement or amendments, requests for reimbursement from the grantor, and to submit required online grant documents on the City Administrator's behalf.
- D. The Director of BPS is authorized to execute amendments to the grant agreement described in Directive A above unless the amendment increases the City's financial obligation under the agreement. Any amendments that increase the City's financial obligation must be authorized by Council.

Section 2. The Council declares that an emergency exists to reduce the risk from new fossil fuel infrastructure; therefore, this Ordinance shall be in full force and effect from and after its passage by the Council.

#### **Exhibits and Attachments**

**Exhibit A** 384.1 KB

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 September 18, 2024

Auditor of the City of Portland Simone Rede

### **Impact Statement**

### Purpose of Proposed Legislation and Background Information

This legislation authorizes the Mayor to accept and appropriate a Hazard Mitigation Grant Program award on behalf of the City.

The U.S. Department of Homeland Security (DHS) Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program (HMGP) provides funding to state, local, tribal, and territorial governments so they may reduce or mitigate future disaster losses in their communities. HMGP provides financial assistance to states that have experienced a presidentially declared disaster.

The City of Portland has attempted to amend the zoning code to limit the expansion of fossil fuel storage tanks in Portland's Critical Energy Infrastructure (CEI) Hub, which is located along the Willamette River in an area with a high risk of liquefaction and seismic vulnerability. These limits have been opposed by terminal operators and have faced many legal challenges. The purpose of this project is to amend the natural hazard policies in the 2035 Comprehensive Plan to provide a stronger policy foundation to adopt additional zoning code restrictions on fossil fuel infrastructure in the CEI Hub. This project will explore options under the City's authority under Oregon statewide land use planning laws and rules. In consultation with the community, BPS staff will identify a range of zoning code and comprehensive plan policies that will reduce the risk from fossil fuel infrastructure in the CEI Hub. Then, BPS staff, with assistance from the Office of the City Attorney, will take those concepts through a legislative process (Planning Commission recommendation and Council adoption) to implement those code and policy changes.

The proposed legislation does not directly change City policies. Changes to City policies will be a future Council action.

### **Financial and Budgetary Impacts**

This Council action will increase the Bureau of Planning and Sustainability Grant Fund appropriation by \$405,720 for the FY2024-25 under grant number PN000116.

Total estimated project costs is \$450,800. The City will be reimbursed \$405,720 (90%) for eligible direct project costs. Local match in the amount of \$45,080 will be provided by funds from on-going bureau program budget appropriations in the form of salary, benefits, and materials as in-kind services from the Bureau of Planning and Sustainability.

This funding will be used to create new two (2) two-year limited term City staff positions and will support existing positions in BPS. The major cost of this project will be for City staff time to research and draft code and policy amendments, review the draft changes with the community, and to move the code and policy changes through a legislative process for review and recommendation by the Planning Commission and adoption by City Council.

There are no long-term financial impacts for the City.

### **Community Impacts and Community Involvement**

BPS will consult with other public agencies, academia, business and community groups to identify potential code and policy concepts. BPS will undertake a public involvement process to review the concepts, which will include stakeholder interviews, focus groups, community meetings and webbased information and opportunities for feedback. Public involvement will continue with the legislative adoption process with notices of public hearings with opportunities for written and oral testimony before the Planning Commission.

#### 100% Renewable Goal

This action has no impact on the City's total energy use.

This action has no impact on the City's renewable energy use.

### **Budgetary Impact Worksheet**

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount
217001	PNCP000001	511100	CDCPUDHE000000GC	NON- PROGRAM	PN000116	PN01160001	\$250,480
217001	PNCP000001	514100	CDCPUDHE000000GC	NON- PROGRAM	PN000116	PN01160001	125,240
217001	PNCP000001	521100	CDCPUDHE000000GC	NON- PROGRAM	PN000116	PN01160001	30,000
217001	PNCP000001	441100	CDCPUDHE000000GC	NON- PROGRAM	PN000116	PN01160001	405,720

# Financial and Budget Analysis

This action accepts grant funds for \$405,720 from the Oregon Department of Emergency Management for the Fossil Fuel Terminal Zoning and Comprehensive Plan Amendments project. This grant requires a local match of \$45,080 to be provided by BPS via salary, benefits, and materials as in-kind services. Additionally, this grant will support creation of two limited-term positions within the bureau

### **Document History**

Item 808 Regular Agenda in <u>September 18-19, 2024 Council Agenda</u> (<u>https://www.portland.gov/council/agenda/2024/9/18)</u>

(City Council)

Passed

Aye (5):

Rene Gonzalez, Mingus Mapps, Carmen Rubio, Dan Ryan, Ted Wheeler