## ORDINANCE No. 187974

\*Update Procurement Code to conform to new state law that delegates broader authority to the City to protect the integrity of its social equity contracting programs (Ordinance; amend Code Chapters 5.33 and 5.34).

## The City of Portland ordains:

## Section 1. The Council finds:

- 1. The City is committed to encouraging fair and equitable contracting for women and people of color and has a compelling governmental interest in combating the effects of historic discrimination in the contracting industry.
- 2. The City's social equity contracting programs represent the City's desire to include certified disadvantaged, minority, women, and emerging small businesses as participants as contractors and subcontractors on projects the City owns, sponsors or funds.
- 3. It is essential to protect these programs from fraud through robust enforcement. Unchecked, fraudulent and other prohibited conduct results in the misappropriation of public funds and deprives legitimate minority- and woman-owned businesses of work on City owned, sponsored or funded projects.
- 4. New state law effective January 1, 2016 is the result of Senate Bill 584, a City of Portland initiative, which passed unanimously in both chambers. The new law gives local jurisdictions additional authority to sanction businesses engaged in fraud and abuse of the social equity contracting programs.

## NOW, THEREFORE, the Council directs:

- a. City Code Chapter 5.33, Goods and Services, is amended as set forth in Exhibit A.
- b. City Code Chapter 5.34, Public Improvements and Construction Services, is amended as set forth in Exhibit B.
- c. Notwithstanding the scope of ORS 200.055 et seq., Section 5.33.540 or 5.34.535 applies to all projects, including, but not limited to, contracts, loans, grants, development agreements, and any other City-owned, City-sponsored or City-funded project.

Section 2. The Council declares that an emergency exists as these changes will bring the City's Procurement Code into conformance with current State of Oregon law, add clarity to the City Procurement Code for both contractors and City staff and protect the integrity of its social equity contracting programs. Therefore, this ordinance shall be in force and effect from and after its passage by the Council.

Passed by the Council: SEP 07 2016 Mayor Charles Hales Prepared by: c.moody Date Prepared: 8/22/16

Mary Hull Caballero
Auditor of the City of Portland

By

Deputy

usan Tarso

Agenda No.

ORDINANCE

187974

Title

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INTRODUCED BY Commissioner/Auditor: Mayor Hales	CLERK USE: DATE FILED AUG 3 0 2016
COMMISSIONER APPROVAL  Mayor—Finance and Administration - Hales  Position 1/Utilities - Fritz  Position 2/Works - Fish  Position 3/Affairs - Saltzman	Mary Hull Caballero Auditor of the City of Portland  By:  Deputy
BUREAU APPROVAL  Bureau: OMF/Bureau of Revenue and Financial Services OMF CAO: Fred Miller Bureau Head: Ken Rus	ACTION TAKEN:
Prepared by: C. Moody Date Prepared: August 12, 2016	
Impact Statement  Completed ☑ Amends Budget □	
City Auditor Office Approval: required for Code Ordinances	
City Attorney Approval: required for contract, code. easement, franchise, charter, Comp Plan  Council Meeting Date September 7, 2016	

AGENDA	FOUR-FIFTHS AGENDA	
TIME CERTAIN  Start time:		
Total amount of time needed:(for presentation, testimony and discussion)	1. Fritz 2. Fish	
CONSENT & Pulled	3. Saltzman	
REGULAR	4. Novick	
Total amount of time needed: (for presentation, testimony and discussion)	Hales	

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	/	
2. Fish	2. Fish	$\checkmark$	
3. Saltzman	3. Saltzman	4	
4. Novick	4. Novick	$\vee$	
Hales	Hales	/	