ORDINANCE No.

Authorize River Plan/North Reach In-Lieu Fees and establish a North Reach Reinvestment Fee Credit. (Ordinance)

The City of Portland ordains:

- Section 1. The Council finds:
 - 1. On April 15, 2010, City Council adopted Ordinance No. 183694, adopting River Plan/North Reach, and directing City bureaus to implement the programs, projects, regulations and financing tools to implement the plan. The River Plan is the first update of the Willamette Greenway Plan in more than twenty years, and is designed to comply with Statewide Planning Goal 15 (Willamette Greenway).

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- 2. River Plan/North Reach amends City Code Title 33 (Chapters 33.475 and 33.865) to include specific regulatory requirements for landscaping, vegetative enhancement and mitigation of development impacts that require development review, findings and decision-making by the City. These administrative responsibilities may include administration of fees and charges, mitigation banks and other strategies and action to ensure compliance with City Code, and achievement of River Plan goals.
- 3. The River Plan/North Reach code directs the Bureau of Development Services (BDS) to establish and administer in-lieu mitigation fees to finance City restoration projects that are required to mitigate the natural resource and habitat impacts of private development.
- 4. BDS intends to assign administrative responsibilities for the in-lieu mitigation fees to the Bureau of Environmental Services (BES). In so doing, BES will be able to organize a comprehensive River Restoration Program that integrates the goals of River Plan/North Reach and the City's Watershed Management Plan.
- 5. BES will rely on scientific and financial reports and studies to administer in-lieu mitigation fees, including the following:
 - a. *Habitat Valuation Methodology*. Prepared for the Bureau of Planning and Sustainability by Tetra Tech. October 2010.
 - b. Science Panel Report. Memo from Kaitlin Lovell to Sallie Edmunds. November 1, 2010.
 - c. *Willamette River Mitigation In–Lieu Fees*. Prepared for the Bureau of Planning and Sustainability by Tetra Tech. October 2010.
 - d. Updated Restoration Site Cost Estimates. Memo from Paul Ketchum and Kristen Acock to Sallie Edmunds. June 9, 2009.
 - e. How to Calculate River Plan / North Reach In-Lieu Fees. Prepared by the Bureau of Planning and Sustainability. November 2010.

6. Portland is currently experiencing an economic recession along with the rest of the country. The City wishes to support businesses that make major investments in their facilities. Subsidizing the in lieu fees with a credit would provide this support during this time period.

NOW, THEREFORE, the council directs:

- a. the Council adopts the River Plan/North Reach in-lieu mitigation fees as set forth in Exhibit A of this Ordinance.
- b. to stimulate development in the North Reach, for a period of two years applicants will receive a 50 percent North Reach Reinvestment Fee Credit of their new mitigation in lieu fees (Exhibit B). The Office of Management and Finance, the Portland Development Commission and the Bureau of Planning and Sustainability will return to Council with a funding strategy in January 2011.
- c. this Ordinance and the attached schedule of River Plan/North Reach in-lieu mitigation fees (Exhibit A) are binding City policies.

Passed by the Council, Commissioner Randy Leonard/Mayor Sam Adams Commissioner of Public Safety

Rebecca Esau/Sallie Edmunds November 10, 2010 LaVonne Griffin-Valade Auditor of the City of Portland By

1.00 AND ...

Deputy

140 507 -= SEE SUBSTITUTE 1557 (Ord. REFERRED TO COMMISSIONER OF Agenda No. **ORDINANCE NO.** Title Authorize River Plan/North Reach in-lieu fees and establish a North Reach Reinvestment Fee Credit. FINANC 2 2 (Ordinance) ADMIN NOV 1 2 2010 **INTRODUCED BY** CLERK USE: DATE FILED Mayor Sam Adams **Commissioner Randy Leonard** COMMISSIONER APPROVAL LaVonne Griffin-Valade Mayor-Finance and Adiffinistration Adams Auditor of the City of Portland Position 1/Utilities - Fritz By: Position 2/Works - Fish Deputy Position 3/Affairs - Saltzman Position 4/Safety - Leonard ACTION TAKEN: **BUREAU APPROVAL** Bureau: Development Services Bureau Head: Paul Scarlet Prepared by: Rebecca Esau/Sallie Edmunds Date Prepared: November 2, 2010 **Financial Impact Statement** Completed \bowtie Amends Budget Not Required Portland Policy Document If "Yes" requires City Policy paragraph

stated in document. Yes No C Council Meeting Date November 17, 2010

City Attorney Approval

AGENDA FOUR-FIFTHS AGENDA COMMISSIONERS VOTED AS FOLLOWS: TIME CERTAIN Start time: 2 PM NAYS YEAS 1. Fritz 1. Fritz Total amount of time needed: 2.5 hrs (2 of 5) (for presentation, testimony and discussion) 2. Fish 2. Fish CONSENT 3. Saltzman 3. Saltzman REGULAR 4. Leonard 4. Leonard Total amount of time needed: (for presentation, testimony and discussion) Adams Adams