



Bureau of Planning and Sustainability
Innovation. Collaboration. Practical Solutions.

Bureau of Planning and Sustainability

Fiscal Year 2018-19

Requested Budget



City of Portland, Oregon | Bureau of Planning and Sustainability
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Office of Mayor Ted Wheeler
City of Portland

To: Commissioner Chloe Eudaly
Commissioner Nick Fish
Commissioner Amanda Fritz
Commissioner Dan Saltzman

From: Mayor Ted Wheeler

Date: January 29, 2017

RE: Bureau of Planning and Sustainability FY18-19 Requested Budget

I am pleased to convey to you the Bureau of Planning and Sustainability's Requested Budget for FY18-19. Much of the bureau's work either leads or aligns closely with Council priorities including housing affordability and equity.

In accordance with the budget instructions, BPS has identified potential cuts of 5 percent from on-going General Fund resources. I will weigh these carefully to evaluate the trade-offs between near-term savings and long-term impacts, and I encourage you to do the same.

To enable BPS to respond to key initiatives, the bureau's budget also includes the following four funding requests:

**Increase the Supply and Range of Housing, Affordability and Shelter
(\$503,000 with a 5 percent cut; \$351,000 without the 5 percent cut)**

- In coordination with the Joint Office on Homeless Services and other City bureaus, work on ways to expand housing options for extremely low-income and homeless households.
- Begin work on an 18-month-long project to recommend zoning code and/or map changes to preserve older market-rate affordable housing and historic structures in the inner-most single-dwelling neighborhoods surrounding the Central City.
- Update the 30-year-old Macadam Plan District to increase housing and mixed-use development potential on this close-in corridor in accordance with the 2035 Comprehensive Plan.
- Continue work related to the Southwest Corridor Equitable Housing Strategy.

**Analyze Progress and Strategically Coordinate Resources to Achieve Equitable Growth and Development in East Portland
(\$135,000)**

- Undertake a review of the City's strategies for East Portland related to community development and growth. Consider the strategies represented by the Comprehensive Plan, East Portland Action Plan, and the array of actions, initiatives, investments and policies undertaken by City bureaus and other agencies. Use this as context for consideration of additional alignment and actions.

Build a More Diverse and Usable Historic Resource Inventory (HRI)
(\$80,000)

- Continue the work to modernize and expand the HRI as identified as a priority by the Historic Landmarks Commission in their 2017 State of Preservation report.
- Expand public access to historic resource data, conduct pilot HRI surveys in under-represented areas, and assist a range of community groups in documenting historic resources for including on the HRI.
- Requested FY18-19 dollars would provide matching funds for a 2018 State Historic Preservation Office Certified Local Government Grant, for which Portland is eligible

Advance Equity Through Smart Cities Initiatives
(\$50,000)

- Support creation of a group of representatives from community non-profits and other organizations to advise the City on addressing equity issues related to access to smart cities technologies.

Thank you for your consideration.

Mayor Ted Wheeler





Bureau of Planning and Sustainability

Innovation. Collaboration. Practical Solutions.

To: Mayor Ted Wheeler
Commissioner Nick Fish
Commissioner Chloe Eudaly
Commissioner Amanda Fritz
Commissioner Dan Saltzman

From: Budget Advisory Committee for the Bureau of Planning and Sustainability
Gus Baum – Security Properties
NaTasha Gaskin – BPS (DCTU)
Karen Gray – Parkrose School District Superintendent
Heather Hoell – Venture Portland
Barry Manning – BPS (COPPEA)
Mary Kyle McCurdy – 1000 Friends
Eli Spevak – Planning and Sustainability Commission
Kyenne Williams – BPS (non-represented)
Marisa Zapata – PSU Planning Professor

Date: January 29, 2018

RE: Recommendations for BPS FY18-19 Requested Budget

BPS Role in Addressing City Council’s Budget Priorities

For the past several years, BPS has focused on creating big picture, citywide foundational plans – the Portland Plan, 2035 Comprehensive Plan, the Climate Action Plan and the Central City 2035 Plan. With the successful completion of these major projects, BPS can now move to targeted work that implements the plans and how they affect specific areas of the city, communities, economic sectors and types of development.

As Portland continues to grow and change, many residents struggle to stay in their homes and neighborhoods or to find housing they can afford at all. City Council’s prioritization of housing affordability in the FY18-19 budget is appropriate and urgently needed. We want to be sure Council recognizes the critical role BPS plays in addressing this issue: BPS projects can help increase the supply of housing and the range of housing types that are affordable to households at various income levels. Also, without continued and adequate planning for more growth, demand for housing will continue to outstrip supply. This is the right time – past time in fact – to put resources into planning solutions that avoid the mistakes of other booming West Coast cities and address Portland’s growing unaffordability.

The Auditor’s 2016 Community Survey reported a steep decline in residents’ satisfaction with livability and the City’s ability to plan for future land use; cutting planning programs further will make this worse.



City of Portland, Oregon | Bureau of Planning and Sustainability

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Finally, given recent actions by our national leadership that affect basic civil liberties, and economic and environmental policies, we find an urgent need to support BPS' work. The world is looking to states, cities and the non-profit/private sectors to be bold in actions on climate protection and equity.

BPS is known as a convener in the City that leverages resources and works with partners on the big issues facing cities today – economic, social and environmental justice, climate action, land use, urban design, historic resources, job creation, housing, resource conservation, and sustainable development. With funding cuts, this great work will diminish, leaving not just the bureau, but the city and region, at a loss for the future.

Financial Overview and Impact of Cuts

The context for the FY18-19 budget is a world that is entering truly uncharted economic territory. On the plus side, Oregon has benefited from growth in population and job growth. Recent growth rates have been unprecedented. Oregon ranks ninth in the country in year-over-year job growth. Portland leads the charge in a variety of categories including net in-migration. On the down side, Portland is struggling to maintain its affordability, our most vulnerable populations are growing without adequate resources to aid them, and equity issues of all kinds are putting stress on the city's own standards of livability.

City Council requested that bureaus propose five percent cuts to their FY18-19 on-going General Fund budgets. For BPS, this is exacerbated by the uncertainty that comes from having a significant amount of core functions funded by one-time General Fund resources and grants. We are pleased to hear that the FY18-19 budget will include a new long-term commitment for BPS use of a share of permit fees. This is clearly justified based on the amount of BPS work that affects development.

For BPS, a five percent cut to on-going General Fund means a loss of up to four staff positions. These cuts have real consequences on the effectiveness of the City's planning for housing, jobs and transportation. The annual cycle of potential cuts and one-time funding is damaging to staff morale and organizational stability. While these cuts may free up resources in the near term, they could hamper the City's work to address housing affordability in the longer-term. In today's healthy economy, strong employees will be easily persuaded to leave the City for more stable positions with other agencies or in the private sector.

Key Recommendations

We have three key recommendations:

- 1. Fully fund BPS' critical work.**

BAC members see no shortage of specific projects or issues they would like BPS to address if resources are available. BPS' work is important to Portland's future and our ability to respond to local, national and global events that impact our city. These cuts also would exacerbate BPS' vulnerability to swings in one-time General Fund resources. Specifically, the 5 percent cut would eliminate or decrease projects intended to help respond to the housing emergency, including the work to preserve middle housing and increase housing and mixed-use development in the Macadam Plan District.

More people are coming to Portland, and more units and a wider range of housing, including middle housing, are needed. BPS projects can affect the range of housing options in the city. We do not want our city to be a playground for the wealthy with no room for low-to-middle-income households. A healthy and just City depends on income diversity. Middle housing also helps achieve density goals. At this crucial time, it's important to fund staff and projects that support more housing and middle housing.

2. **Fund BPS requests for one-time funded projects (in order of priority):**

a. *Increase the Supply and Range of Housing, Affordability and Shelter*

The BAC supports BPS's work to explore a broader continuum of housing options that work for Portland's lowest income residents (through either subsidized or market rate models).

The BAC supports staff proposals to fund:

1. Removal of barriers to providing shelter for the homeless households.
2. Preservation of middle housing in close-in neighborhoods through new zoning approaches. This housing, which is often non-conforming or illegal, provides de-facto affordable housing today and is increasingly at risk for conversion.
3. Update of the Macadam Plan District to increase in housing development potential in this near-in transit served neighborhood.

The BAC also notes that the workplans for BPS and the Portland Housing Bureau must include evaluation and, if warranted, adjustments to the Inclusionary Housing program. This work must start no later than 2019 to be able to meet the commitment City Council made to review the performance of the program in three years.

b. *Analyze Progress and Strategically Coordinate Resources to Achieve Equitable Growth and Development in East Portland*

The East Portland Action Plan is ten years old. Many City bureaus have been actively working and investing in East Portland over that time. This project would assess these efforts and how they combine to match community objectives and changing conditions.

c. *Build a More Diverse and Usable Historic Resource Inventory*

The Historic Resource Inventory (HRI) is the starting point for understanding and preserving important parts of our history that could easily be lost as the city grows. Focusing HRI updates on East Portland and culturally significant places can help address inequitably overlooked resources and communities.

d. *Advance Equity Through Smart Cities Initiatives*

This will fund a group of representatives to meet regularly to advise the City on addressing equity issues related to the City's Smart Cities efforts. While this is a good step, BAC members are concerned that, without more resources and attention, the interests of communities of color cannot be meaningfully incorporated into the definition of Smart Cities work. Without including this key component, it is hard to see Smart Cities a priority.

3. **Invest in BPS' role as a source of coordination across City bureaus.**

BPS often goes unrecognized and unfunded for the interagency work they are asked to participate in and lead. As Portland continues to grow, the BAC recommends that Council consider a review of ongoing base funding and FTE provided to BPS to continue its leadership role.

Budget Equity Assessment

In 2017, BPS created a Social Equity Investment framework designed to help target and prioritize the bureau's work. It is framed around two concepts, economic vulnerability and access to opportunity, and BPS is using the framework to create a workplan with projects that will help give more households access to higher opportunity areas as well as increase housing stability for households with economic risks and looking at mitigating potential effects of displacement caused by rising housing costs.

BPS continues to align its work with the goal of advancing equity not only in which programs and services are delivered, but how that work is implemented. The primary strategy document that informs the bureau's climate action work is in the 2015 Climate Action Plan, which was informed by an Equity Working Group that reviewed the proposed actions to identify potential impacts for communities of color, low-income populations and other marginalized groups. In FY18-19, BPS plans to continue to dedicate time and resources to furthering community-driven climate action efforts and projects that develop a joint vision for a climate justice movement. In addition to using the Bureau's Equity Toolkit to integrate and maximize equity into their work, this coming year BPS' Sustainability Programs will incorporate Social Equity Investment framework into projects and decision-making.

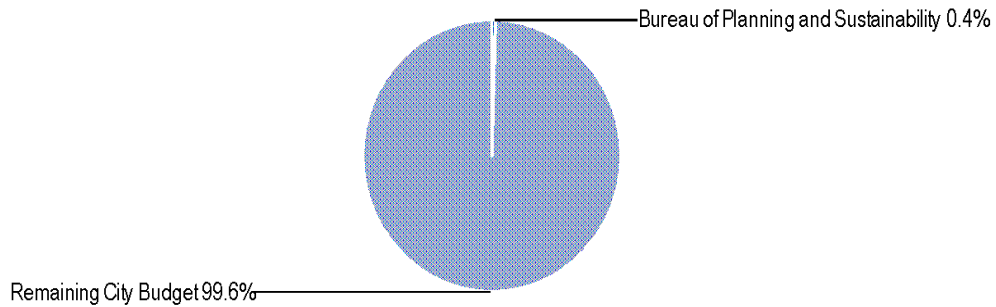
BAC Continued Involvement

We recognize that the budget process has several important stages still ahead. If members of the BPS BAC can contribute to your review and decision making in the months ahead, please let us know. We welcome the opportunity to engage with you.

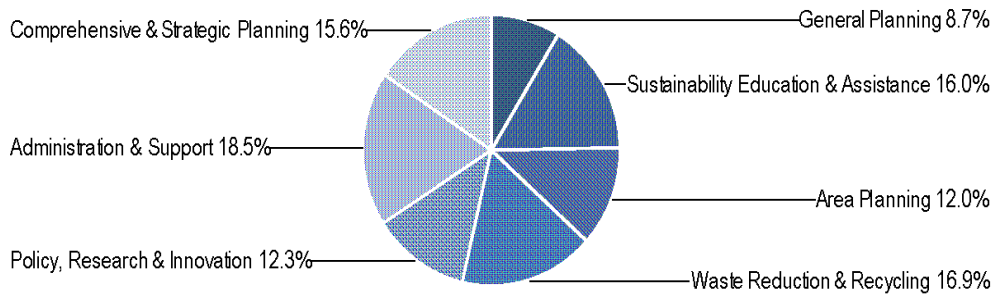
Bureau of Planning and Sustainability

Mayor Ted Wheeler, Commissioner-in-Charge
Susan Anderson, Director

Percent of City Budget



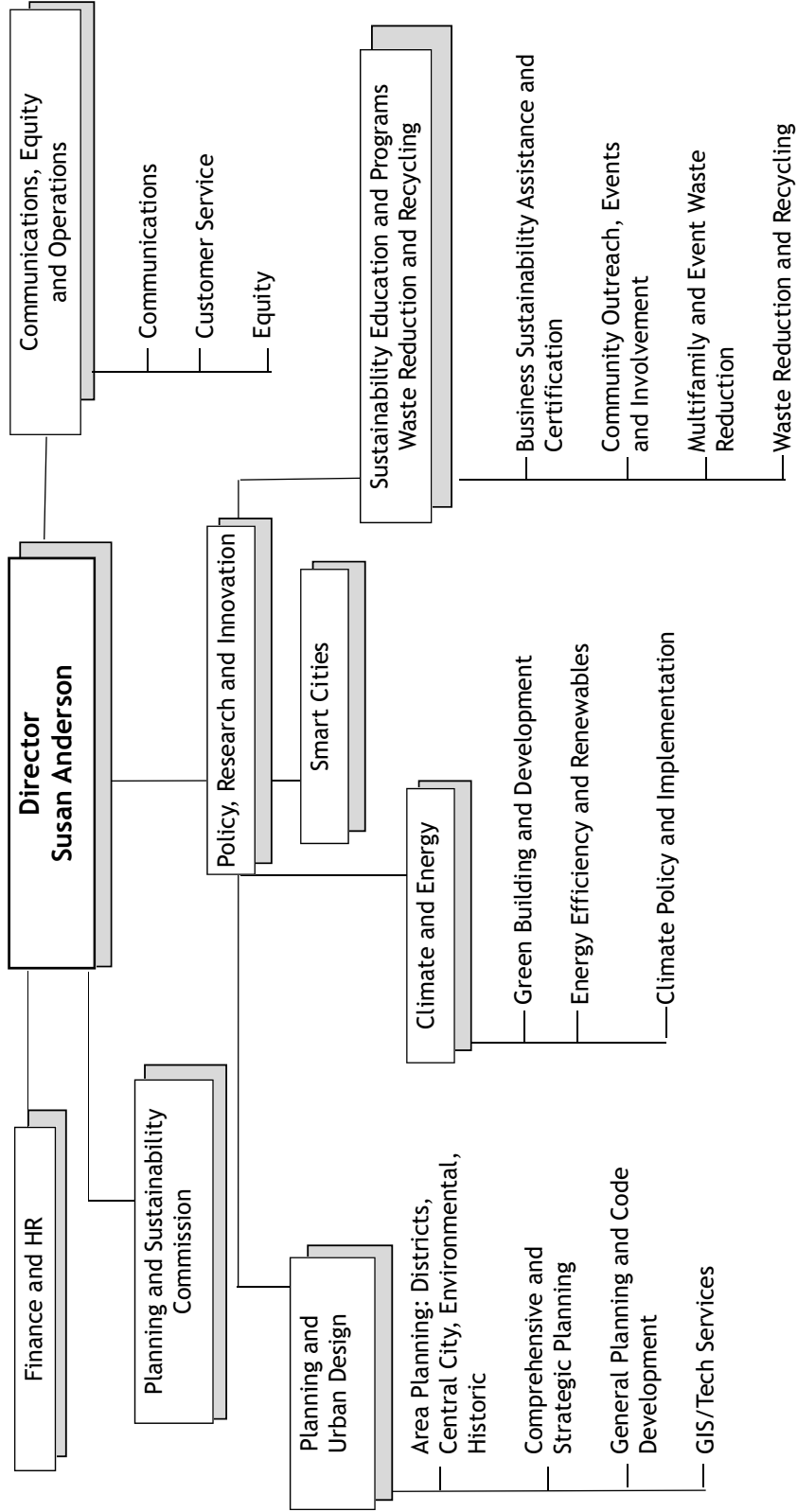
Bureau Programs



Bureau Overview

Expenditures	Revised FY 2017-18	Requested FY 2018-19	Change from Prior Year	Percent Change
Operating	22,600,868	22,613,703	12,835	0.06
Capital	0	0	0	0.00
Total Requirements	22,600,868	22,613,703	12,835	0.06
Authorized Positions	104.62	105.95	1.33	1.27

Bureau of Planning and Sustainability



Bureau Summary

Bureau Mission

We take action to shape the future of Portland, advance climate protection and make Portland more prosperous, healthy, resilient and equitable now and for future generations.

Bureau Overview

The Bureau of Planning & Sustainability (BPS) integrates sustainability principles into the core of Portland’s strategic planning, land use planning, development policies, and climate and energy programs. The depth of staff expertise and extensive community engagement are central to the bureau’s commitment to delivering world class “planning and doing.”

The bureau develops and implements policies and programs that provide health, environmental, economic, and social benefits to residents, businesses, and government. To accomplish these objectives, BPS works with City Council, the Planning and Sustainability Commission, other City bureaus, public agencies, businesses, non-profits, and community members to create big picture plans; set development policy; motivate action; and research, demonstrate, and evaluate innovative approaches. All of this is in service to promoting a more prosperous, educated, healthy and equitable city as called for in the Portland Plan.

Strategic Direction

Create and Champion Big Picture Plans

In FY18-19, BPS will complete the Central City 2035 Plan and Willamette River Central Reach Plan, and implement projects from the recently-adopted 2035 Comprehensive Plan, the 2015 Climate Action Plan, and 2014 Climate Change Preparation Strategy. These strategies focus on affordable housing, equitable development and place-making, including:

- ◆ SW Corridor Equitable Housing Strategy
- ◆ Brentwood Darlington Complete Community Assessment
- ◆ Central City development
- ◆ Home Energy Score

Set Development Rules, Code and Policies

BPS develops zoning regulations, development standards and other code provisions to implement the big picture plans. For FY18-19, these include such projects as the Residential Infill Project, Multi-Dwelling Housing Code, and Community Design Standards and Guidelines. With the completion of several major plans, implementation will be a greater focus for the bureau in the next few years. To meet this demand, BPS will realign its staff and skills to move toward plan implementation.

Motivate Voluntary and Market-Based Action

The bureau engages, educates and collaborates with residents, businesses, community organizations and neighborhoods to promote sustainable practices, encourage energy and resource conservation, recycling and composting, choose active transportation options, and support healthy homes and workplaces.

Research, Demonstrate and Evaluate Innovative Approaches

The bureau investigates local conditions and global best practices, pilots new projects and programs, and informs policy makers and the community on significant and emerging planning and sustainable development issues.

Summary of Budget Decisions

Adds

Increase the Supply and Range of Housing, Affordability and Shelter(\$503,000 with a 5 percent cut; \$351,000 without the 5 percent cut)

- ◆ In coordination with the Joint Office on Homeless Services and other City bureaus, work on ways to expand housing options for extremely low-income and homeless households.
- ◆ Begin work on an 18-month-long project to recommend zoning code and/or map changes to preserve older market-rate affordable housing and historic structures in the inner-most single-dwelling neighborhoods surrounding the Central City.
- ◆ Update the 30-year-old Macadam Plan District to increase housing and mixed-use development potential on this close-in corridor in accordance with the 2035 Comprehensive Plan.
- ◆ Continue work related to the Southwest Corridor Equitable Housing Strategy.

Analyze Progress and Strategically Coordinate Resources to Achieve Equitable Growth and Development in East Portland(\$135,000)

- ◆ Renew commitment to the East Portland Action Plan (EPAP) including a focus on meeting community equitable development objectives through development of a new mixed-use neighborhood centers.
- ◆ Work on an assessment of conditions and trends in East Portland and of how public efforts combine to advance community development objectives to ensure coordination of leveraging public sector resources and actions in East Portland.

Build a More Diverse and Usable Historic Resource Inventory (HRI) (\$80,000)

- ◆ Continue the work to modernize and expand the HRI as identified as a priority by the Historic Landmarks Commission in their 2017 State of Preservation report.
- ◆ Expand public access to historic resource data, conduct pilot HRI surveys in under-represented areas, and assist a range of community groups in documenting historic resources for including on the HRI.
- ◆ Requested FY18-19 dollars would provide matching funds for a 2018 State Historic Preservation Office Certified Local Government Grant, for which Portland is eligible.

Advance Equity Through Smart Cities Initiatives(\$50,000)

- ◆ Support creation of a group of representatives from community non-profits and other organizations to advise the City on addressing equity issues related to access to smart cities technologies.

Reductions

General Fund Reduction

The requested 5 percent cut includes a reduction of \$356,856 for three positions as well as \$79,385 in professional service contracts. These cuts eliminate or significantly reduce the bureau's ability to undertake three projects related to addressing the current housing emergency, but these projects were identified as those to be affected by cut because they depend on a level of staffing that matches the cut positions and/or they depend on professional service funding that would not be available with the cut. Also, they were selected because, while they are priorities, the bureau has more discretion to postpone or cut these projects compared to other comparable work plan items.

Budget Note

Land Use Revenue

In FY17-18, Council directed the City Budget Office, Bureau of Development Services, and Bureau of Planning and Sustainability to develop a plan to provide long-term funding for necessary code development and revision work using Land Use revenue as appropriate and permissible by law. As of FY18-19, a long-term funding solution has been developed based on the use of a percentage of land use fees for ongoing code development and improvements.

Comprehensive and Strategic Planning

Description

The Comprehensive and Strategic Planning program focuses on policies, projects and services that have citywide impact. This program's functions are at the core of the City's long-range planning efforts and engagement with the region's growth management program.

This program includes four subprograms:

- ◆ Comprehensive Plan Update/Portland Plan
- ◆ Coordinated Land Use and Transportation/Transit Planning
- ◆ Policy and Research
- ◆ Urban Design and Historic Preservation

Top priorities for FY18-19 include:

- ◆ **Grow vibrant centers and corridors:**
- ◆ Pilot development of strategic action plans for center development in East Portland, including working with Prosper Portland in Rosewood, and coordination with PBOT on 122nd Ave, and a master plan for Rossi Farms site (Metro grant supported).
- ◆ Update the Macadam Plan District to increase housing opportunities and resolve transportation bottlenecks.
- ◆ Continue to support SW Corridor LRT planning, and begin implementation of the SW Transit Corridor Equitable Housing Strategy (including establishing a framework for redevelopment of the Barbur Transit Center and the Ross Island Bridgehead with ODOT).
- ◆ Economic and urban design analysis for major Central City developments: (a) Broadway Corridor (United States Postal Service) master plan; (b) Rose Quarter projects including I-5/Broadway/Wielder improvements; (c) Clinton Triangle TOD site master plan with Prosper Portland; (d) Green Loop.
- ◆ **Support having equitable and complete neighborhoods:**
- ◆ Develop a method to evaluate progress toward more Inclusive complete communities.
- ◆ Begin a review and update of the Portland Plan actions related to Racial Justice and Equity, building from the findings of the 5-Year Portland Plan Progress Report.
- ◆ **Increase housing options:**
- ◆ Complete the Better Housing by Design project, which is re-writing Portland's multi-dwelling zoning standards to expand housing options.
- ◆ Study/pilot ways to use sites owned by religious institutions for affordable housing development (Metro grant supported).
- ◆ Explore barriers and options to encourage housing types potentially affordable to the lowest income households, such as tiny house villages, micro apartments, SROs, and small manufactured homes.
- ◆ Undertake zoning code and map changes to protect and encourage middle housing preservation and new infill in inner neighborhoods adjacent to the Central City.

- ◆ Continue monitoring the implementation of the Inclusionary Housing ordinance.
- ◆ **Support growth of an equitable and low-carbon economy:**
- ◆ Evaluate industrial development performance with respect to business growth, job density, middle-wage employment, use of new industrial office options.
- ◆ Support Prosper Portland with the implementation of a new brownfield tax exemption program.
- ◆ **Preserve historic resources:**
- ◆ Complete the Historic Resources Code Project to update how the City identifies, designates and protects historic resources.
- ◆ Start phased update of Historic Resources Inventory database and mapping.
- ◆ **Implement the 2035 Comprehensive Plan:**
- ◆ Resolve any outstanding appeals.
- ◆ Train City staff on implementation of new codes adopted with 2035 Comprehensive Plan.

Goals

This program works to advance a prosperous, healthy, resilient and equitable city. Specific goals focus on the following:

- ◆ Creating a city of healthy connected neighborhoods through growing vibrant centers and corridors; supporting development of complete neighborhoods; and guiding future growth to increase equity and resilience.
- ◆ Promoting economic prosperity for business and households through increasing housing options and supporting an equitable low-carbon economy.

Performance

- ◆ Capture 30 percent of the new housing development in the region (Comprehensive Plan Policy 5.2).
- ◆ Capture 25 percent of the new job growth in the region (Comprehensive Plan Policy 6.3).
- ◆ Increase the share of Portlanders living in complete neighborhoods, reaching 80 percent by 2035 (Portland Plan Measure of Success).

These are important for the vitality of Portland neighborhoods, as well as for regional climate change and compact growth objectives. In 2016, Portland issued development permits for 5,000 new housing units, about 33 percent of new housing units in the four-county region. Similarly, Portland captured 37 percent of the region's new housing development from 2010-2016. In 2017, Portland added 4,000 jobs, about 25 percent of the regional employment growth. From 2010-2016, Portland has added 67,000 new jobs, about 41 percent of the regional job growth. The percentage of Portlanders in complete neighborhoods rose from 63 percent in 2010 to 65 percent in 2016.

Changes to Services and Activities

With recent state (DLCD) approval of the 2035 Comprehensive Plan, in FY18-19, this program is transitioning from Citywide policy development toward smaller scale strategic interventions – such as specific area plans that have citywide significance, and more focused policy and research initiatives to support partner agencies including the Housing Bureau, Prosper Portland and PBOT.

Bureau of Planning and Sustainability

FTE & Financials	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
FTE	17.32	15.32	20.94	17.39	18.39
Expenditures					
Code Development	(244)	0	0	0	0
Comprehensive & Strategic Planning	7,838	0	0	0	0
Policy & Research	419,024	555,691	484,259	688,956	744,456
Portland & Comprehensive Plan	1,308,517	1,234,269	1,818,231	1,398,178	1,467,165
Urban Design	351,767	367,928	526,247	563,772	643,772
Total Expenditures	2,086,902	2,157,888	2,828,737	2,650,906	2,855,393
Performance	Actual FY 2015-16	Actual FY 2016-17	Yr End Est. FY 2017-18	Base FY 2018-19	Target FY 2018-19
Key Performance Measure					
Percentage of new housing units in the four-county region that are within the City of Portland	37%	48%	40%	40%	41%
Percentage of Portlanders living in complete neighborhoods	63%	65%	65%	65%	67%

Administration, Communications, Equity and Tech. Support

Description	This group provides a broad array of services to enable an efficient, well-functioning organization. These actions include leadership by the bureau director, equity and communications teams, and day-to-day support of finance, budget, human resources and administrative staff.
Goals	The program works to make the bureau operations run as efficiently and smoothly as possible in support of the overall bureau goal of creating a prosperous, healthy, resilient and equitable city.
Performance	The bureau continues to meet stringent federal requirements for grant compliance. In internal administration, BPS conducts bi-annual surveys of internal customer service and continually refines operating procedures for clarity and ease of access to program staff.
Changes to Services and Activities	No major changes are anticipated for FY18-19.

FTE & Financials	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
FTE	11.75	14.00	16.00	14.00	14.00
Expenditures					
Bureau Operating Costs	1,171,272	1,328,358	1,908,472	1,343,641	1,343,641
Business Services	1,351,042	1,161,813	861,297	937,800	937,800
Communications	0	1,119	0	0	0
Director's Office	461,140	481,140	499,483	511,758	511,758
Operations	0	62	0	0	0
Technical Administrative Support	311,537	419,166	502,788	594,020	594,020
Total Expenditures	3,294,991	3,391,658	3,772,040	3,387,219	3,387,219
Performance	Actual FY 2015-16	Actual FY 2016-17	Yr End Est. FY 2017-18	Base FY 2018-19	Target FY 2018-19
Workload					
Value of grants and contracts awarded	\$951,990	\$1,763,144	\$1,935,600	\$1,500,000	\$1,500,000

Area and Environmental Planning

Description

The Area Planning and Environmental Planning program develops plans, code amendments, and development strategies for specific parts of the City including centers, neighborhoods and environmentally-sensitive areas.

The Area and Environmental Planning program has three subprograms:

- ◆ **District Planning:** This program focuses on community development. District Planners build relationships with community organizations and stakeholders to help them be effective forces in City decision making regarding planning and development. They maintain expertise about local issues and bring this knowledge to the work of City bureaus. With communities, they identify and undertake projects to address development issues and goals.
- ◆ **Central City Planning:** This program is responsible for district planning for the Central City. It works closely with Central City communities and stakeholders. It leads and collaborates with other bureaus on Central City projects. It implements the Central City Plan through planning, changes to development codes and guidelines, and consultation with developers, communities, bureaus, and other Central City interests.
- ◆ **Environmental and River Planning:** This program undertakes technical analysis and planning to improve the health of environmental resources citywide and of environmental, economic, and recreational resources and development in the Willamette River corridor. It maintains and improves the City's environmental regulations, including environmental overlay zones and the Willamette River greenway and river overlay zones.

The top priorities for FY18-19 for this program are:

- ◆ **Grow vibrant centers and corridors:**
- ◆ Continue development of the Equitable Housing Strategy for the proposed SW Corridor light-rail line and participation in LRT project planning.
- ◆ Participate in the development of plans for major sites in the Central City: (a) Broadway Corridor (United States Postal Service) Master Plan; (b) OMSI Master Plan; (c) Zidell Yards Master Plan and Development Agreement; (d) Clinton Triangle TOD site master plan with Prosper Portland; (e) Central Eastside ODOT blocks development with Prosper Portland; (f) Rose Quarter and Lloyd District projects including I-5 Rose Quarter Project.
- ◆ **Support having equitable and complete neighborhoods:**
- ◆ Undertake community-driven equitable development planning projects in East Portland.
- ◆ Undertake collaborative master plan for Rossi Farms site in East Portland.
- ◆ **Increase housing options:**
- ◆ Support use of new options for single dwelling and multi-dwelling buildings.
- ◆ Undertake zoning code and map changes to protect and encourage middle housing preservation and new infill in inner neighborhoods adjacent to the Central City.
- ◆ **Protect Natural Resources and Improve the Willamette River corridor:**
- ◆ Complete the River Plan/South Reach.

- ◆ Update Environmental Zone mapping citywide to match the Natural Resources Inventory adopted with the 2035 Comprehensive Plan.
- ◆ Develop new regulations for development in the floodplain as required by FEMA in response to NOAA’s biological opinion.
- ◆ **Build and invest in community capacity:**
- ◆ Continue work with communities on growing organizational access, understanding and capacity, undertake collaborative community planning and strengthening public engagement in City processes.
- ◆ Begin a program of improvements how BPS engages with the community including steps to implement the community engagement manual adopted with the 2035 Comprehensive Plan.

Goals

Specific goals focus on creating healthy connected neighborhoods, centers and corridors; protecting and improving natural resources; and guiding future growth to increase equity and resilience.

This program also works to support a prosperous, healthy, resilient and equitable city, with a focus on helping neighborhood, district and environmental interests and manage the changes that come with growth and development.

Performance

District Planning:

The percentage of people living in walkable complete neighborhoods.

The proportion of households in complete neighborhoods continued to increase. There continues to be considerable variation between neighborhoods. In East Portland neighborhoods, the program’s work seeks to increase these complete community characteristics and address gentrification pressures.

In inner east neighborhoods, the program works to increase community with change and the design and nature of new development. This includes address gentrification pressures where relevant.

Central City Planning:

CC2035 targets for the Central City related to transportation, jobs and housing, riverbank enhancement, tree canopy and public space.

These measures are still under review as part of the plan, but once adopted will allow the bureau to measure the performance of the Central City in a number of ways.

Environmental Planning:

Percentage of High- and Medium-ranked resources identified in the Natural Resources Inventory (NRI) that are protected or conserved either through zoning, acquisition or other tools.

This percentage has remained flat at 83 percent.

Changes to Services and Activities

In FY18-19, the Central City work will shift from finalizing the Central City 2035 Plan to implementation.

Bureau of Planning and Sustainability

FTE & Financials	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
FTE	16.42	16.50	13.73	16.61	16.61
Expenditures					
Central City Planning	889,326	620,950	828,046	830,880	718,350
District Planning	855,293	883,541	1,035,766	873,048	1,008,048
River & Environmental	406,053	373,406	431,474	473,006	473,006
Total Expenditures	2,150,672	1,877,897	2,295,286	2,176,934	2,199,404
Performance	Actual FY 2015-16	Actual FY 2016-17	Yr End Est. FY 2017-18	Base FY 2018-19	Target FY 2018-19
Outcome					
Percentage of significant natural resources protected through non-regulatory and/or regulatory measures	82%	83%	83%	83%	83%

Policy, Research and Innovation

Description

The Policy, Research, and Innovation program provides research, analysis, technical assistance, demonstration projects, and policy and program development to advance City goals around a prosperous, healthy, resilient, equitable and low-carbon community. Specifically, the program addresses:

- ◆ Climate change
- ◆ Energy efficiency and renewable energy
- ◆ Green building and high-performance development
- ◆ Ecodistricts
- ◆ Food policy and programs
- ◆ Equity
- ◆ Sustainability in City operations and Green Team support
- ◆ Human health
- ◆ Accessible housing types and Accessory Dwelling Units (ADUs)
- ◆ Deconstruction
- ◆ Smart Cities initiatives

Efforts focus on policy, programs, and projects that support innovation and institutionalize sustainable practices. The program also monitors legislative issues related to sustainable development, develops federal, state, Metro and foundation funding proposals to support bureau priorities, and coordinates broad sustainability initiatives, such as the City's Climate Action Plan.

Bureau of Planning and Sustainability

Goals

Key goals for FY18-19 include:

- ◆ Ensure Portland maintains its global standing as a front-runner city developing innovative climate actions and delivering meaningful results.
- ◆ Implement performance scores for houses and mid-to-large size commercial buildings.
- ◆ Increase the use of electric vehicles.
- ◆ Reduce energy use in City buildings and facilities.
- ◆ Continue developing Oregon’s community solar program so that it benefits all Portlanders and meets the targets for low-income participation.
- ◆ Install and scale solar plus battery storage projects to increase neighborhood-level resilience.
- ◆ Look for opportunities to procure locally-developed renewable energy for City operations.
- ◆ Partner with electric and gas utilities to decarbonize the energy system.
- ◆ Promote deconstruction, workforce development and salvaged building material market expansion.
- ◆ Actively advocate meeting net-zero energy goals in updates to the Oregon building code.
- ◆ Provide technical support to low-carbon, healthy and connected development projects throughout Portland.
- ◆ Help all Portlanders benefit from improved access to affordable electric vehicles and charging infrastructure.
- ◆ Support community-driven climate actions, particularly those led by organizations serving communities of color and low-income populations.

Performance

Countering the national trend, local emissions of carbon dioxide, the primary cause of climate change, continue to decline in both per capita and absolute terms. Portland has achieved a 21 percent reduction compared to a 7 percent increase for the U.S. as a whole. On a per capita basis, emissions are now 41 percent lower than 1990 levels. This reflects a wide range of efforts by the City, businesses, residents, and many community partners to create walkable neighborhoods, reduce energy use, increase active transportation, reduce solid waste, and increase renewable energy sources like solar, wind and biomass.

Changes to Services and Activities

No major changes are anticipated for FY18-19.

FTE & Financials	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
FTE	14.57	13.80	14.80	16.80	16.80
Expenditures					
Clean Energy	277,879	410,234	815,600	637,347	637,347

Bureau of Planning and Sustainability

FTE & Financials	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
Climate Policy & Planning	701,067	773,730	1,070,769	839,168	839,168
Green Building & Development	608,607	748,344	552,595	498,369	498,369
Policy, Research & Innovation	42,881	80,043	0	0	0
Smart Cities Program	0	0	0	229,956	279,956
Sustainable City Government	3,494	12,444	57,247	0	0
Sustainable Food	165,585	91,619	114,820	0	0
Total Expenditures	1,799,513	2,116,414	2,611,031	2,204,840	2,254,840

Performance	Actual FY 2015-16	Actual FY 2016-17	Yr End Est. FY 2017-18	Base FY 2018-19	Target FY 2018-19
Key Performance Measure					
Percentage reduction in per person carbon emissions from 1990 levels	41%	41%	41%	41%	41%
Outcome					
Utility savings to City from energy- and water-efficiency projects and waste and toxics reduction (million dollars)	\$7.66	\$7.70	\$6.35	\$6.50	\$6.50
Output					
Per capita residential energy use (million BTUs)	26.70	26.00	26.00	26.00	26.00
Number of certified green buildings in Portland	2,573	2,766	2,800	2,900	2,900
Percentage of City electricity use from renewable resources	100.0%	100.0%	100.0%	100.0%	100.0%
Number of residential and commercial solar energy systems installed in Portland since 2006	3,748	4,200	4,300	4,400	4,400
Workload					
Number of development projects provided with green building assistance	4	5	6	6	6

Waste Reduction and Recycling

Description

The Waste Reduction and Recycling program is responsible for the collection of solid waste, recycling and yard debris and other compostable materials from residences and businesses within the Portland Urban Services Boundary. The program carries out City Council’s policy direction to reduce waste, increase recycling and composting, and maintain high-quality garbage and recycling collection at reasonable rates.

Residential waste program responsibilities include franchising residential collection companies, enforcing service standards, setting rates, educating customers, and promoting waste reduction and recycling in coordination with the bureau’s Sustainability Education and Assistance program.

The commercial waste program establishes service standards, issues permits, and ensures compliance with City requirements. Commercial service is not franchised or rate regulated in Portland. The commercial program is also responsible for contracting out the collection of public garbage and recycling cans in several business districts and for addressing garbage or recycling containers that are inappropriately stored by businesses in the public right-of-way.

Goals

The program works to achieve City Council’s goal of recycling 75 percent of all solid waste. In early 2017 BPS reported on the accomplishments and progress over the past eight years and outlined near-term priority projects:

- ◆ Mandatory Business Food Scrap Collection
- ◆ Improvements to Multifamily Recovery Programs
- ◆ Sustainable Consumption and Production Strategy

Performance

City Council established a goal of recovering (i.e., recycling plus composting) 75 percent of all solid waste. The recovery rate as of FY16-17 was 64 percent. The drop in the recycling rate reflects a change in the methodology used by the Oregon Department of Environmental Quality, which previously applied a credit of 6 percent for jurisdictions that had programs in place to support activities like backyard composting. Implementation of mandatory business food scrap collection over the next several years is expected to have a positive impact on the total recovery rate.

Changes to Services and Activities

BPS is undertaking a midterm review of the residential franchise system that could result in changes in how collection services will be provided. The review process will be completed in 2018 with recommendations being provided to City Council.

In June 2017, Portland’s Jade District was the first to receive new trash receptacles as part of the expansion of the public trash can program. The district is serving as a pilot project to evaluate the performance of a new can design, graphics, and can placement. After reviewing performance factors in the pilot, BPS will continue the expansion into other areas of East Portland.

Bureau of Planning and Sustainability

FTE & Financials	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
FTE	9.50	9.50	9.50	9.50	9.50
Expenditures					
Operations	0	40	0	0	0
Solid Waste Commercial	1,118,215	1,140,639	1,522,846	1,901,752	1,901,752
Solid Waste Residential	940,950	894,475	986,896	1,198,227	1,198,227
Waste Reduction & Recycling	0	(572)	0	682	682
Total Expenditures	2,059,165	2,034,582	2,509,742	3,100,661	3,100,661
Performance	Actual FY 2015-16	Actual FY 2016-17	Yr End Est. FY 2017-18	Base FY 2018-19	Target FY 2018-19
Efficiency					
Typical residential garbage and recycling monthly bill	\$29.15	\$29.25	\$29.25	\$30.00	\$30.00
Key Performance Measure					
Percentage of waste recycled or composted	64%	63%	65%	65%	65%
Outcome					
Percentage of residential material diverted from wastestream	63%	62%	64%	64%	64%
Percentage of commercial material diverted from wastestream	64%	63%	65%	65%	65%
Citizen satisfaction with solid waste and recycling programs (percentage of respondents rating "good" or "very good")	76%	77%	77%	77%	77%
Workload					
Pounds of solid waste generated per household	802	814	800	800	800
Tons of solid waste generated by businesses	257,748	288,402	285,000	280,000	280,000

Sustainability Education and Assistance

Description

The Sustainability Education and Assistance program engages, educates and collaborates with residents, businesses, community organizations, and neighborhoods to make informed decisions about sustainable practices, with a particular focus on resource conservation. The team’s responsibilities include design, development, coordination, implementation, and evaluation of community engagement programs and events.

Programs run by the Sustainability Education and Assistance team include:

- ◆ Sustainability at Work - business assistance and certification
- ◆ Event Recovery Program - assistance and equipment
- ◆ Portland Climate Action Now! Campaign
- ◆ Fix-it Fairs
- ◆ Community Collection Events
- ◆ Master Recycling Program
- ◆ Garage, recycling, and composting educational materials, campaign, and engagement
- ◆ Resourceful PDX
- ◆ General sustainability related community engagement and involvement

Efforts focus on motivating voluntary and market-based actions through the implementation of customer-focused programs and campaigns that advance City and bureau goals around a sustainable city that is prosperous, healthy, resilient and equitable.

Goals

The Sustainability Education and Assistance programs support the City’s goals to reduce carbon emissions 80 percent below 1990 levels by 2050 and recover 75 percent of all waste. FY18-19 priority projects include launching a mandatory business food scrap collection program, supporting community driven climate action and ensuring equitable garbage and recycling services for multifamily residents. The Sustainability Education and Assistance programs also advance the bureau goals of prosperity, health, resiliency and equity.

Performance

In FY18-19, the program expects to reach 200,000 residents, 25,000 multifamily households, and 4,000 businesses with sustainability outreach and assistance.

Changes to Services and Activities

There are no major changes planned for FY18-19.

FTE & Financials	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
FTE	16.40	17.40	19.75	19.75	19.75
Expenditures					
Business Sustainability Assistance	722,366	698,500	805,737	817,515	817,515
Communications	348,912	402,516	548,202	886,957	886,957
Multifamily	348,392	363,771	426,589	426,412	426,412
Residential Outreach	736,406	796,409	828,019	803,622	803,622

Bureau of Planning and Sustainability

FTE & Financials	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
Sustainability Education & Assistance	8,434	1,071	0	0	0
Total Expenditures	2,164,510	2,262,267	2,608,547	2,934,506	2,934,506
Performance	Actual FY 2015-16	Actual FY 2016-17	Yr End Est. FY 2017-18	Base FY 2018-19	Target FY 2018-19
Efficiency					
Cost per-Fix-It Fair workshop participant	\$87.73	\$73.15	\$71.00	\$90.00	\$90.00
Workload					
Number of residents reached by sustainability training and outreach	193,464	203,232	204,000	215,000	215,000
Number of businesses reached by sustainability outreach and training	2,313	2,736	2,850	4,000	4,000
Number of multifamily units provided with waste reduction assistance	21,300	16,035	25,000	25,000	25,000
Number of residents participating in the Fix-it Fairs	1,223	814	1,300	1,300	1,300

General Planning

Description

This program includes overall management and communications for all planning programs, the Code Development program, GIS / technology services, and management and support for the Planning and Sustainability Commission.

The Code Development program leads major code changes and improvement projects to carry out land use planning goals. The program also leads the Regulatory Improvement Program (RICAP), which develops and manages an annual package of zoning code improvements in collaboration with the Bureau of Development Services.

The GIS / technology services team supports a majority of BPS programs and many other bureaus' work. The team leads the mapping, data and analysis work as well as plays a key role in leading and convening work around Smart Cities initiatives.

Managing and supporting the Planning and Sustainability Commission including coordinating the 11-member volunteer Commission to plan their meeting agendas, managing staff and projects that come before the PSC, and providing support to ensure all land use projects are noticed, scheduled and progress in conformance to City and State law.

Annually about 50 percent of the bureau's planning projects include development of code amendments and other regulatory tools. Development land use fees will be used to support a portion of this work.

The program is the bureau's lead on special projects related to acute development issues. These emerge every year, vary in scale, become priorities for City Council and the community, and require a quick, thorough, data-driven response. The Code Development Program also provides expert code development services to other bureau projects, such as the Central City 2035 Plan and the Better Housing by Design project. Staff from the team direct and support staff from other bureaus working on legislative projects, such as updates to the Tree Code (BDS and PP&R) or bicycle parking regulations (PBOT).

The General Planning program includes staff, the Chief Planner, and the communications staff for planning projects.

Priorities for FY18-19 include:

- ◆ Transition into implementation of the 2035 Comprehensive Plan and Central City 2035 Plan.
- ◆ Adoption of the Residential Infill Project code amendments by City Council.
- ◆ Code and guideline development for the Design Overlay Zoning Amendment project (DOZA).
- ◆ The Regulatory Improvement Code Amendment Program (RICAP).
- ◆ Continued work on acute development issues, which currently includes code issues related to housing, electric vehicles and federal changes to cell tower regulation.

Goals This program works to improve the function, effectiveness, and efficiency of BPS planning programs through management and expert services; improve the City Zoning Code; and provide technical analysis. The program helps implement Comprehensive Plan policies related to creating healthy connected neighborhoods; developing centers and corridors; promoting economic prosperity for business and households; protecting and improving natural resources; and guiding future growth to increase equity and resilience.

Performance This program’s current work plan is concentrated on upgrades to the city design standards and review processes as well as changes to the allowances for infill housing in single dwelling neighborhoods. Previously, the Auditor’s survey had a design related questions we used as a performance measure: the percentage of residents rating the attractiveness of new residential development “good” or “very good.” The ability to meet its growth and density goals can be affected by acceptance of growth and change by the public, as well as by the efficiency and effectiveness of the permit review processes, including design review. The survey has been discontinued, so a new measure is needed.

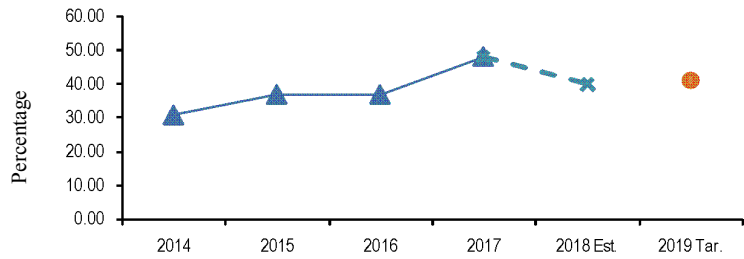
Changes to Services and Activities The Residential Infill Development project is on schedule for completion in FY18-19. The Design Overlay Zoning Amendment project, which is a major upgrade of the design review system and tools will be complete in FY18-19. Both of these implement key recommendations of the 2035 Comprehensive Plan and the Central City 2035 Plan. The program will be able to resume annual code amendments to address technical and administrative issues in the zoning code.

FTE & Financials	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
FTE	13.17	12.90	9.90	9.90	10.90
Expenditures					
Code Development	914,063	1,032,474	1,198,060	871,311	926,811
General Planning	1,010,582	1,046,146	978,239	665,235	665,235
Total Expenditures	1,924,645	2,078,620	2,176,299	1,536,546	1,592,046

Performance Measures

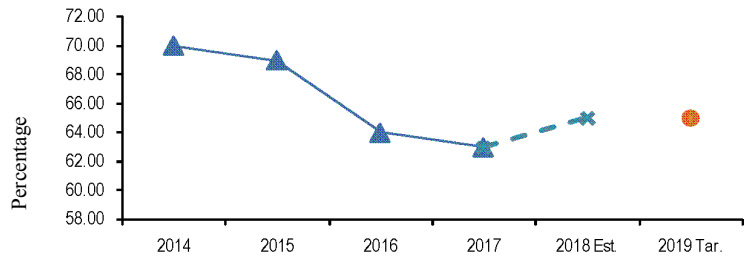
Percentage of New Housing in Four County Region within City

Portland's share of the region's housing has increased notably in recent years, reflecting increasing residential development in the city.



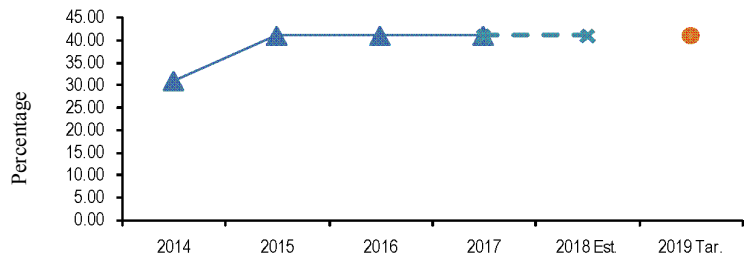
Percentage of Waste Recycled or Composted

Portland's recovery rate is about twice the national average. Program changes, including collecting food scraps from residences, contributed to the jump in 2013. The recovery rate has remained at about 64% since then. (The Oregon Department of Environmental Quality recently revised its methodology for estimating recovery rate, which resulted in a consistent reduction of 6% compared to the prior methodology.)



Percentage Reduction in Per Person Carbon Emissions from 1990 Levels

Portland residents and businesses are making progress in reducing carbon pollution, but efforts need to accelerate in order for Portland to respond to the rising urgency of climate change.



	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
Resources					
External Revenues					
Licenses & Permits	2,857,780	2,883,600	2,995,133	3,110,704	3,110,704
Charges for Services	2,636,220	3,055,968	3,002,909	3,372,595	3,372,595
Intergovernmental	972,241	1,373,147	2,156,111	1,347,434	1,347,434
Miscellaneous	97,375	76,542	102,423	118,144	118,144
Total External Revenues	6,563,616	7,389,257	8,256,576	7,948,877	7,948,877
Internal Revenues					
General Fund Discretionary	8,220,743	7,545,405	8,242,844	7,953,184	8,285,641
General Fund Overhead	783,723	794,790	759,035	801,015	801,015
Interagency Revenue	412,080	815,835	1,477,850	1,397,000	1,397,000
Total Internal Revenues	9,416,546	9,156,030	10,479,729	10,151,199	10,483,656
Beginning Fund Balance	2,486,989	2,758,150	3,864,563	4,181,170	4,181,170
Total Resources	\$18,467,151	\$19,303,437	\$22,600,868	\$22,281,246	\$22,613,703
Requirements					
Bureau Expenditures					
Personnel Services	10,975,950	11,169,849	12,326,639	13,201,095	13,207,937
External Materials and Services	2,208,023	2,537,073	4,013,311	2,956,623	3,272,238
Internal Materials and Services	2,292,120	2,213,540	2,461,732	1,833,894	1,843,894
Total Bureau Expenditures	15,476,093	15,920,462	18,801,682	17,991,612	18,324,069
Fund Expenditures					
Debt Service	55,265	60,721	67,638	72,419	72,419
Contingency	0	0	68,293	121,851	121,851
Fund Transfers - Expense	177,643	192,699	193,278	197,455	197,455
Total Fund Expenditures	232,908	253,420	329,209	391,725	391,725
Ending Fund Balance	2,758,150	3,129,555	3,469,977	3,897,909	3,897,909
Total Requirements	\$18,467,151	\$19,303,437	\$22,600,868	\$22,281,246	\$22,613,703
Programs					
Administration & Support	3,294,991	3,391,658	3,772,040	3,387,219	3,387,219
General Planning	1,924,645	2,078,620	2,176,299	1,536,546	1,592,046
Area Planning	2,150,672	1,877,897	2,295,286	2,176,934	2,199,404
Policy, Research & Innovation	1,799,513	2,116,414	2,611,031	2,204,840	2,254,840
Comprehensive & Strategic Planning	2,086,902	2,157,888	2,828,737	2,650,906	2,855,393
Waste Reduction & Recycling	2,059,165	2,034,582	2,509,742	3,100,661	3,100,661
Specialized Planning	(4,305)	1,136	0	0	0
Sustainability Education & Assistance	2,164,510	2,262,267	2,608,547	2,934,506	2,934,506
Total Programs	15,476,093	\$15,920,462	\$18,801,682	\$17,991,612	\$18,324,069

Class	Title	Salary Range		Revised FY 2017-18		Requested No DP FY 2018-19		Requested FY 2018-19	
		Minimum	Maximum	No.	Amount	No.	Amount	No.	Amount
30000063	Accountant II	54,912	69,139	1.00	54,912	1.00	59,726	1.00	59,726
30000433	Administrative Specialist, Sr	47,362	72,904	4.00	257,197	4.00	263,890	4.00	263,890
30000436	Administrative Supervisor I	61,734	82,285	1.00	75,444	1.00	78,540	1.00	78,540
30000448	Business Systems Analyst	64,813	86,403	1.00	83,348	1.00	85,763	1.00	85,763
30000449	Business Systems Analyst, Sr	71,510	95,472	1.00	94,382	1.00	95,472	1.00	95,472
30000184	Code Specialist II	46,717	61,859	1.00	53,640	1.00	54,996	1.00	54,996
30000492	Community Outreach & Informtn Rep	61,734	82,285	5.00	378,228	5.00	380,132	5.00	380,132
30000506	Conservation Program Coordinator	68,078	90,792	5.00	398,745	5.00	410,535	5.00	410,535
30000507	Conservation Program Coordinator, Sr	71,510	95,472	6.00	544,764	6.00	550,272	6.00	550,272
30000509	Conservation Program Manager	84,739	112,882	1.00	112,520	1.00	117,136	1.00	117,136
30000505	Conservation Program Specialist	61,734	82,285	4.00	290,052	4.00	291,384	4.00	291,384
30000567	Financial Analyst	64,813	86,403	1.00	86,400	1.00	86,400	1.00	86,400
30000568	Financial Analyst, Sr	71,510	95,472	1.00	95,472	1.00	95,472	1.00	95,472
30000373	Graphics Designer III	69,472	88,712	1.00	76,644	1.00	78,828	1.00	78,828
30000212	Inf Syst Tech Analyst IV-Vertical GIS	64,813	86,403	1.00	86,400	1.00	86,400	1.00	86,400
30000451	Management Analyst	64,813	86,403	4.00	325,659	4.00	332,584	4.00	332,584
30000452	Management Analyst, Sr	71,510	95,472	1.00	83,496	1.00	83,496	1.00	83,496
30000450	Management Assistant	50,877	78,333	0.00	0	0.00	0	0.00	0
30000011	Office Support Specialist I	31,678	45,261	1.00	45,264	1.00	45,264	1.00	45,264
30000012	Office Support Specialist II	34,798	49,962	1.00	45,338	1.00	48,768	1.00	48,768
30000384	Planner II. City-Environmental	76,752	88,837	1.00	88,836	1.00	88,836	1.00	88,836
30000385	Planner II. City-Land Use	76,752	88,837	11.00	945,053	11.00	949,156	10.00	872,404
30001053	Planner, Chief	105,248	146,973	1.00	146,976	1.00	146,976	1.00	146,976
30000725	Planner, Principal	97,989	132,766	2.00	250,512	2.00	255,336	2.00	255,336
30000391	Planner, Sr City-Economic	82,514	95,493	2.00	190,992	2.00	190,992	2.00	190,992
30000392	Planner, Sr City-Environmental	82,514	95,493	1.00	82,512	1.00	84,864	1.00	84,864
30000393	Planner, Sr City-Land Use	82,514	95,493	7.00	668,472	7.00	668,472	6.00	572,976
30000397	Planner, Sr City-Urban Design	82,514	95,493	3.00	261,864	3.00	268,040	3.00	268,040
30000724	Planner, Supervising	84,739	112,882	3.00	330,740	3.00	335,039	3.00	335,039
30001054	Planning & Sustainability Director	146,474	209,893	1.00	209,100	1.00	209,892	1.00	209,892
30000464	Program Coordinator	68,078	90,792	4.00	286,476	4.00	286,476	3.00	218,400
30000466	Program Manager, Sr	84,739	112,882	1.00	124,176	1.00	124,176	1.00	124,176
30000463	Program Specialist	61,734	82,285	1.00	61,740	1.00	82,284	1.00	82,284
30000462	Program Specialist, Assistant	50,877	78,333	4.00	266,902	4.00	275,705	4.00	275,705
30000497	Public Information Manager	78,770	105,851	1.00	90,228	1.00	93,308	1.00	93,308
30000508	Solid Waste & Recycling Program Manager	84,739	112,882	1.00	112,884	1.00	112,884	1.00	112,884
30001509	Web Designer	50,877	78,333	1.00	78,336	1.00	78,336	1.00	78,336
TOTAL FULL-TIME POSITIONS				86.00	7,383,704	86.00	7,495,830	83.00	7,255,506
30000506	Conservation Program Coordinator	68,078	90,792	1.80	114,692	1.80	118,549	1.80	118,549
30000385	Planner II. City-Land Use	76,752	88,837	0.90	79,956	0.90	79,956	0.90	79,956
30000462	Program Specialist, Assistant	50,877	78,333	0.90	42,300	0.90	43,740	0.90	43,740
TOTAL PART-TIME POSITIONS				3.60	236,948	3.60	242,245	3.60	242,245
30000491	Community Outreach & Informtn Assistant	50,877	78,333	1.00	64,608	1.00	64,608	1.00	64,608
30000492	Community Outreach & Informtn Rep	61,734	82,285	2.35	178,781	2.35	181,800	2.35	181,800
30000506	Conservation Program Coordinator	68,078	90,792	0.00	0	0.00	0	0.00	0
30000507	Conservation Program Coordinator, Sr	71,510	95,472	0.00	0	0.00	0	0.00	0
30000505	Conservation Program Specialist	61,734	82,285	0.00	0	0.00	0	0.00	0
30000342	GIS Technician II	57,200	72,987	1.00	66,120	1.00	66,120	1.00	66,120
30000373	Graphics Designer III	69,472	88,712	1.00	79,836	1.00	79,836	1.00	79,836
30000451	Management Analyst	64,813	86,403	0.00	0	0.00	0	0.00	0

Class	Title	Salary Range		Revised FY 2017-18		Requested No DP FY 2018-19		Requested FY 2018-19	
		Minimum	Maximum	No.	Amount	No.	Amount	No.	Amount
30000450	Management Assistant	50,877	78,333	2.00	141,960	2.00	142,944	2.00	142,944
30000381	Planner I, City-Urban Design	66,747	77,251	1.00	77,256	1.00	77,256	1.00	77,256
30000385	Planner II, City-Land Use	76,752	88,837	0.00	0	0.00	0	0.00	0
30000375	Planner, Associate	60,674	70,221	1.00	66,876	1.00	68,829	1.00	68,829
30000393	Planner, Sr City-Land Use	82,514	95,493	0.00	0	0.00	0	1.00	95,496
30000374	Planning Assistant	35,714	45,573	3.67	140,620	3.00	120,576	7.00	270,576
30001658	Plg & Sust Policy, Rsrch & Oper Mgr	105,248	146,973	1.00	146,976	1.00	146,976	1.00	146,976
30000462	Program Specialist, Assistant	50,877	78,333	0.00	0	0.00	0	0.00	0
30000495	Public Information Officer	71,510	95,472	1.00	83,496	1.00	83,496	1.00	83,496
TOTAL LIMITED TERM POSITIONS				15.02	1,046,529	14.35	1,032,441	19.35	1,277,937
GRAND TOTAL				104.62	8,667,181	103.95	8,770,516	105.95	8,775,688



	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19	Proposed FY 2018-19
Resources						
Licenses & Permits	2,857,780	2,883,600	2,995,133	3,110,704	3,110,704	
Charges for Services	2,635,349	3,055,968	3,002,909	3,372,595	3,372,595	
Intergovernmental	21,085	0	0	0	0	
Miscellaneous	63,216	64,204	83,439	108,624	108,624	
Total External Revenues	5,577,430	6,003,772	6,081,481	6,591,923	6,591,923	
Interagency Revenue	7,000	7,000	5,000	5,000	5,000	
Total Internal Revenues	7,000	7,000	5,000	5,000	5,000	
Beginning Fund Balance	3,191,859	3,443,914	3,811,791	4,118,672	4,118,672	
Total Resources	8,776,289	9,454,686	9,898,272	10,715,595	10,715,595	
Requirements						
Personnel Services	2,296,035	2,228,643	2,491,577	2,542,616	2,542,616	
External Materials and Services	1,220,225	1,170,124	1,766,636	2,218,705	2,218,705	
Internal Materials and Services	1,583,235	1,606,091	1,840,957	1,736,609	1,736,609	
Total Bureau Expenditures	5,099,495	5,004,858	6,099,170	6,497,930	6,497,930	
Debt Service	55,265	60,721	67,638	72,419	72,419	
Contingency	0	0	68,293	121,851	121,851	
Fund Transfers - Expense	177,615	192,583	193,194	197,379	197,379	
Total Fund Expenditures	232,880	253,304	329,125	391,649	391,649	
Ending Fund Balance	3,443,914	4,196,524	3,469,977	3,826,016	3,826,016	
Total Requirements	8,776,289	9,454,686	9,898,272	10,715,595	10,715,595	

Fund Overview

The Solid Waste Management Fund accounts for expenses and revenues associated with the City's oversight of solid waste collection activities in Portland and the City's efforts to reduce the amount of solid waste and increase recycling and composting. The fund supports the bureau's Solid Waste and Recycling, Green Building, and Sustainable Education and Assistance programs. Revenue sources for the Solid Waste Management Fund include residential franchise, commercial tonnage, and permit fees.

Managing Agency Bureau of Planning & Sustainability



	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19	Proposed FY 2018-19
Resources						
Miscellaneous	9,792	9,417	8,984	9,520	9,520	
Total External Revenues	9,792	9,417	8,984	9,520	9,520	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	34,148	43,912	52,772	62,498	62,498	
Total Resources	43,940	53,329	61,756	72,018	72,018	
Requirements						
External Materials and Services	0	8	61,672	49	49	
Total Bureau Expenditures	0	8	61,672	49	49	
Fund Transfers - Expense	28	116	84	76	76	
Total Fund Expenditures	28	116	84	76	76	
Ending Fund Balance	43,912	53,205	0	71,893	71,893	
Total Requirements	43,940	53,329	61,756	72,018	72,018	

Fund Overview

The Community Solar Fund accounts for expenses and revenues associated with the installation of solar electric systems on community buildings.

The fund receives revenue from two sources:

- ◆ The electric utility companies, in the form of a fifteen-year stream of incentive payments based on the energy produced from each solar energy system; and
- ◆ Community (crowd-funded) donations.

The accrued revenue is used to install new, small-scale solar electric systems on community buildings.

Managing Agency Bureau of Planning & Sustainability



Decision Package Summary

Bureau: Bureau of Planning & Sustainability

Priority: 01

Type: Adds

Decision Package: PN_01 - Increase Housing Supply, Options & Affordability

Program: Planning

	FY 2018-19 Requested 1 Time DP	FY 2018-19 Requested Ongoing DP	FY 2018-19 Requested Budget	FY 2019-20 Estimated Budget	FY 2020-21 Estimated Budget	FY 2021-22 Estimated Budget	FY 2022-23 Estimated Budget		
EXPENDITURES									
Personnel Services	253,698	0	253,698	0	0	0	0	0	0
External Materials and Services	240,000	0	240,000	0	0	0	0	0	0
Internal Materials and Services	10,000	0	10,000	0	0	0	0	0	0
TOTAL EXPENDITURES	503,698	0	503,698	0	0	0	0	0	0
REVENUES									
General Fund Discretionary	503,698	0	503,698	0	0	0	0	0	0
TOTAL REVENUES	503,698	0	503,698	0	0	0	0	0	0
FTE									
Limited Term Positions	3.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL FTE	3.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00

Decision Package Summary

Bureau: Bureau of Planning & Sustainability	Priority: 01	Type: Adds
Decision Package: PN_01 - Increase Housing Supply, Options & Affordability	Program: Planning	

FY 2018-19 Requested 1 Time DP	FY 2018-19 Requested Ongoing DP	FY 2018-19 Requested Budget	FY 2019-20 Estimated Budget	FY 2020-21 Estimated Budget	FY 2021-22 Estimated Budget	FY 2022-23 Estimated Budget
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Description:

This Decision Package will allow BPS to initiate or complete four projects that address aspects of the current housing crisis and the ability to meet Portland’s long-range housing needs. The projects help to increase housing options and increase shelter options for those experiencing homelessness. The three projects are:

1. Addressing barriers to shelter for extremely low-income households.
2. Preservation of Middle Housing
3. Update of the Macadam Plan District
4. Assessment of SW Corridor housing and mixed-use development sites

This request includes replacement of a position that would be lost if the 5 percent cut of on-going general funds is taken. Without the 5 percent cut, the funding needed for these projects is \$351,000.

Project Descriptions

1. Addressing barriers to Shelter for Extremely Low-Income Households and Individuals

Through this project, BPS staff will work to reduce regulatory and other barriers to providing shelter and housing for extremely low-income and homeless households. The types of shelter and housing to be examined include mass shelters, tent campgrounds, villages of shelter pods, single-room-occupancy buildings, tiny houses on wheels and RVs, and smaller manufactured homes and ADUs.

According to the latest counts by the Joint Office of Homeless Services, 4,177 people are experiencing homelessness in Multnomah County — a figure that includes people in transition housing without shelter and in emergency shelter. This is a 9.9 increase from 2015. Communities of color continue to be over-represented in the homeless population. That remains true even though the number and percentage of some populations, such as African Americans, is lower since 2015.

BPS staff will work with the Joint Office on Homeless Services and other City bureaus to identify, evaluate and pursue zoning and other City code changes, and programmatic actions. At a minimum, the project will yield legislatively-adopted code changes. Depending on the number and scale of these amendments, changes could be adopted in 12 to 18 months.

As staff capacity has allowed, BPS supported similar efforts in the last few years. In 2016, we amended the zoning code to remove some barriers to locating mass shelters. With this project BPS will dedicate staff capacity and, if funded through this add package, consultant services, to address more complicated barriers and to be able to complement and leverage the work of staff in BDS and other bureaus.

2. Preservation of Middle Housing

This is the first part of an 18-month-long project to recommend zoning code or map changes to preserve older market-rate affordable housing and historic structures in the inner-most single-dwelling neighborhoods surrounding the Central City. The 2035 Comprehensive Plan identified this “middle housing” as a critical piece of the housing supply needed for Portland to meet its goals for density, housing affordability and equitable access to complete neighborhoods.

Middle housing describes smaller-scale multi-dwelling residential buildings that are often older and smaller, and therefore less expensive housing units than typical single-family house. They include row houses, townhouses, duplexes, triplex, fourplex, etc., courtyard housing and ADUs. This type of housing is an important part of the city’s de-facto affordable housing. Middle housing buildings are often non-conforming under current codes and are increasingly at risk of being lost to conversion or redevelopment.

This project will identify and remove code barriers to preservation this often older and less expensive type of housing. In FY18-19, the project team will inventory and assess the supply of existing apartments and duplexes and update the historic resources inventory in the study area.

Decision Package Summary

Bureau: Bureau of Planning & Sustainability **Priority:** 01 **Type:** Adds
Decision Package: PN_01 - Increase Housing Supply, Options & Affordability **Program:** Planning

FY 2018-19 Requested 1 Time DP	FY 2018-19 Requested Ongoing DP	FY 2018-19 Requested Budget	FY 2019-20 Estimated Budget	FY 2020-21 Estimated Budget	FY 2021-22 Estimated Budget	FY 2022-23 Estimated Budget
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Description: The project will inventory existing units and that exceed allowed maximum density, including both legal non-conforming units and illegal units. The assessment is needed to understand the supply, condition of and market forces on these existing non-conforming buildings. An economic analysis will help understand the stability or instability of this housing resource.

In FY19-20, the project will develop recommendations for zoning code or map changes to help preserve this middle housing supply, preserving historic structures, and creating opportunities to add more housing supply. Final recommendations will continue to the Planning and Sustainability Commission and City Council as legislative amendments.

Without this add package, BPS will lack the support staff and professional service capacity to undertake the project at least until FY19-20.

3. Update of the Macadam Plan District

The 2035 Comprehensive Plan calls for increasing affordable housing options in high-opportunity locations, complete communities and along civic corridors. The Macadam Plan District meets all three of these criteria and has outdated zoning regulations that result in less development than appropriate for the location.

Macadam is in SW Portland adjacent to the Central City in an area with good transit service and the potential for streetcar. Appropriately increasing development future in this area can increase the supply of well-located housing and increase the potential for affordable housing in a high-opportunity, complete community through the city inclusionary housing program.

This project will update the 30-year-old Macadam Plan District to increase the likelihood of new housing and mixed-use development on this close-in corridor in accordance with the 2035 Comprehensive Plan. The Macadam Plan District current FAR and height limits may be unnecessarily hindering development of inclusionary housing in the district.

The project will include economic analysis of zoning entitlements, urban design, and an extensive transportation analysis. Since Macadam is a State Highway and is outside the Central City, any changes in development allowances in this plan district are subject to ODOT review under the State transportation planning rule.

The project will be done in tandem with the expected South Reach River Plan/South Reach. The district is adjacent to the Central City where FARs are 5:1 and 6:1. Increased development allowances in Macadam could provide additional needed housing close to transit. Portland Streetcar is considering a short extension of the NS line to Johns Landing.

Without this add package, BPS will lack the lead and support staff and professional service capacity to undertake the project.

4. Assessment of SW Corridor housing and mixed-use redevelopment sites

In FY17-18, BPS staff will complete the SW Corridor Equitable Housing Strategy, which helps meet affordable housing, density, equity and transit objectives adopted by City Council with the 2035 Comprehensive Plan. In FY18-19, funding is requested to begin implementation of the strategy by making sure that affordable housing opportunities are thoroughly considered and incorporated into the design, planning and funding of the new light-rail project.

Specifically, funding is requested for consultant services to assess sites for housing development that could result as part of the development of a new light rail line in the SW Corridor. Sites will be in the West Portland Town Center and on land potentially reclaimed through redesign of the Ross Island bridge ramps.

Without this add package, BPS will lack professional service capacity to adequately address this issue as part of our other work on the SW Corridor project.

Expected Results:

1. Code changes and program proposals for increasing shelter options for households living in homelessness.
2. Code proposals for preserving and encouraging reinvestment in existing middle housing buildings.
3. Increased development potential and pace of housing development in Macadam Plan District.
4. Concept plans for housing redevelopment sites in SW Corridor

Decision Package Summary

Bureau: Bureau of Planning & Sustainability

Priority: 02

Type: Adds

Decision Package: PN_02 - Achieve Equitable Development in East Portland

Program: Distric Planning

	FY 2018-19 Requested 1 Time DP	FY 2018-19 Requested Ongoing DP	FY 2018-19 Requested Budget	FY 2019-20 Estimated Budget	FY 2020-21 Estimated Budget	FY 2021-22 Estimated Budget	FY 2022-23 Estimated Budget	
EXPENDITURES								
Personnel Services	55,000	0	55,000	0	0	0	0	0
External Materials and Services	80,000	0	80,000	0	0	0	0	0
TOTAL EXPENDITURES	135,000	0	135,000	0	0	0	0	0
REVENUES								
General Fund Discretionary	135,000	0	135,000	0	0	0	0	0
TOTAL REVENUES	135,000	0	135,000	0	0	0	0	0
FTE								
Limited Term Positions	1.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00
TOTAL FTE	1.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00

Description:

This Decision Package will allow BPS to undertake a review of the City’s community development strategies for East Portland as expressed in the 2035 Comprehensive Plan and the array of actions, initiatives, investments, and policies undertaken by City bureaus and other agencies. It will review how this aligns with the East Portland Action Plan and is intended to provide basis and capacity for consideration of additional coordination and actions.

East Portland stakeholders, including the East Portland Action Plan (EPAP), have requested renewed commitment and action on the part of the City to work on community development objectives in East Portland. The City, State, TriMet and other agencies have steadily increased their focus on East Portland with actions and investment related to community development, transportation, transit and parks. Prosper Portland has been working with the community to pursue shared community development objectives in Gateway, Lents and several Neighborhood Prosperity Initiative (NPI) districts in East Portland. The 2035 Comprehensive Plan forecasts significant growth in East Portland and calls for meeting community equitable development objectives through development of a new mixed-use neighborhood centers in this area of the city.

The requested funding would support the assessment of conditions and trends in East Portland and of how public agency efforts in East Portland combine to advance community development objectives. This work will be used to engage the community and City agencies to clarify understanding of the de-facto strategy, improve coordination, and better leverage these public resources and actions to achieve shared objectives. The assessment will set a context for identification of additional future work and initiatives.

Expected Results:

1. Development of scope and initiation of strategic planning project focused on East Portland.
2. Coordinated planning process with community, City bureaus and other agencies.
3. Equitable development outcomes in East Portland.

Decision Package Summary

Bureau: Bureau of Planning & Sustainability

Priority: 03

Type: Adds

Decision Package: PN_03 - Build Modern Diverse Historic Resource Inventory

Program: Urban Design

	FY 2018-19 Requested 1 Time DP	FY 2018-19 Requested Ongoing DP	FY 2018-19 Requested Budget	FY 2019-20 Estimated Budget	FY 2020-21 Estimated Budget	FY 2021-22 Estimated Budget	FY 2022-23 Estimated Budget	
EXPENDITURES								
Personnel Services	55,000	0	55,000	0	0	0	0	0
External Materials and Services	25,000	0	25,000	0	0	0	0	0
TOTAL EXPENDITURES	80,000	0	80,000	0	0	0	0	0
REVENUES								
General Fund Discretionary	80,000	0	80,000	0	0	0	0	0
TOTAL REVENUES	80,000	0	80,000	0	0	0	0	0
FTE								
Limited Term Positions	1.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00
TOTAL FTE	1.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00

Description:

This Decision Package will allow the BPS Historic Resources Program to continue its multi-year work program to modernize and expand the Historic Resource Inventory (HRI).

Project Description

The rate of growth and change Portland is experiencing has made it clear that the City's historic preservation programs must be updated to respond to this pressure and to better align with other community goals.

In FY16-17, BPS received one-time funding for a study of Historic Resource Inventory (HRI) methodology. The report identified best practices that are being incorporated into the Historic Resources Code Project, expected to be adopted in Fall 2018. This zoning code project will make structural changes to how the city identifies, designates and protects historic resources. The project will incorporate a 2016 Oregon State Supreme Court decision and recently-adopted changes to State Administrative Rules, both of which provided the legal clarity necessary for the City to advance an update to the HRI.

As part of the code project, in late 2017 BPS digitized the current (1984) HRI and updated the historic resources database to create a more accessible online interactive map: pdx.maps.arcgis.com/apps/webappviewer/index.html?id=9b7e5b99790d44608d440f6bce15451f.

The HRI is a foundational tool for all historic resource efforts. Aside from code changes, one of the main recommendations proffered in the study is to undertake on-going update and maintenance of the HRI. FY18-19 updates to the HRI could address gaps such as the lack of documentation of historic resources east of 82nd Ave and resources significant for their association with ethnic, gender, social and LGBTQ history. The Portland Historic Landmarks Commission has identified HRI update work as a priority since 2008, stating in their 2017 State of Preservation report that "the PHLC strongly asks that Council invest in this work by funding a modest expansion in BPS staff and providing seed funding for inventory work in FY18-19."

The FY18-19 project will fund a Planning Assistant and limited consultant contracts to expand public access to historic resource data, conduct pilot HRI surveys in underrepresented areas, and assist a range of community groups in documenting historic resources for inclusion on the HRI. The requested FY18-19 dollars would provide matching funds for a 2018 State Historic Preservation Office Certified Local Government Grant, for which Portland is eligible.

Without this add package, BPS will be unable to work on update of the HRI until FY19-20 at the earliest.

Decision Package Summary

Bureau: Bureau of Planning & Sustainability

Priority: 03

Type: Adds

Decision Package: PN_03 - Build Modern Diverse Historic Resource Inventory

Program: Urban Design

	FY 2018-19	FY 2018-19	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
	Requested	Requested	Requested	Estimated	Estimated	Estimated	Estimated
	1 Time DP	Ongoing DP	Budget	Budget	Budget	Budget	Budget

Expected Results:

1. First phase of research and data entry for East Portland Historic Resource Inventory.

Decision Package Summary

Bureau: Bureau of Planning & Sustainability

Priority: 04

Type: Adds

Decision Package: PN_04 - Advance Equity Through Smart Cities Initiatives

Program: Policy, Research & Innovation

	FY 2018-19 Requested 1 Time DP	FY 2018-19 Requested Ongoing DP	FY 2018-19 Requested Budget	FY 2019-20 Estimated Budget	FY 2020-21 Estimated Budget	FY 2021-22 Estimated Budget	FY 2022-23 Estimated Budget
EXPENDITURES							
External Materials and Services	50,000	0	50,000	0	0	0	0
TOTAL EXPENDITURES	50,000	0	50,000	0	0	0	0
REVENUES							
General Fund Discretionary	50,000	0	50,000	0	0	0	0
TOTAL REVENUES	50,000	0	50,000	0	0	0	0

Description:

This Decision Package supports the creation of a group of representatives from community non-profits and other groups who will meet regularly to advise the City on addressing equity issues related to the City's Smart Cities efforts.

Project Description

The City of Portland defines "Smart Cities" as the use of existing and innovative technologies, data collection and data management tools to enhance community engagement and to bring public benefits through improved delivery of services. These strategies are used to support our City goals around equity, mobility, affordability, sustainability, community health and safety, workforce development, and resiliency, with a focus on underserved communities.

In June 2017, the Portland City Council established a citywide Smart Cities Steering Committee to create a Citywide governance structure for the City's Smart Cities work, which the Bureau of Planning and Sustainability leads (Resolution No. 37290). Council directed BPS and the Smart Cities Steering Committee to facilitate internal and external collaboration, set priorities, identify focus areas, establish goals for the City's Smart Cities work, and to facilitate community outreach and involvement as Smart City projects are developed and deployed.

In September 2017, the Smart Cities Steering Committee established an Equity Work Group made up of representatives from BPS, PBOT, BTS, Office for Community Technology, Office of Equity and Human Rights, and Commissioner Fritz's office. The purpose of the work group was to develop a framework for prioritizing Smart City and Open Data work that use data to address inequities and disparities and to invest in technology-driven projects that improve people's lives, including goals to:

1. Engage underserved and under-represented populations to:
 - a. inform data collection design;
 - b. lead identification of needs, priorities and solutions; and
 - c. participate in implementation of solutions and iterative assessment.
2. Design data collection to uncover and learn about the barriers that create inequities and disparities and to identify solutions to overcoming those barriers;
3. Use data to understand how solutions benefit and/or further burden underserved communities; and
4. Leverage and/or invest city resources in data-drive solutions.

This funding request supports the creation of a group of representatives from community non-profits and other groups who will meet regularly to advise the City on addressing equity issues related to the City's Smart Cities efforts. The advisory group will help establish specific criteria for prioritizing and evaluating our Smart Cities policies and projects based on the framework described above and facilitate communication with and engagement of underserved and under-represented communities with a specific focus on race and disability. This includes stipends for participation by the community non-profits for the period between July 1, 2018 and June 30, 2019.

The funding will also support an outside contract to help with the formation of the Smart Cities Equity Advisory Group. The roles of this support include development of a charter, processes and protocols for the operation of the group in partnership with the Smart Cities Steering Committee, and outreach with targeted communities to identify potential members of the Equity Advisory Group.

Decision Package Summary

Bureau: Bureau of Planning & Sustainability

Priority: 04 **Type:** Adds

Decision Package: PN_04 - Advance Equity Through Smart Cities Initiatives

Program: Policy, Research & Innovation

	FY 2018-19	FY 2018-19	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
	Requested	Requested	Requested	Estimated	Estimated	Estimated	Estimated
	1 Time DP	Ongoing DP	Budget	Budget	Budget	Budget	Budget

Expected Results:

1. Organization and implementation of Smart Cities Equity Committee including recruitment and contracting with community non-profits.

Decision Package Summary

Bureau: Bureau of Planning & Sustainability

Priority: 05

Type: Reductions

Decision Package: PN_05 - 5% GFOG reduction

Program: Planning

	FY 2018-19 Requested 1 Time DP	FY 2018-19 Requested Ongoing DP	FY 2018-19 Requested Budget	FY 2019-20 Estimated Budget	FY 2020-21 Estimated Budget	FY 2021-22 Estimated Budget	FY 2022-23 Estimated Budget		
EXPENDITURES									
Personnel Services	0	(356,856)	(356,856)	0	0	0	0	0	0
External Materials and Services	0	(79,385)	(79,385)	0	0	0	0	0	0
TOTAL EXPENDITURES	0	(436,241)	(436,241)	0	0	0	0	0	0
REVENUES									
General Fund Discretionary	0	(436,241)	(436,241)	0	0	0	0	0	0
TOTAL REVENUES	0	(436,241)	(436,241)	0	0	0	0	0	0
FTE									
Full-Time Positions	0.00	-3.00	-3.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL FTE	0.00	-3.00	-3.00	0.00	0.00	0.00	0.00	0.00	0.00

Decision Package Summary

Bureau: Bureau of Planning & Sustainability

Priority: 05

Type: Reductions

Decision Package: PN_05 - 5% GFOG reduction

Program: Planning

FY 2018-19 Requested 1 Time DP	FY 2018-19 Requested Ongoing DP	FY 2018-19 Requested Budget	FY 2019-20 Estimated Budget	FY 2020-21 Estimated Budget	FY 2021-22 Estimated Budget	FY 2022-23 Estimated Budget
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Description:

To meet the requested 5 percent cut, BPS would need to cut three positions and contract funding as follows.

These cuts eliminate or significantly reduce the bureau's ability to undertake three projects related to addressing the current housing emergency. These projects were identified as those to be affected by cut because they depend on a level of staffing that matches the cut positions and/or they depend on professional service funding that would not be available with the cut. Also, they were selected because, while they are priorities, the bureau has more discretion to postpone or cut these projects compared to other comparable workplan items.

a. Addressing barriers to Shelter for Extremely Low-Income Households and Individuals

This project will work on ways to expand housing options for extremely low-income and homeless households. The options include a range of types of shelter and housing such as mass shelters, tent campgrounds, villages of shelter pods, single-room-occupancy buildings, tiny houses on wheels and RVs, and smaller manufactured homes or ADUs.

BPS will work with the Joint Office on Homeless Services and other City bureaus to identify, evaluate, and pursue zoning and other City code changes, and programmatic actions that could be taken to advance the most promising of these options.

b. Preservation of Middle Housing in SE Portland

This is the first part of an 18-month long project to recommend zoning code or map changes to preserve older market-rate affordable housing and historic structures in the inner-most single-dwelling neighborhoods surrounding the Central City. In FY18-19 the project team will inventory and assess the supply of existing apartments and duplexes and update the historic resources inventory in the study area.

The project will inventory existing units and that exceed allowed maximum density, including both legal non-conforming units and illegal units. The assessment is needed to understand the supply, condition of and market forces on these existing non-conforming buildings. An economic analysis will help understand the stability or instability of this housing resource.

In FY19-20, the project will develop recommendations for zoning code or map changes to help preserve this middle housing supply, preserving historic structures, and allowing opportunities to add more housing supply. Final recommendations will continue to the Planning and Sustainability Commission and City Council as legislative amendments.

c. Macadam Plan District Update

This project will update the 30-year-old Macadam Plan District to increase housing and mixed-use development potential on this close-in corridor in accordance with the Comp Plan 2035. The Macadam Plan District has unusually low floor area ratios of 2:1, which may hinder development of inclusionary housing in the district.

The project will include economic analysis of zoning entitlements, urban design, and an extensive transportation analysis. Since Macadam is a State Highway and is outside the Central City, any changes in development allowances in this plan district are subject to ODOT review under the State transportation planning rule.

The project will be done in tandem with the expected South Reach River Plan public involvement. The district is very close to the Central City, and additional development entitlements could provide additional needed housing in a location close to transit. Portland Streetcar is considering a short extension of the NS line to Johns Landing.

Expected Results:

1. At least one year delay in efforts to remove barriers to increasing shelter options for households experiencing homelessness.
2. At least one year delay in efforts to update 30 year old development allowances in Macadam Plan District.

PART I – OVERVIEW

BUREAU MISSION

We take action to shape the future of Portland, advance climate protection and make Portland more prosperous, healthy, resilient and equitable now and for future generations.

BUREAU PROGRAMS

BPS is organized into the following three major functional areas, each of which has a number of significant programs and policy responsibilities.

Planning and Urban Design: Provides strategic, comprehensive, long-range and district planning and urban design services. Efforts include:

- Comprehensive Plan
- Portland Plan
- Central City Plan
- River and Watershed Planning
- Code Development
- District Planning
- Environmental Planning
- Economic and Housing Analysis
- Historic Resources
- Metro and State Land Use Coordination
- Special Projects such as West Hayden Island, Historic Resources Code Improvement and the Barbur Concept Plan
- GIS and Graphics

Policy, Research and Innovation: Provides research and analysis, policy and program development, project demonstration, monitoring and evaluation, and grant writing. This program also sets policy and regulations for the collection of solid waste, recyclables, and compostables from Portland households and businesses. Key program areas include:

- Climate Change Policy and Planning
- Equity
- Solid Waste and Recycling Operations
- Green Building and Development
- Clean Energy Policy and Programs
- Human Health and Food
- Smart Cities

Sustainability Education and Assistance: Develops and implements programs, events and educational campaigns to engage a diverse range of residents and businesses in household and operational practices in the areas of waste reduction, recycling, energy and water use, and overall sustainability practices.

Key audiences and initiatives include:

- Business and Government Services and Certification
- Residential Services
- Outreach and Events

Additionally, the bureau has three organizational units, Operations, Communications and the Director's Office, that provide bureau-wide services. The Director's Office provides leadership within the bureau, City and a broad range of local, regional, national, and international stakeholders and partners. The Communications team provides communications services for the bureau, including public information, materials production and website development. The Operations staff provides administration, business services, technical services and other central functions bureau-wide to ensure efficient, effective operation of the organization.

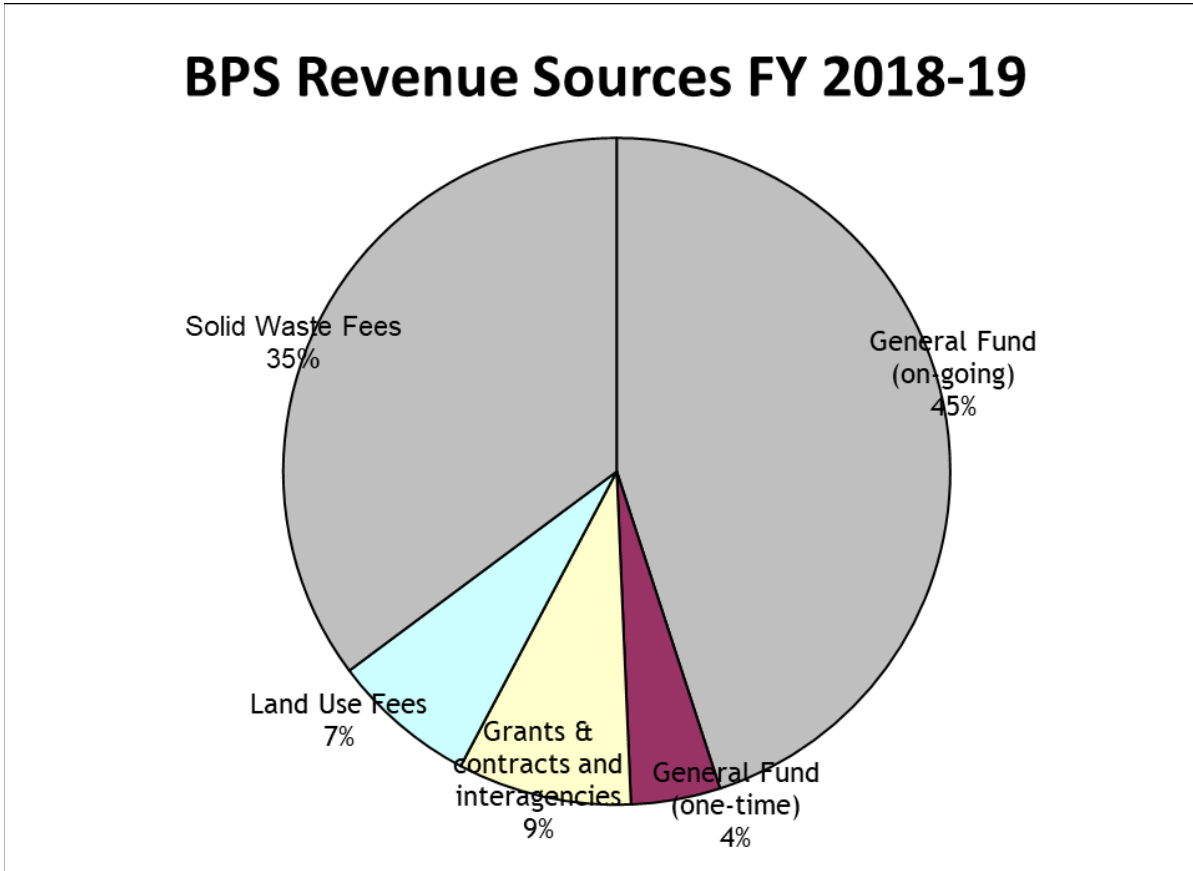
BUDGET ISSUES FOR FY18-19

The Bureau of Planning and Sustainability has recently completed the first overhaul of the City's Comprehensive Plan in more than 30 years. In FY18-19, BPS will shift toward implementing the Comprehensive Plan, including revising the zoning code to reflect the new plan. BPS sustainability programs are focused on implementing the 2015 Climate Action Plan. Priority projects for FY18-19 include implementing the programs, advocating for net zero energy codes, reducing energy use in City facilities, increasing the use of electric vehicles, partnering with local electric and natural gas utilities to promote renewable energy resources, home energy score and commercial building energy benchmarking, partnering with community organizations to advance equity, and working with businesses to increase collection of food scraps.

PART II – REVENUES

FIVE-YEAR REVENUE FORECAST – Current Service Level

			Year 1	Year 2	Year 3	Year 4	Year 5
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Revenue Source	Actual	Estimated Year-End	Requested	Projected	Projected	Projected	Projected
General Fund Discretionary - ongoing	7,359,912	7,877,187	7,487,567	7,487,567	7,487,567	7,487,567	7,487,567
General Fund Discretionary - one-time	522,786	365,657	798,074	798,074	798,074	798,074	798,074
General Fund Overhead	794,790	759,035	801,015	801,015	801,015	801,015	801,015
Grants	1,373,147	2,156,111	1,347,434	1,500,000	1,500,000	1,500,000	1,500,000
Solid Waste Residential Franchise Fees	2,870,650	2,977,659	3,097,754	3,165,538	3,159,720	3,198,384	3,240,213
Solid Waste Commercial Tonnage & Permit Fees	3,068,918	3,265,147	3,385,545	3,463,148	3,902,259	3,965,707	4,006,098
Land Use Fees			1,300,000	1,242,146	1,264,965	1,269,498	1,281,175
Interagency Revenue	815,836	1,477,850	97,000	98,000	98,000	98,000	98,000
Misc. Revenue	76,539	102,423	118,144	120,000	120,000	120,000	120,000
Beginning CSF Fund Balance	43,912	53,205	62,498	71,893	81,288	90,683	100,078
Beginning SWMF Fund Balance	3,443,914	4,196,524	4,118,672	3,826,016	3,504,280	2,885,036	1,748,208
Total	20,370,404	23,230,798	22,613,703	22,573,397	22,717,168	22,213,964	21,180,428



ASSUMPTIONS FOR REVENUE FORECAST

Revenue Source	Projection Assumptions
General Fund ongoing	Year 1 - Requested Amount approved Yrs 2-5: No change.
General Fund one-time	Year 1 - Requested Amount approved Yrs 2-5 No change.
General Fund Overhead	Years 1-5: No change
Grants	Year 1 - Requested Amount approved Yrs 2-5 at \$1,500,000
Solid Waste Residential Franchise	SWMF Five-Year Plan
Solid Waste Commercial Tonnage & Permit Fees	SWMF Five-Year Plan
Land Use Fees	Development Service Five-Year Forecast
Interagency Revenue	Year 1 - Requested Amount approved Yrs 2-5 flat at \$98,000
Misc. Revenues	Year 1 - Requested Amount approved Yrs 2-5 flat at \$120,000

GRANTS

In FY17-18, BPS has the following active grants:

Grant Name	Amount	Purpose
Bullitt Foundation Grants	28,655	To accelerate the adoption of new solutions to address urban environmental issues
Metro Deconstruction Assessment Pilot and Phase II	9,708	Deconstruction Assessment
Metro Multi-Family Dwelling	69,116	Portland's Improving Multi-Dwelling Development Project
Metro 82nd	91,826	82nd Avenue Study Understanding Barriers to Development Project
Metro N/NE	123,995	North and Northeast Community Development Pathway 1000 Initiative Project
Metro Powell-Division	469,811	Building Healthy Connected Communities along the Powell-Division Corridor Project
Metro Equitable Housing	90,000	Equitable Housing Planning and Development
Metro Community Collection	40,191	Community Collection Events
DEQ Residential Deconstruction Pilot	20,508	Residential Deconstruction Pilot Events
NIST Low-Cost Urban Air	48,542	Low-Cost Urban Air Quality Measurements
USDOE Cities_LEAP	95,115	Cities Leading through Energy Analysis and Planning
Drive Oregon - Sensors Project	25,000	Drive Oregon Sensors Project
Metro Master Recycler	40,000	Master Recycler
Wash Co MR	5,000	Master Recycler
Clackamas Co MR	5,000	Master Recycler
Metro Sust. @ Work	450,224	Waste Reduction and Recycling
Metro Waste Reduction	322,909	Waste Reduction and Recycling
BPS TOTAL	1,935,600	

Since 2007, BPS has acquired more than \$46 million in competitive grants and contracts.

RISKS TO GRANT FUNDING

BPS' largest single grant, Metro's support for waste reduction and business recycling, is expected to remain stable. Other grant sources are less predictable and depend on how funding opportunities align with the bureau's workplan priorities. BPS expects to continue to aggressively pursue grants for planning and sustainability projects.

PART III – EXPENDITURES**FIVE-YEAR PROGRAM EXPENDITURE FORECAST**

Program	FY 2016-17	FY 2017-18	Year 1	Year 2	Year 3	Year 4	Year 5
	Actual	Estimated Year-End	FY 2018-19 Requested	FY 2019-20 Projected	FY 2020-21 Projected	FY 2021-22 Projected	FY 2022-23 Projected
Central City	620,957	828,046	718,350	718,350	718,350	718,350	718,350
District Planning and Area Projects	883,538	1,035,766	1,008,048	1,008,048	1,008,048	1,008,048	1,008,048
River and Watershed Planning	373,413	431,474	473,006	473,006	473,006	473,006	473,006
Portland Plan / Comprehensive Plan Update Program	1,208,592	1,818,231	1,467,165	1,467,165	1,467,165	1,467,165	1,467,165
General Planning & Code Development	2,079,248	2,176,299	1,592,046	1,546,493	1,546,493	1,546,493	1,546,493
Policy & Research and Urban Design	924,117	1,010,506	1,388,228	1,388,228	1,388,228	1,388,228	1,388,228
Solid Waste Policy & Operations	2,034,582	2,509,742	3,099,979	3,202,978	3,893,330	4,452,391	4,312,950
Business Sustainability Outreach	1,063,337	1,232,326	1,243,927	1,281,245	1,319,682	1,359,273	1,400,051
Residential Sustainability Outreach	796,407	828,019	803,622	827,731	852,563	878,139	904,484
Smart Cities		256,000	279,956	279,956	279,956	279,956	279,956
Energy and Climate Policy	853,774	814,769	839,168	992,330	992,330	992,330	992,330
Clean Energy	369,590	792,350	637,423	637,423	637,423	637,423	637,423
Green Building & Development	748,360	552,595	498,369	498,369	498,369	498,369	498,369
Sustainable Food	91,617	114,820	-	-	-	-	-
Communications	402,516	548,202	886,957	886,957	886,957	886,957	886,957
Director's Office	481,141	499,483	511,758	511,758	511,758	511,758	511,758
Bureau Operations (Budget, Finance, HR, IT, GIS and Graphics)	1,196,560	1,364,085	1,531,820	1,531,820	1,531,820	1,531,820	1,531,820
Bureau Operating Costs	1,739,620	1,908,472	1,343,641	1,343,641	1,343,641	1,343,641	1,343,641
Solid Waste Cash Transfer	253,304	328,443	392,331	392,331	392,331	392,331	392,331
Ending Fund Balance_CSF	53,205	62,498	71,893	81,288	90,683	100,078	109,473
Ending Fund Balance_SWMF	4,196,524	4,118,672	3,826,016	3,504,280	2,885,036	1,748,208	777,595
Total Bureau Budget	20,370,403	23,230,798	22,613,703	22,573,397	22,717,168	22,213,964	21,180,428

RISKS TO THE FIVE-YEAR FORECAST

Risks to BPS' five-year plan forecast include:

REVENUES

- Reduced General Fund ongoing resources available Citywide and allocated to BPS.
- Reduced General Fund one-time resources available Citywide and allocated to BPS.
- Reduced federal grant support and reduced IGA with Metro.

EXPENDITURES

- New, unanticipated and unbudgeted projects may continue to emerge as priorities from the community or from Council and require existing staff resources to be redeployed from their original assignments.
- Other bureaus' participation (secured by interagency or intergovernmental agreements) may take more time and/or more resources. This threatens the ability of the bureau to complete projects on time and on budget.

**Bureau of Planning and Sustainability
Solid Waste Management Fund
FY18-23 Five-Year Financial Plan**

Introduction

The Solid Waste Management Fund supports the efforts of the Bureau of Planning and Sustainability (BPS) 1) Solid Waste and Recycling, 2) Green Building, Climate and Energy, 3) Sustainability at Work, and 4) Public Trash Can programs and the Bureau of Development Services Residential Nuisance Abatement program.

- **The Solid Waste and Recycling program** develops policy and oversees the collection of solid waste, recyclables and compostable materials from residential and commercial sources within the Portland Urban Services Boundary. Goals and policy guidance for residential and commercial recovery programs were established by City Council with adoption of the Portland Recycles! Plan in 2007 and 2008.
- **Residential program responsibilities** include franchising residential collection companies, enforcing service standards, setting rates, educating customers and promoting programs. The Commercial program provides recycling technical assistance to multifamily property managers and local businesses, issues permits, and enforces service standards and compliance with the City's mandatory commercial recycling requirement. Commercial service is not franchised or rate regulated in Portland.
- **The Green Building, Climate and Energy program** advances the design, development and operation of healthy, resource efficient buildings and districts with a focus on energy efficiency, renewable energy, construction site recycling, and building materials. Activities include policy development and implementation, training, education, and technical assistance for businesses, residents, the development community and City government projects.
- **Sustainability at Work** connects Portland businesses to the technical and financial assistance needed to green their operations through a partnership with City and regional resource conservation organizations. Sustainability at Work assists businesses by providing free sustainability evaluations and customized recommendations around energy, water, transportation, green building, operations, waste reduction and recycling. Sustainability at Work also helps businesses find technical assistance, expert advice, loans and cash incentives.
- **The Public Trash Can program** provides trash receptacles and contracts for collection service in downtown and nine other business areas of the city. In high-volume areas downtown, the program also provides receptacles and collection for recyclable cans, bottles and paper. BPS is beginning work on expansion of the public trash can program to other business districts throughout the city.

- **The Nuisance Abatement program** provides nuisance abatement and cleanup services by the Bureau of Development Services to residential properties with accumulations of garbage.

Revenue Sources

Solid Waste Management Fund revenue sources include residential franchise fees, commercial tonnage and permit fees, grants, and intergovernmental revenues.

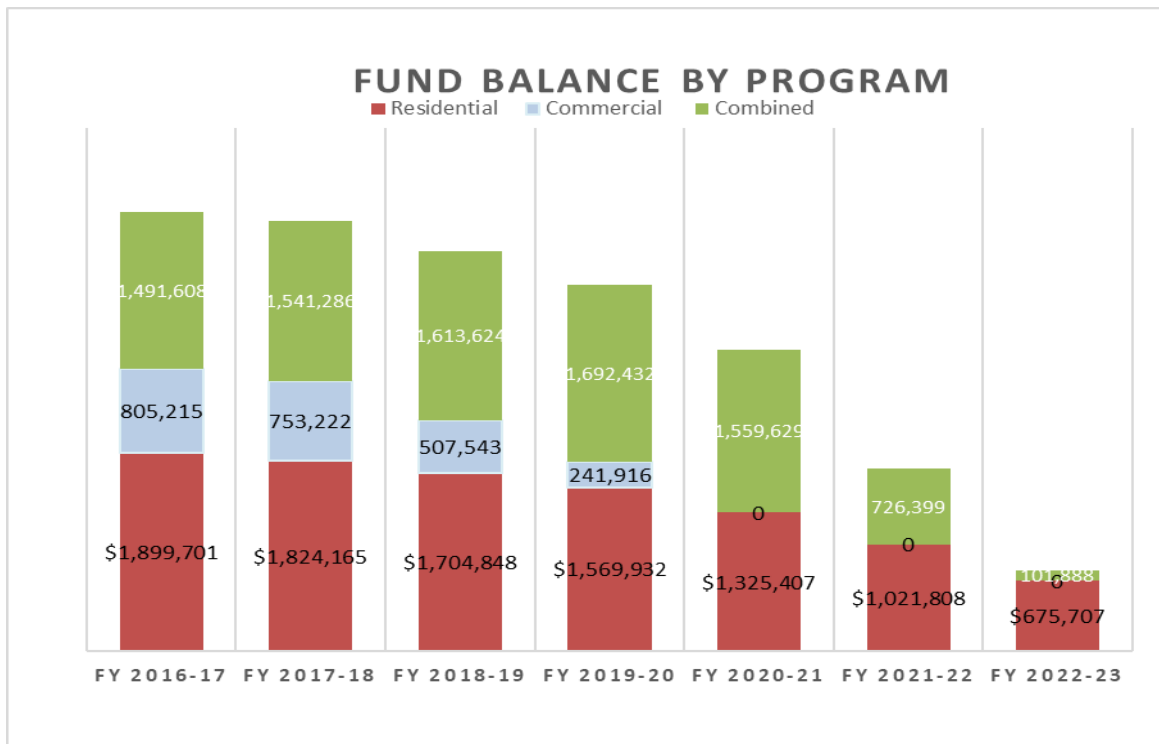
- Residential franchise fees are set at five percent of total revenues collected by haulers serving single-family through four-unit complexes.
- Commercial tonnage fees are set at \$9.60/ton of garbage disposed by haulers serving multifamily and business customers.

The minimum fund balance level is set at \$500,000 to provide an operating reserve and contingency in the case of an emergency such as a natural disaster requiring immediate clean-up of debris. The current fund balance is separated into residential, commercial and combined sources. Combined sources are from grants and miscellaneous revenues that replaced City funds and could be applied to either residential or commercial programs.

The fund balance on July 1, 2017 was \$ 4,196,524 and comprised of:

- \$1,900,000 from the Residential program.
- \$805,000 from the commercial program.
- \$1,491,000 from combined sources.

BPS projects a fund balance of approximately \$777,000 in FY22-23.



Issues Affecting the Financial Plan

The following issues impact the Five-Year Financial Plan including:

- Portland Recycles! Plan
- Residential Rates
- Green Building Program
- Sustainability at Work Program
- Public Trash Cans and Recycling Containers
- Nuisance Abatement Program

Portland Recycles! Plan Portland City Council adopted the Portland Recycles! Plan in 2007. The plan called for residents and businesses to achieve a 75 percent recycling rate. Expanded recycling services were provided to over 150,000 households and 20,000 businesses in Portland in an effort to reach the new goals. The implementation of new programs described below helped Portland's overall recovery rate increase to about 64 percent, one of the highest levels in the country.

The first phase of the Portland Recycles! Plan residential section included adding new recyclables (plastic tubs, buckets and nursery pots) and delivering recycling and yard debris roll carts to households in 2008. Following a year-long pilot program, in 2011 haulers began collecting all food scraps (including meat, dairy, grains, bones and food-soiled paper) placed in the green compost cart and increasing its collection frequency from every other week to weekly. At the same time, garbage collection shifted to every other week. Analysis of the first three years of the program found that the new system resulted in a 33 percent decrease in residential garbage quantities and nearly three times the amount of yard debris/food scraps recovered for composting.

The commercial section of the Portland Recycles! Plan included greater engagement with businesses to increase participation in paper recycling, construction and demolition recovery, and food composting programs. Funds have been allocated to purchase commercial recycling and food composting roll carts to assure necessary containers are available to businesses in the Recycle at Work and Portland Composts programs.

The Portland Recycles! Plan set citywide policy aimed at reducing environmental impacts of material use and the waste stream generated by residents, businesses, and city operations. Since 2008, the City has adopted overarching city-wide policies. In 2015, City Council adopted the Climate Action Plan (CAP). The CAP incorporated the overall goals set in the Portland Recycles! Plan and updated the goals for a 2030 planning horizon. Near the end of the Portland Recycles! Plan implementation period the Oregon Department of Environmental Quality developed and received state legislative approval for its 2050 Materials Management Vision and Framework for Action. Together, these new policies encompass all of the materials management goals of the city and provide future guidance towards city-wide goals. BPS reported to City Council in August 2017 that the near-term priority waste reduction, recycling and composting projects include mandatory business food scrap collection, improvements to multifamily recovery programs, and a sustainable consumption and production strategy.

Residential Rates

Each year BPS reviews and proposes rates to reflect the current costs of providing residential garbage, recycling, and compostables collection. Analysis includes independent CPA review of hauler financial records, monitoring of the average weights of garbage in each can size and forecasting the market value of recyclables. Rates are developed using cost-of-service rate-making principles, with solid waste and recycling haulers projected to earn a 9.5 percent operating margin and the City receiving a 5 percent franchise fee. Prior to submittal for City Council consideration, the Portland Planning and Sustainability Commission reviews the proposed rates.

City Council approved rates for 2017-18 that resulted in rates increasing by 10 cents per month, or 0.3 percent, due to increases in fuel and labor costs. The rate for the 35 gallon roll cart, the most common service level, increased from \$29.15 to \$29.25 per month. This was the first rate increase in five years, which have stayed flat or decreased due to hauler operating efficiencies. Since changes to the curbside collection service went into effect in 2011, Portland residents have reduced garbage going to the landfill by 33 percent, while increasing composting and recycling. At the same time, garbage and recycling companies have reduced costs for collecting food scraps and yard debris and the cost for composting those materials remains less than landfill disposal.

Green Building, Climate and Energy Program

BPS advances the design, development and operation of healthy, resource efficient buildings and districts with a focus on energy efficiency, renewable energy, construction site recycling, and building materials. Activities include policy development and implementation, training, education, and technical assistance for businesses, residents, the development community and City government projects.

Recent efforts have focused on policy development and implementation related to Home Energy Score and Commercial Building Benchmarking. In addition, Council adopted an ordinance requiring deconstruction of homes (instead of demolition) for houses more than 100 years old or designated historic resources.

Sustainability at Work

BPS has formed a partnership of public and private service providers to achieve specific resource conservation goals in the commercial sector. The program offers businesses a menu of resource conservation services and incentives that are locally available in a simple, one-stop shop format. BPS houses the program and serves as the coordinating body for the partners, including BPS internal programs, Metro, Portland Water Bureau, Energy Trust of Oregon, Electric and others.

Public Trash Cans and Recycling Containers

BPS contracts for collection of garbage from approximately 700 public trash cans located downtown and in nine other business districts. Collection is provided by commercial haulers selected through a competitive process. Establishing a public recycling program was part of the Portland Recycles Plan adopted by City Council in 2008. In 2011, 165 public recycling containers were installed along the downtown transit mall to provide convenient recycling in public settings and boosting overall public awareness of recycling.

A decision package in FY16-17 was approved to extend public place garbage collection to 24 additional business districts throughout the city. Initial work on this project has identified underserved areas to begin the program and tested new public trash cans for improved design and collection in the Jade District. The total expansion will add approximately 825 additional garbage cans in 24 new service districts.

The FY18-19 cost to BPS for collection services, can purchase and maintenance of the existing and expanded public trash can program is approximately \$1,440,000. Funding this expansion has required an increase of the tonnage fee on commercial solid waste by \$1.30 per ton to \$9.60 per ton. An additional increase of \$1.30 per ton is anticipated to be necessary in FY21-22.

Nuisance Abatement

BPS has an interagency agreement of \$175,000 with the Bureau of Development Services (BDS) for nuisance abatement activities related to garbage accumulation on private property. BDS also assists in the enforcement of the City Code requirement that garbage, recycling and composting service be arranged and paid for by owners of rental properties.

Risks to the Forecast

The Solid Waste Management Fund Five-Year Plan has a relatively stable funding basis. However, in economic downturns businesses typically generate less solid waste, reducing commercial tonnage fee revenues collected by BPS. Local cost-sharing funds from Metro that are provided to local governments in the region are an important component of Portland's solid waste and recycling program funding, though are not determined by the City. The Portland share of Metro waste reduction funding is \$773,133 in FY17-18. These factors combine to create some uncertainty to the forecast provided in this report.

Forecast Assumptions

Assumptions in current plan

Resources

- The commercial tonnage fee is currently \$9.60/ton of solid waste disposed by commercial permittees. This fee is proposed to increase by \$1.30 to \$10.90/ton in FY20-21 to fund expansion of the public trash can expansion program.
- The plan assumes \$785,603 per year from Metro to fund staff and program expenses for waste reduction and recycling projects.

**Bureau of Planning and Sustainability
Solid Waste Management Fund
FY 2017-18 Five Year Financial Plan**

Economic and Other Assumptions

	Current	Year 1	Year 2	Year 3	Year 4	Year 5
	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Interest Earnings	1.28%	1.65%	2.00%	2.00%	2.00%	2.00%
Personal Services		3.80%	2.90%	3.00%	2.90%	2.80%
External Materials & Services		3.00%	3.60%	3.30%	2.80%	2.50%
Internal Materials & Services		3.20%	3.40%	3.20%	2.80%	2.60%
General Fund & Other Overhead		2.60%	3.60%	3.30%	2.80%	2.50%

NOTES

1. Economic and inflationary assumptions are provided by the Office of Management and Finance and City Budget Office.

**Rate History and Forecast
Every-Other-Week 35 Gallon Roll Cart Service (1)**

HISTORY	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	2014-15	2015-16
	\$27.95	\$28.50	\$29.70	\$29.50	\$29.35	\$29.35
FORECAST	Current	Year 1	Year 2	Year 3	Year 4	Year 5
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	\$29.25	\$30.00	\$30.25	\$30.25	\$30.25	\$30.25

NOTES

1. This is the most common level of service, with a subscription rate of 42%.
2. Prior to 11-12, rates included weekly garbage and recycling collection and every-other-week yard debris collection. Begin 31, 2011, rates included weekly recycling and yard debris/food scrap collection and every-other-week garbage collection.
3. Rates inflated 2.0% annually for planning purposes; franchise fee set at 5.0%.

	Current	Year 1	Year 2	Year 3	Year 4	
	Forecast	Forecast	Forecast	Forecast	Forecast	
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Total Commercial Tonnage	318,330	338,771	351,312	359,396	366,916	372,902
Commercial Permit Fee \$/Ton	\$9.60	\$9.60	\$9.60	\$9.60	\$10.60	\$10.60
Commercial Permit Fee Revenue	\$3,055,968	\$3,252,197	\$3,372,595	\$3,450,198	\$3,889,309	\$3,952,757

BUREAU OF PLANNING AND SUSTAINABILITY
Solid Waste Management Fund
FY 2017-18 Five Year Financial Plan
Historical & Forecast Sources and Uses of Funds

Resources	Actual 2015-16	Actual 2016-17	Estimated Year-End 2017-18	Year 1 Projected 2018-19	Year 2 Projected 2019-20	Year 3 Projected 2020-21	Year 4 Projected 2021-22	Year 5 Projected 2022-23
Residential Program Revenue								
Residential Franchise Fee (1)	2,844,830	2,870,650	2,977,659	3,097,754	3,165,538	3,159,720	3,198,384	3,240,213
Restricted Residential Grants	71,485	73,959	90,191	50,000	50,000	50,000	50,000	50,000
Total Residential Revenue	2,916,315	2,944,609	3,067,850	3,147,754	3,215,538	3,209,720	3,248,384	3,290,213
Commercial & Multifamily Program Revenue								
Commercial Permit Fee	2,635,349	3,055,968	3,252,197	3,372,595	3,450,198	3,889,309	3,952,757	3,993,148
Commercial Permit Application	12,950	12,950	12,950	12,950	12,950	12,950	12,950	12,950
Restricted Commercial/Multifamily Grants	344,864	443,479	450,224	450,224	450,224	450,224	450,224	450,224
Total Commercial/MF Revenue	2,993,163	3,512,397	3,715,371	3,835,769	3,913,372	4,352,483	4,415,931	4,456,322
Internal Revenues								
BEST Ct, BEST Awards, GB, GIF	7,000	7,000	5,000	5,000	5,000	5,000	5,000	5,000
Total Other Restricted Revenues	7,000	7,000	5,000	5,000	5,000	5,000	5,000	5,000
Unrestricted Revenues								
Interest Income	15,740	26,031	40,789	65,974	73,876	65,533	49,836	28,338
Unrestricted Grants	283,459	313,045	322,909	335,379	335,379	335,379	335,379	335,379
Fines and Penalties	26,000	12,200	12,650	12,650	12,650	12,650	12,650	12,650
Other Revenues	21,472	25,973	30,000	30,000	30,000	30,000	30,000	30,000
Total Unrestricted Revenues	346,671	377,249	406,348	444,003	451,905	443,562	427,865	406,367
Total Fund Revenue	6,263,149	6,841,254	7,194,569	7,432,526	7,585,815	8,010,765	8,097,180	8,157,901
Beginning Fund Balance/Contingency	3,191,859	3,443,914	4,196,524	4,118,672	3,826,016	3,504,280	2,885,036	1,748,207
TOTAL RESOURCES	9,455,008	10,285,168	11,391,093	11,551,198	11,411,831	11,515,044	10,982,216	9,906,109

Expenses	Actual 2015-16	Actual 2016-17	Estimated Year-End 2017-18	Year 1 Projected 2018-19	Year 2 Projected 2019-20	Year 3 Projected 2020-21	Year 4 Projected 2021-22	Year 5 Projected 2021-22
Personnel Services	2,881,756	2,869,740	3,174,239	3,242,507	3,336,540	3,436,636	3,536,298	3,635,315
Materials and Services								
External Materials and Services	1,219,707	1,235,930	1,806,827	2,218,705	2,252,058	2,796,236	3,236,675	2,982,517
Internal Materials and Services	375,459	374,790	442,579	430,823	444,570	457,128	469,012	470,732
Total Material and Services	1,595,166	1,610,721	2,249,406	2,649,528	2,696,628	3,253,364	3,705,687	3,453,249
Transfers:								
General Fund Overhead	167,268	181,701	165,802	188,545	195,333	201,779	207,428	212,614
Pension Debt Redemption Fund	65,612	72,898	79,322	81,253	89,605	93,187	96,924	100,801
GAAP adjs	518	(1,294)	0	682	0	0	0	0
bureau operations	1,300,774	1,354,879	1,535,359	1,440,816	1,492,685	1,541,944	1,585,118	1,624,746
cash transfer IA	0	0	0	0	0	0	0	0
Contingency	0	0	68,293	121,851	96,760	103,099	102,553	101,789
Total Transfers	1,534,172	1,608,184	1,848,776	1,833,147	1,874,383	1,940,009	1,992,023	2,039,950
Total Expenses	6,011,094	6,088,644	7,272,421	7,725,182	7,907,551	8,630,008	9,234,008	9,128,514
Ending Fund Balance/Contingency	3,443,914	4,196,524	4,118,672	3,826,016	3,504,280	2,885,036	1,748,207	777,595
TOTAL REQUIREMENTS	9,455,008	10,285,168	11,391,093	11,551,198	11,411,831	11,515,044	10,982,216	9,906,109

NOTES

* Residential franchise began February 1992. Residential franchise and commercial fee collections which were both implemented February 1, 1992 represent collection for five months in FY 1991-92.

1. The residential franchise fee is set at 5.0% for FY 2001 and beyond.

Source: Bureau of Planning and Sustainability

BUREAU OF PLANNING AND SUSTAINABILITY
Solid Waste Management Fund
FY 2017-18 Five Year Financial Plan
Historical & Forecast Fund Balances By Program

	Actual FY 2015-16	Actual FY 2016-17	Estimated Year-End FY 2017-18	Year 1 Projected FY 2018-19	Year 2 Projected FY 2019-20	Year 3 Projected FY 2020-21	Year 4 Projected FY 2021-22	Year 5 Projected FY 2022-23
RESOURCES								
Residential Program Revenue								
Residential Franchise Fee	2,844,830	2,870,650	2,977,659	3,097,754	3,165,538	3,159,720	3,198,384	3,240,213
Restricted Residential Grants	71,485	73,959	90,191	50,000	50,000	50,000	50,000	50,000
Total Residential Revenue	2,916,315	2,944,609	3,067,850	3,147,754	3,215,538	3,209,720	3,248,384	3,290,213
Commercial & Multifamily Program Revenue								
Commercial Permit Fee (1)	2,635,349	3,055,968	3,252,197	3,372,595	3,450,198	3,889,309	3,952,757	3,993,148
Commercial Permit Application	12,950	12,950	12,950	12,950	12,950	12,950	12,950	12,950
Restricted Commercial/Multifamily Grants	344,864	443,479	450,224	450,224	450,224	450,224	450,224	450,224
Total Commercial/MF Revenue	2,993,163	3,512,397	3,715,371	3,835,769	3,913,372	4,352,483	4,415,931	4,456,322
Internal Revenues								
BEST Ct, BEST Awards, GB, GIF	7,000	7,000	5,000	5,000	5,000	5,000	5,000	5,000
Total Internal Revenues	7,000	7,000	5,000	5,000	5,000	5,000	5,000	5,000
Unrestricted Revenues								
Interest Income	15,740	26,031	40,789	65,974	73,876	65,533	49,836	28,338
Unrestricted Grants	283,459	313,045	322,909	335,379	335,379	335,379	335,379	335,379
Fines and Penalties	26,000	12,200	12,650	12,650	12,650	12,650	12,650	12,650
Other Revenues	21,472	25,973	30,000	30,000	30,000	30,000	30,000	30,000
Total Unrestricted Revenues	346,671	377,249	406,348	444,003	451,905	443,562	427,865	406,367
Total Fund Revenue	6,263,149	6,841,254	7,194,569	7,432,526	7,585,815	8,010,765	8,097,180	8,157,901
Beginning Fund Balance/Contingency	3,191,859	3,443,914	4,196,524	4,118,672	3,826,016	3,504,280	2,885,036	1,748,207
TOTAL RESOURCES	9,455,008	10,285,168	11,391,093	11,551,198	11,411,831	11,515,044	10,982,216	9,906,109

	Actual FY 2015-16	Actual FY 2016-17	Estimated Year-End FY 2017-18	Year 1 Projected FY 2018-19	Year 2 Projected FY 2019-20	Year 3 Projected FY 2020-21	Year 4 Projected FY 2021-22	Year 5 Projected FY 2022-23
EXPENDITURES								
Residential Programs	2,089,254	2,077,276	2,423,092	2,493,256	2,571,647	2,664,896	2,743,760	2,808,964
Policy, Research & Innovation Program	831,897	839,901	873,074	910,304	931,317	929,513	941,499	954,466
Multifamily and Commercial Programs	2,856,545	2,918,162	3,662,837	3,929,292	4,022,890	4,637,535	5,141,845	4,949,880
CAFR/GAAP adjs	518	(1,294)	0	682	0	0	0	0
General Fund Overhead	167,268	181,701	165,802	188,545	195,333	201,779	207,428	212,614
Cash Transfer IA	0	0	0	0	0	0	0	0
Pension Debt Retirement Fund	65,612	72,898	79,322	81,253	89,605	93,187	96,924	100,801
Contingency	0	0	68,293	121,851	96,760	103,099	102,553	101,789
TOTAL EXPENDITURES	6,011,094	6,088,644	7,272,421	7,725,182	7,907,551	8,630,008	9,234,008	9,128,514

	Actual FY 2015-16	Actual FY 2016-17	Estimated Year-End FY 2017-18	Year 1 Projected FY 2018-19	Year 2 Projected FY 2019-20	Year 3 Projected FY 2020-21	Year 4 Projected FY 2021-22	Year 5 Projected FY 2022-23
Fund Balance Attributed to Residential	\$ 1,706,060	\$ 1,899,701	\$ 1,824,165	\$ 1,704,848	\$ 1,569,932	\$ 1,325,407	\$ 1,021,808	\$ 675,707
Fund Balance Attributed to Commercial & M/f	302,271	805,215	753,222	507,543	241,916	0	0	0
Fund Balance Attributed to Both	1,435,584	1,491,608	1,541,286	1,613,624	1,692,432	1,559,629	726,399	101,888
Total Ending Balance	\$ 3,443,914	\$ 4,196,524	\$ 4,118,672	\$ 3,826,016	\$ 3,504,280	\$ 2,885,036	\$ 1,748,207	\$ 777,595

PART I – OVERVIEW

FUND MISSION

The Community Solar Fund accounts for expenses and revenues associated with the installation of solar electric systems on community buildings, including City-owned facilities as well as other private and public structures. The fund receives revenue from two sources:

- The electric utility companies, in the form of a 15-year stream of incentive payments based on the energy produced from each solar energy system; and
- Donations from individuals, businesses and organizations who provide voluntary contributions.

The accrued revenue is used to install new, small-scale solar electric systems on community buildings.

BUREAU PROGRAMS

The Community Solar Special Revenue Fund was created as part of the Solar Forward pilot program. Solar Forward was a crowdfunding campaign started by BPS to offer community members a way to engage in the development of new, clean, local renewable energy systems on buildings like community centers, schools and libraries. Solar Forward concluded in 2014. While utility revenue will continue to accrue to the fund, BPS is not currently seeking donations or other voluntary contributions.

PART II – REVENUES

FIVE-YEAR REVENUE FORECAST – Current Service Level

		Current	Year 1	Year 2	Year 3	Year 4	Year 5
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Revenue Source	Actual	Estimated Year-End	Requested	Projected	Projected	Projected	Projected
Donations	-						
Interest	519	520	520	520	520	520	520
Utility Incentives	8,898	8,898	9,000	9,000	9,000	9,000	9,000
Beginning Fund Balance	43,912	53,205	62,498	71,893	81,288	90,683	100,078
Total	53,329	62,623	72,018	81,413	90,808	100,203	109,598

GRANTS

BPS does not anticipate receiving any grants in FY18-19. Two grants from the Oregon Community Foundation (OCF) supported Solar Forward in the past. BPS received the first OCF grant, for \$100,000, in FY12-13. BPS received a second grant from OCF, for \$117,000, in FY13-14. A portion of the second grant was carried over into FY14-15.

Risks to Grant Funding

The source of the initial Oregon Community Foundation grants has been expended, so additional funds from this organization are not likely. BPS continues to work to identify prospective future funders for innovative solar market transformation programs.

PART III – EXPENDITURES

		Current	Year 1	Year 2	Year 3	Year 4	Year 5
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Program	Actual	Estimated Year-End	Requested	Projected	Projected	Projected	Projected
Clean Energy	124	125	125	125	125	125	125
Unappropriated Fund Balance	53,205	62,498	71,893	81,288	90,683	100,078	109,473
Total Bureau Budget	53,329	62,623	72,018	81,413	90,808	100,203	109,598

All incoming revenues will be spent to fulfill the fund’s mission to spur the development of community solar projects.

In 2016, the Governor signed into law a bill that requires utilities to develop rules for community solar programs for consideration by the Public Utility Commission. Once the rules are finalized, BPS may propose to draw on the Community Solar funds to support program implementation. BPS may keep and distribute the utility revenue, or, per OPUC rules, may assign the incentives to other entities.

RISKS TO THE FIVE-YEAR FORECAST

REVENUES

Revenues are forecast based on estimated electricity production from the solar electric systems. If actual production varies for any reason, such as less solar resource, damage to or removal of the systems, etc., then the revenues received will decrease

Revenues from the utility incentive payments will continue through 2029. After 2029, the City will continue to accrue revenue, but potentially at a different rate. State legislation mandates that after the 15-year term, the utility will pay the City a per-kilowatt incentive equal to the Resource Value of Solar (RVOS). The RVOS is currently being determined by stakeholders at the Oregon Public Utility Commission.

EXPENDITURES

N/A

RESIDENTIAL CURBSIDE COLLECTION
SERVICE RATE STUDY

FOR RATES EFFECTIVE JULY 1, 2017

CITY OF PORTLAND
BUREAU OF PLANNING AND SUSTAINABILITY
SOLID WASTE & RECYCLING
June 2017

This document is available online at www.portlandoregon.gov/bps/recycle.

For more information please contact:

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Solid Waste & Recycling
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I. INTRODUCTION AND SUMMARY OF RATES

The City of Portland’s annual rate study is conducted to evaluate the cost of providing residential¹ solid waste, recycling and composting curbside collection services, and to develop recommended rates for these services for the new fiscal year. This report outlines the rate review process and results for fiscal year 2017-18 (FY 2017-18) rates.

Section 8.1(A) of the Franchise Agreement between the City of Portland and franchised residential haulers requires the City to perform an annual rate review to establish a rate schedule for all levels of residential solid waste, recycling and composting service. Rates are developed with the following objectives in mind:

- Having uniform solid waste, recycling and composting collection services citywide;
- Providing customers with a variety of service level options to meet individual needs;
- Identifying the true cost of individual services before adding incentives and disincentives to increase recycling and reduce solid waste generation; and,
- Allowing service providers to recover allowable costs and earn a reasonable profit.

The Solid Waste & Recycling Program (SW&R) of the Bureau of Planning and Sustainability (BPS) conducts the annual rate review process, assisted by an independent economist. The economist analyzes various factors that affect rates and produces the actual rate calculation. SW&R also contracts with an independent Certified Public Accountant (CPA) to review hauler financial records and with Portland State University (PSU) to sample the weight of solid waste discarded by residential customers.

The recommended rates are reviewed by the Planning and Sustainability Commission, a volunteer panel of residents with no hauling industry representation, and then forwarded to City Council for consideration and final adoption. City Council adopted the rates described in this report on May 24, 2017, for an effective date of July 1, 2017. A complete list of rates for FY 2017-18 can be found in Appendix A.

Table 1 outlines the adopted rate adjustments for the most common levels of service.

¹ “Residential” in this context means single-family through four-plex dwellings.

Table 1. FY 2017-18 and FY 2016-17 Rates for Primary Service Levels

<i>Service Level</i>	<i>Adopted FY 2017-18 Rates, effective July 1, 2017</i>	<i>FY 2016-17 Rates</i>	<i>Dollar Change</i>
20-gallon can	\$24.60	\$24.50	\$0.10
20-gallon cart	\$24.60	\$24.50	\$0.10
32-gallon can	\$28.60	\$28.50	\$0.10
35-gallon cart	\$29.25	\$29.15	\$0.10
60-gallon cart	\$35.10	\$35.00	\$0.10
90-gallon cart	\$41.60	\$41.50	\$0.10
Every-four-week 32-gallon can	\$21.70	\$21.60	\$0.10
Every-four-week 35-gallon cart	\$21.70	\$21.60	\$0.10
Weekly Recycling Only	\$8.50	\$8.50	\$0.00
Composting and Recycling Only	\$18.20	\$18.10	\$0.10
Terrain Differential	\$4.20	\$4.00	\$0.20

Costs underlying the FY 2017-18 rates tended to be in line with the costs underlying the FY 2016-17 rates, resulting in little change to the rates. A few notable factors include:

- Low prices for some of the recyclable materials have meant that haulers are paying recovery facilities to take collected recyclable materials. The FY 2016-17 rates included \$0.24/month in costs for recyclable materials. That has increased to \$0.27/month for the FY 2017-18 rates.
- Changes to operating costs tended to be offsetting. While labor, fuel, yard rent, and vehicle repair and maintenance costs are projected to be higher, vehicle depreciation is expected to be lower.
- A higher composting disposal tip fee increased composting disposal by \$0.10/month.
- The solid waste tip fee charged at Metro transfer stations decreased by \$1.30 per ton.

More detail on the factors driving the change in FY 2017-18 rates can be found in Section IV. Table 2 presents the individual FY 2017-18 rate components for the 20-gallon can and 35-gallon roll cart service levels.

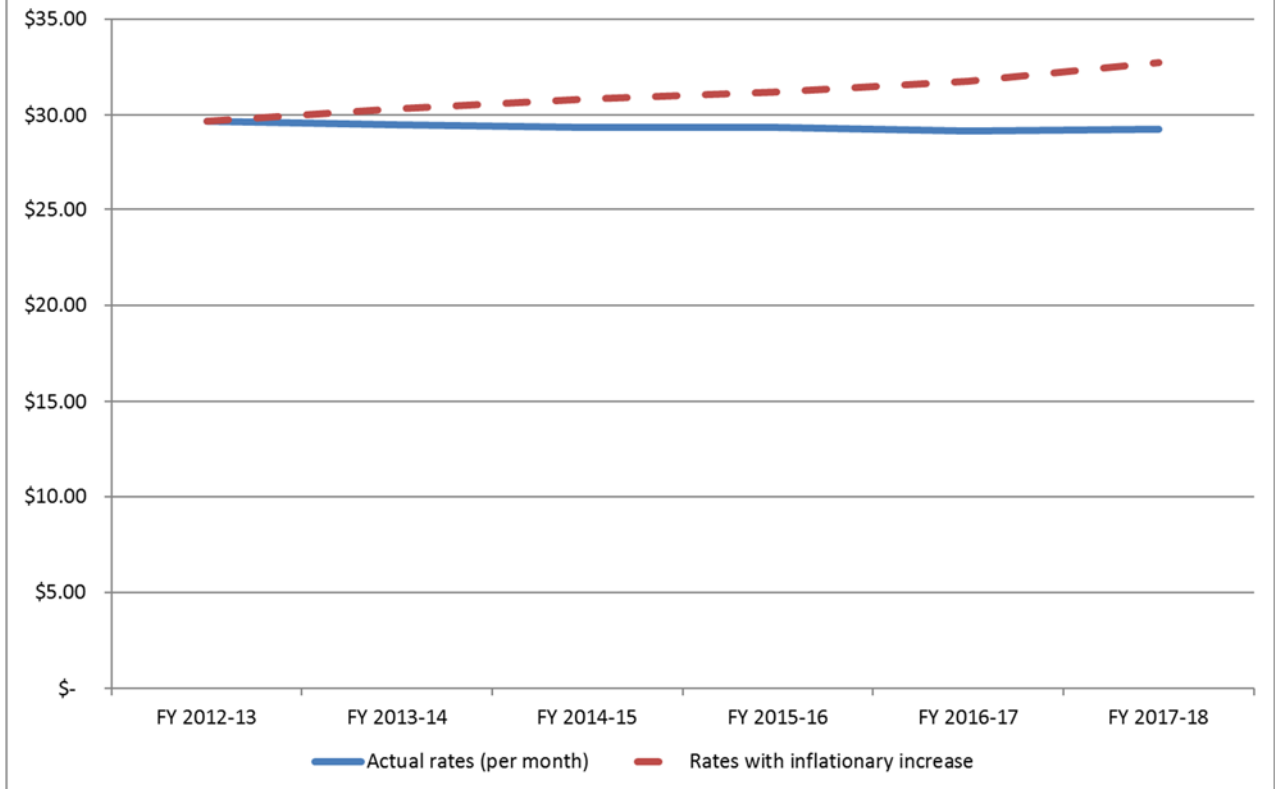
Since the inception of the franchise system rate changes have tended to be less than inflationary increases. Figure 1 shows the monthly rate for the 35-gallon roll cart from 2012-13 through 2017-18. This service level includes garbage collection every other week and weekly collection of recycling and yard debris/food waste. Prior to 2012-13 this service level included weekly collection of garbage and every other week collection of yard debris.

Table 2. Rate Components for 20-Gallon Can and 35-Gallon Roll Cart Service

<i>Rate Component</i>	<i>Adopted FY 2017-18 Rates, effective July 1, 2017</i>	<i>FY 2016-17 Rates</i>	<i>Dollar Change</i>
20-Gallon Can Service			
Solid Waste Collection	\$ 2.93	\$ 2.91	\$0.02
Solid Waste Disposal	1.60	1.62	(0.02)
Recycling Collection	5.24	5.25	(0.01)
Yard Debris/Organics Collection	4.07	4.06	0.01
Yard Debris/Organics Disposal	2.96	2.86	0.10
General and Administrative Costs	6.38	6.35	0.03
Net Disposal Cost, Recyclable Material	0.27	0.24	0.03
Operating Margin	2.46	2.45	0.01
Less: Incentive Discount	(2.52)	(2.47)	(0.06)
Franchise Fees *	1.23	1.23	0.00
Total	\$ 24.60	\$ 24.50	\$0.10
35-Gallon Roll Cart Service			
Solid Waste Collection	\$ 3.15	\$ 3.14	\$0.01
Solid Waste Disposal	2.77	2.82	(0.05)
Recycling Collection	5.24	5.25	(0.01)
Yard Debris/Organics Collection	4.07	4.06	0.01
Yard Debris/Organics Disposal	2.96	2.86	0.10
General and Administrative Costs	6.38	6.35	0.03
Roll Cart Depreciation, Interest & Maintenance	0.32	0.34	(0.02)
Net Disposal Cost, Recyclable Material	0.27	0.24	0.03
Operating Margin	2.64	2.63	0.01
Less: Incentive Discount	0.00	0.00	0.00
Franchise Fees *	1.46	1.46	0.00
Total	\$ 29.25	\$ 29.15	\$0.10

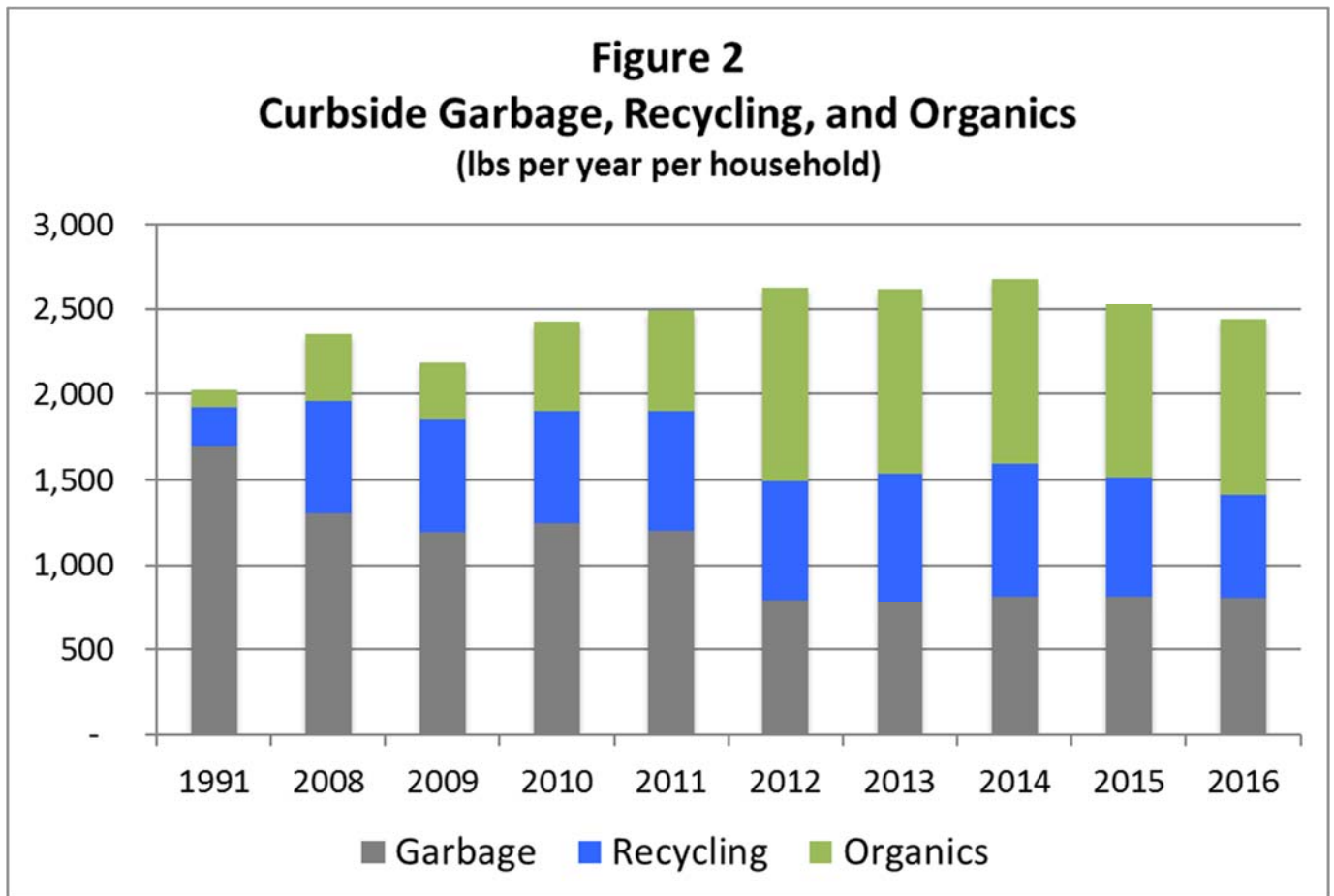
* Franchise fees are a pass-through expense assessed by the City on hauler gross revenues. Because haulers are allowed to pay franchise fees using revenues collected from customers, they are included as a component of rates. Franchise fees collected from customers are remitted to the City on a quarterly basis. Rates for both FY 2016-17 and FY 2017-18 contain a 5.0% franchise fee component.

Figure 1
35-Gallon Roll Cart Rate: Actual vs. Inflationary Trend



II. PROGRAM ATTRIBUTES AND PERFORMANCE

The City of Portland strives to promote high quality solid waste, recycling, and composting collection services while simultaneously maximizing recycling participation and diversion. Figure 2 shows annual garbage, recycling and organics (yard debris/food waste generation) collected per household at the inception of the franchise system in 1991, and for the calendar years 2008 through 2016.



The following summarizes current program features and performance data.

A. Solid Waste

Solid waste, recycling and composting collection services are provided to City residents under a franchise system that limits the number of haulers authorized to provide service. As part of this franchise system, the City regulates the rates haulers are allowed to charge customers. In 1991, the City awarded franchises to 69 haulers. By December 2016, the number of franchised haulers had decreased to fourteen. Hauler franchises range in size from fewer than 1,200 to more than 55,000 residential customers. Franchised haulers may also serve commercial customers and many have operations outside the City of Portland. Rates for commercial service within City of Portland are not regulated, whereas many surrounding jurisdictions regulate both residential and commercial rates.

The standard level of residential service in the City of Portland includes every-other-week garbage collection, with weekly curbside collection of recycling and composting. Composting collection includes yard debris and food scraps. Customers also have the option of selecting non-curb service, every-four-weeks garbage service, and/or on-call service. The City sets a variable rate schedule based on the size and number of containers and the frequency of collection. Rates are lower for smaller volume containers and – for a given container size – for fewer containers. This variable rate structure gives customers an incentive to reduce the volume of solid waste destined for landfills, by generating less solid waste and by recycling more of their solid waste stream.

As of December 2016, 8.4% of Portland residential customers subscribed to 20-gallon can or cart service. Overall, 71.4% of the City's residential customers subscribed to 20-gallon can or cart, 32-gallon can, 35-gallon roll cart, recycling-only, composting and recycling, on-call, or every-four-weeks service levels. In 2016, the amount of garbage disposed per household was 810 pounds (sample haulers only), compared to 1697 pounds in 1992.

B. Recycling

The most recent additions to the City of Portland's curbside recycling program were in 2008, when plastic tubs, buckets, and flowerpots were added. At that time, customers were also provided with a 60-gallon roll cart for all materials with the exception of glass and motor oil, which are collected on the side. Plastic bottles, telephone books, aseptic juice and milk cartons, aerosol cans, and scrap paper were added between 1992 and 1996. Other recyclable material includes newspaper, glass, cardboard, aluminum, tin cans, scrap metals, and motor oil. No materials have ever been included in, and subsequently eliminated from, Portland's curbside program.

SW&R staff continues to evaluate new materials and processing capabilities, both for future expansion opportunities, and for opportunities to reduce costs. For more information on the City's recycling efforts refer to the Solid Waste & Recycling section of BPS's website www.portlandoregon.gov/bps/recycle.

In 2016, Portland households recycled an average of 602 pounds (sample haulers only) of material per recycling customer household. Only 226 pounds per household was recycled in 1991, prior to the adoption of the current residential franchise system.

C. Yard Debris / Food Waste

Since October 31, 2011, yard debris and food scraps (sometimes referred to as “composting” or “organics”) are collected on a weekly basis, with options for customers to set out yard debris extras for a fee of \$3.75. In mid-2008 the yard debris collection system transitioned from collection via customer-provided cans or yard debris bags, to 60-gallon roll carts for curbside yard debris collection.

Prior to going to biweekly collection in 1993, monthly collection diverted only 100 pounds of yard debris per household annually. The addition of biweekly collection increased yard debris diversion to 230 pounds per household in 1994. In 2010, diversion averaged 523 pounds per household. Average disposal weight per household for 2016 was 1029 pounds per household (sample haulers only), reflecting the combined impact of the addition of food scrap collection and the switch to weekly composting collection.

III. THE RATE REVIEW PROCESS

The franchised residential solid waste, recycling, and composting collection system has been in place since February 1992. The following discussion summarizes critical aspects of the annual rate review process, as established by the Franchise Agreement between the City and franchised haulers.

A. Franchise Agreement Requirements

Under the terms of Section 7 of the Franchise Agreement, the City shall:

“establish a rate schedule for all Service Levels for the residential Solid Waste, Recycling and Compostables collection services ... sufficient for Grantees in aggregate to recover Grantees’ projected Allowable Expenses, Operating Margin and projected Pass-Through Expenses The rate schedules established by the City shall reasonably reflect the distribution of customer Service Levels ... [and] may also include incentives to Residential Customers to reduce their Solid Waste and to reuse and recycle.”

Section 8.2 of the Franchise Agreement specifies the general requirements that the City must address in making rate adjustments. Significant provisions of Section 8 include the following:

- The City must use a customer-weighted random sampling method to select a representative number of residential haulers (sample haulers), “for the purpose of determining the reasonableness of the Allowable Expenses in the preceding rate period, and the projected Allowable Expenses, Operating Margin and Pass-Through Expenses for the next succeeding rate period.” For the FY 2017-18 rate review, the five sample haulers represented 79.2% of all solid waste and yard debris customers.
- The City may – and currently does – contract with an independent CPA to conduct financial reviews of the costs, revenues and income reported by the sample haulers. This independent CPA-reviewed financial information forms the primary basis for calculating rates.

B. Key Rate Review Objectives

The City of Portland seeks to:

- Develop rates that reflect the actual cost of providing service before adding incentives and disincentives.
- Develop rates that provide an incentive for customers to increase recycling and reduce solid waste generation. The City of Portland applies incentives to cost-of-service rates to reduce the rates for service levels with lower garbage capacities. Disincentive premiums are applied to the rates for 60- and 90-gallon roll carts and all single family multi-can and multi-cart service levels. These disincentive premiums increase the rates paid by customers and partially offset the reduction in hauler revenue caused by the incentive discounts.

- Develop rates for standardized curbside collection service as well as other levels of service, such as 32-gallon can and 35-gallon cart collected every four weeks, recycling-only and on-call service, and service for occasional solid waste and yard debris setouts.
- Develop rates that recover allowable costs and provide haulers with the opportunity to earn an operating margin equivalent to a 9.5% return on revenue.
- Ensure that non-curbside solid waste, recycling, and composting service is provided, at no additional charge, to customers in households where no one is physically able to place containers at the curbside.

C. Unique Elements of the Rate Review Process

In order to comply with the Franchise Agreement and achieve the objectives described above, the City of Portland annual rate review process includes the following unique elements:

1. Annual Rate Review Process Timing

Revised residential solid waste, recycling and composting rates are usually effective on July 1st, at the start of each fiscal year. Rates are based on hauler financial data for the previous twelve-month calendar year ending on December 31st. The six-month lag between the end of the calendar year and the effective date for new rates allows time for the following events to occur:

- Preparation and submittal of calendar year financial data by the haulers;
- Selection of the sample haulers who will have their financial data reviewed by an independent CPA retained by the City;
- Completion of the independent CPA's financial review;
- Calculation of recommended rates by an economic consultant retained by the City;
- Review of the recommended rates by SW&R staff;
- Review of the recommended rates by the Planning and Sustainability Commission;
- Review and eventual approval of the recommended rates by City Council.

FY 2017-18 rates are based on hauler financial data for the twelve-month calendar year ending on December 31, 2016 (CY 2016).

2. Hauler Reporting Requirements

In early March of each year, all residential franchised haulers are required to file with SW&R a comprehensive financial disclosure known as a Detailed Cost Report (DCR). The DCR requires the haulers to present information regarding their calendar year revenues, costs and income pursuant to extensive City guidelines regarding allowable and non-allowable expenses, Generally Accepted Accounting Principles, accrual basis versus cash basis accounting, depreciation policies, salvage values, cost allocations and a variety of other financial reporting topics.

In addition to the annual DCR, SW&R collects a variety of other information used in the rate review process, including quarterly customer counts by service level, and extensive labor hour, material weight and curbside setout data. SW&R also collects information on so-called "extra" services for use in the rate review process. These services – such as backyard collection services and additional solid waste and yard debris setouts – are provided to customers upon request for an additional fee. Forecasted revenues from extra services are netted against total hauler costs and thus reduce the rates for primary curbside collection services. In a similar fashion, the incremental cost of providing hilly terrain service is subtracted from total hauler costs to calculate the standard flat terrain rate and the hilly terrain surcharge.

3. Independent CPA Review of Sample Hauler Financial Data

The primary purpose of the independent CPA review of sample financial data is to verify – in line item detail – the cost of providing solid waste, recycling and composting services to the City's residential customers. This reviewed cost data, after adjustments for forecast inflation, provides the primary basis for calculating all solid waste, recycling and composting rates. The independent CPA financial review also verifies sample hauler financial performance during the previous calendar year, especially as it relates to the calculation of the haulers' operating margins.

During the course of its financial review, the independent CPA often makes a variety of recommended adjustments to hauler reported financial data. Some of these adjustments may accrue to the benefit of customers by lowering sample hauler and recycling district allowable costs. Others may increase the amount of allowable costs. Upon review, the economist usually incorporates all of the independent CPA's recommended adjustments for the calculation of rates.

For the FY 2017-18 rate review, all fourteen residential haulers filed their CY 2016 DCRs by March 6, 2017. Six haulers were subsequently selected via a customer-weighted random draw to have their submitted financial data reviewed by the CPA. One of the selected haulers was subsequently removed from the sample due to data inaccuracies, leaving five haulers in the sample. By April 13, 2017, the independent CPA delivered the results of her financial review, including her recommended adjustments, to the economist. This information was subsequently used as the basis for the FY 2017-18 rate calculation.

4. Application of Inflation Adjustments to Calendar Year Cost Data

Portland's residential solid waste, recycling and composting rates are designed to be forward looking. This means that *currently effective* rates have been designed with the intention of providing franchised haulers with adequate compensation for their *current* costs of providing service. As discussed above, there is a six-month time lag between the end of the calendar year for which cost data is collected and the start of the fiscal year when rates become effective. Once in effect, rates remain unchanged for the entire twelve-month fiscal year. As a result, there is an average eighteen-month period between cost measurement and full cost recovery.

For example, FY 2017-18 rates are based on costs incurred by haulers during the calendar year ending December 31, 2016. The eighteen-month period between December 31, 2016, and June 30, 2018, presents a risk that inflationary pressures will erode hauler profitability. For this reason, the actual calendar year costs underlying all solid waste, recycling and composting rates are adjusted

by an eighteen-month inflation factor. Section IV contains a discussion of specific inflation rates used in the calculation of FY 2017-18 rates.

5. Certain Costs Not Based on Reported Calendar Year Financial Data

A limited number of cost and revenue inputs used in the rate review process are not fully based on hauler reported financial data for the previous calendar year. Recyclable material sales revenue and solid waste disposal costs are the two most notable exceptions.

Recyclable material sales revenue usually lowers the amount of rate revenue required from customers and often has a significant impact on rates. Due to price volatility in the markets for recovered materials, there is often little relationship between the levels of recyclable material sales revenue earned by haulers from one year to the next. Prior to FY 2013-14 rates, the recyclable materials revenue offset included in rates was entirely forward-looking, using a forecast of recyclable materials revenue for the rate year. This tended to add year-to-year volatility to the rates paid by customers. To help moderate these rate swings, the recyclable materials revenue methodology was changed, beginning with FY 2013-14 rates. The recyclable materials revenue offset is now an equally weighted average of actual recycling revenue for each of the two prior calendar years and a forecast of recycling revenue for the rate year. Section IV contains a discussion of the FY 2017-18 recyclable materials revenue forecast methodology. As an additional aid to forecasting the price of recovered materials, SW&R staff monitor the market prices for several categories of recyclable materials including various forms of recovered paper, plastics, metals and glass.

Solid waste disposal costs are a second major rate input not based on the costs reported by haulers. In CY 2016, solid waste disposal costs totaled approximately 39.6% of the sample haulers' total solid waste collection costs. Due to their large magnitude, care is taken to ensure that the solid waste disposal costs included in rates are as accurate as possible. Towards this end, SW&R retains the services of Portland State University (PSU), which has conducted a comprehensive longitudinal study of Portland residential garbage container weights since 1992. Average net container weights calculated from the PSU data are further trued-up via a tonnage reconciliation, whereby haulers' reported tonnage is compared to expected tonnage, based on customer counts by service level and container weights. See Section IV for final can weights for FY 2017-18.

The rates for multiplexes (duplexes, triplexes and four-plexes) are based on adding an "extra unit recycling cost" to the base rate for the same size solid waste can/cart used at a single-family home. This extra unit recycling cost includes additional labor and collection costs, a recycling revenue offset, and costs for additional recycling roll carts. The extra unit charge is \$7.10 per extra unit in FY 2017-18. The multiplex rates are shown in the rate chart in Appendix A.

6. Operating Margin Methodology

Per the Franchise Agreement, rates are designed to allow haulers to recover legitimate costs of providing service and to provide them **the opportunity** to reach an operating margin equal to a 9.5% return on revenue. A simplified version of the operating margin calculation is presented below:

$$\begin{aligned} & \text{Gross Residential Revenues} \\ & + \text{Revenues from the Sale of Recyclable Materials} \\ & - \text{Allowable Expenses} \\ & - \text{Pass Through Expenses} \\ & = \text{Operating Margin} \end{aligned}$$

Although forecast inflation and fluctuations in the recyclable materials market can have a dramatic effect on the need for rate increases, there is generally an inverse relationship between the operating margin earned by haulers in a calendar year and the level of rate increases necessary in the upcoming fiscal year. This occurs because the actual costs experienced by haulers during the previous calendar year serve as the underlying cost basis for the upcoming fiscal year rate revenue requirement.

The use of a fixed operating margin target, coupled with the fact that allowable costs are reset every year, provides haulers with an ongoing incentive to increase operational efficiencies and control costs. This incentive occurs because haulers are allowed to retain all profits in excess of the target 9.5% operating margin used to calculate rates. Conversely, haulers who earn an operating margin below 9.5% have no recourse but to accept this outcome. Therefore, regardless of their individual profitability in past years, all haulers have an incentive to control costs in order to maximize profitability in the current calendar year.

7. Use of Composite Weighted Averages

With the exception of the hilly terrain surcharge, residential customers in the City of Portland pay a uniform citywide rate for each level of service. This occurs despite that fact that residential customers are currently served by one of fourteen franchised haulers, each with unique operational and cost characteristics.

Citywide rate uniformity is achieved by calculating composite weighted average costs using the financial information contained in hauler DCRs. For example, in CY 2016, wages for recycling route drivers totaled \$2,911,642 for the five haulers included in the customer-weighted random sample. This is equivalent to an annual weighted average cost per customer of \$23.54. Netting out the incremental cost of providing service in hilly terrain reduced the cost per customer to \$22.49. Making adjustments for forecast inflation brought the final cost for recycling route drivers to \$23.44 per customer per year.

As illustrated in Appendix B, this same process is followed, on a line item-by-line item basis, for all of the 138 cost categories listed in the DCRs. The total amount of these costs, after adjustments for forecast inflation, operating margins and franchise fees, defines the composite weighted average per customer revenue requirement that must be recovered through rates.

In addition to rate uniformity, the use of a composite weighted average methodology achieves two other critical objectives. First, it allows for the equitable blending of costs from haulers with often

disparate operational and financial characteristics. In effect, highly efficient operators with low unit costs dampen or offset the upward rate pressures caused by inefficient operators with high unit costs. The reverse is also true.

Second, the use of a composite weighted average methodology allows the financial results of a small number of haulers to serve as a proxy for the entire residential franchise system. For FY 2017-18, the DCRs of the five haulers in the customer-weighted random sample served as a proxy for all fourteen haulers in the system. These five haulers still accounted for 79.2% of all solid waste and compost customers in the City. This significantly reduces administrative costs for the franchise review process, especially as it relates to the annual independent CPA review of the DCRs, while still including at least 75% of Portland customers in the sample.

IV. KEY FACTORS AFFECTING FY 2017-18 RATES

A. Recyclable Material Sales Revenue

The recyclable materials revenue offset for 2017-18 is the average of CY 2015 recycling revenues (-\$0.45/customer per month), CY 2016 recycling revenues (-\$0.35/customer per month), and a forecast of \$0.00/customer per month for 2017-18. This gives a weighted average of -\$0.27 per month compared to the FY 2016-17 offset of -\$0.24 per month and CY 2016 actual revenues of -\$0.35 per month.

The methodology used to forecast future recycling revenue was changed for 2017-18 rates. In prior years, SW&R retained the services of a consulting firm that prepared a comprehensive forecast of prices for newsprint, magazines, corrugated containers, and mixed paper in the Pacific Northwest regional market.

The methodology used for 2017-18 rates used regression analysis to explain the relationship between the annual average price received for each ton of recyclable materials delivered to material recovery facilities and publicly available data. Several models were estimated for the 2005 to 2016 period, using variables such as a waste paper producer price index (WPI), West Texas Intermediate (WTI) oil prices, a China growth index, and the year (YEAR). The final model used was:

$$\text{Price per ton} = 9763 + 0.143\text{WPI} + 0.153\text{WTI} - 4.88\text{YEAR}$$

The forecast from this model used 2017.5 for YEAR, a forecast of \$53.42/barrel for WTI and 480.7 for WPI. This gave an estimate of -\$0.15 per ton, or approximately \$0.00 per household per month.

B. Forecast Inflation Adjustments

Table 3 shows the inflation adjustments applied to CY 2016 composite costs. These inflation adjustments are applied to all cost line items impacted by inflation, including wages and benefits, vehicle maintenance and repair, fuel, and general and administrative expenses. In aggregate, these inflators are estimated to add an average of \$0.89 per month to a residential bill compared to a zero inflation scenario.

Table 3. FY 2017-18 Inflation Adjustments

<i>Cost Category</i>	<i>18-Month Inflation Adjustment</i>	<i>Annual (12-Month) Equivalent</i>	<i>Data Source for Inflation Adjustment</i>
<i>Wages and Other Labor Costs</i>			
Solid Waste – Wages	4.54%	3.00%	Weighted average, using actual or expected contract adjustments for some haulers, and actual and forecast CPI and PPI data for other haulers
Solid Waste – Pensions	3.96%	2.63%	
Solid Waste – Health and Welfare Coverage	4.47%	2.96%	
Recycling – Wages	4.22%	2.80%	
Recycling – Pensions	3.97%	2.63%	
Recycling – Health and Welfare Coverage	4.50%	2.98%	
Organics – Wages	4.45%	2.94%	
Organics – Pensions	3.91%	2.59%	
Organics – Health and Welfare Coverage	4.47%	2.96%	
General & Administrative – Health & Welfare Coverage	4.47%	2.96%	
General & Administrative - Wages & Pension	4.56%	3.02%	Actual and forecast CPI and PPI data
<i>Non-Labor Adjustments (e.g., office rent; insurance; vehicle repair, maintenance and depreciation; etc.)</i>	4.56%	3.02%	Actual and forecast CPI and PPI data
<i>B20 Biodiesel Fuel/CNG combination</i>	18.29%	11.85%	U.S. EIA forecast

C. Solid Waste Disposal Costs

Forecast solid waste disposal costs are driven by two primary factors: the amount of solid waste discarded by customers and the Metro tip fee. For FY 2017-18, the Metro tip fee included in rates is \$94.95 per ton, a decrease of 1.35% from the FY 2016-17 amount of \$96.25 per ton. The can weights for the FY 2017-18 rates were left unchanged from the weights used in the FY 2016-17 rates. See Table 4.

Table 4. FY 2017-18 Solid Waste Discard Weights

<i>Type of Service (collected every-other-week from single-family residences)</i>	<i>FY 2017-18 Weights</i>	<i>FY 2016-17 Weights</i>	<i>Percent Change</i>
20 Gallon Can and Cart	15.47 lbs.	15.47 lbs.	0.0 %
32 Gallon Can	24.05 lbs.	24.05 lbs.	0.0 %
35 Gallon Roll Cart	26.75 lbs.	26.75 lbs.	0.0 %
60 Gallon Roll Cart	46.59 lbs.	46.59 lbs.	0.0 %
90 Gallon Roll Cart	71.10 lbs.	71.10 lbs.	0.0 %

The impact of the tip fee changes, relative to FY 2016-17 rates, are decreases of \$0.03 per month for the 20-gallon can and cart, \$0.03 for the 32-gallon can, \$0.04 for the 35-gallon roll cart, \$0.07 for the 60-gallon roll cart, and \$0.10 for the 90-gallon roll cart.

D. Organics Disposal Costs

Yard debris and food scraps collected by Portland franchised haulers are taken to one of Metro’s two transfer facilities. Similar to solid waste disposal costs, organics disposal costs are driven by the average amount of organics generated per household, and Metro’s tip fee. Organics disposal per household is forecast to be 1029 pounds per year, a 1.3% increase from the 1016 pounds per household assumed in the FY 2016-17 rates. Metro’s tip fee is set to increase from \$64.61/ton, plus a \$3.00 fee per transaction to \$66.67/ton, with the same \$3.00/transaction fee, effective July 1, 2017. Assuming an average transaction of six tons per load, the average cost of organics disposal is expected to be \$67.17/ton in FY 2017-18. This is a 3.2% increase above the \$65.11/ton used in the FY 2016-17 rates.

The organics disposal cost incorporated in rates is allocated between the primary levels of service and extra yard debris setouts. For FY 2017-18, the component included in the base rate for all primary service levels increased to \$2.96 per month, a 3.4% increase of \$0.10 from FY 2016-17 rates.

E. Incentives and Disincentives

Several rates are set below cost-of-service through the inclusion of incentive discounts. Since rates are set to make haulers ‘whole,’ the incentive discounts are offset by disincentive charges on other service levels. Table 5 gives the incentives and disincentives for single can or cart service levels for the FY 2017-18 rates, along with those in the FY 2016-17 rates.

Table 5. Incentives and Disincentives in FY 2017-18 and FY 2016-17 rates.

<i>Service level</i>	<i>FY 2017-18 rates</i>	<i>FY 2016-17 rates</i>
20 Gallon Can	(\$ 2.52)	(\$ 2.47)
20 Gallon Roll Cart	(\$ 2.85)	(\$ 2.83)
32 Gallon Can	\$ 0.00	\$ 0.00
35 Gallon Roll Cart	\$ 0.00	\$ 0.00
60 Gallon Roll Cart	\$ 2.77	\$ 2.76
90 Gallon Roll Cart	\$ 5.42	\$ 5.36
32 Gallon Can, Every Four Weeks	(\$ 2.70)	(\$ 2.67)
35 Gallon Roll Cart, Every Four Weeks	(\$ 2.98)	(\$ 2.97)
Composting & Recycling Only	(\$ 0.78)	(\$ 0.73)

Appendix A
FY 2017-18 Residential Solid Waste, Recycling and Composting Rates
(Rates Effective July 1, 2017)

Service Level	FY 2017-18	FY 2016-17
Every-Other-Week Can Services		
One 20 gallon can	24.60	24.50
One 32 gallon can	28.60	28.50
Two 32 gallon cans	38.85	38.85
Two 32 gallon cans at a duplex	39.80	39.65
Two 32 gallon cans at a triplex	46.90	46.70
Three 32 gallon cans	44.90	44.90
Three 32 gallon cans at a duplex	43.90	43.80
Three 32 gallon cans at a triplex	51.00	50.85
Three 32 gallon cans at a four-plex	58.10	57.90
Four 32 gallon cans	49.40	49.40
Four 32 gallon cans at a duplex	48.05	48.00
Four 32 gallon cans at a triplex	55.15	55.05
Four 32 gallon cans at a four-plex	62.25	62.10
Every-Other-Week Roll Cart Services		
One 20 gallon roll cart	24.60	24.50
One 35 gallon roll cart	29.25	29.15
One 35 gallon roll cart at a duplex	36.30	36.15
Two 35 gallon roll carts	38.40	38.40
Two 35 gallon roll carts at a duplex	41.05	40.95
Two 35 gallon roll carts at a triplex	48.15	48.00
Two 35 gallon roll carts at a four-plex	55.25	55.05
Three 35 gallon roll carts	45.90	45.90
Three 35 gallon roll carts at a duplex	45.75	45.75
Three 35 gallon roll carts at a triplex	52.85	52.80
Three 35 gallon roll carts at a four-plex	59.95	59.85
Four 35 gallon roll carts	53.40	53.40
Four 35 gallon roll carts at a duplex	50.50	50.55
Four 35 gallon roll carts at a triplex	57.60	57.60
Four 35 gallon roll carts at a four-plex	64.70	64.65
One 60 gallon roll cart	35.10	35.00
One 60 gallon roll cart at a duplex	39.25	39.10
One 60 gallon roll cart at a triplex	46.35	46.15
Two 60 gallon roll carts	44.95	45.00
Two 60 gallon roll carts at a duplex	46.90	46.90
Two 60 gallon roll carts at a triplex	54.00	53.95
Two 60 gallon roll carts at a four-plex	61.10	61.00
Three 60 gallon roll carts	54.85	55.00
Three 60 gallon roll carts at a duplex	54.55	54.65
Three 60 gallon roll carts at a triplex	61.65	61.70
Three 60 gallon roll carts at a four-plex	68.75	68.75

Appendix A (Continued)
FY 2017-18 Residential Solid Waste, Recycling and Composting Rates
(Rates Effective July 1, 2017)

Service Level	FY 2017-18	FY 2016-17
Every-Other-Week Roll Cart Services		
Four 60 gallon roll carts	\$ 64.75	\$ 65.00
Four 60 gallon roll carts at a duplex	62.20	62.40
Four 60 gallon roll carts at a triplex	69.30	69.45
Four 60 gallon roll carts at a four-plex	76.40	76.50
Every-Other-Week Container Services		
One 90 gallon roll cart	\$ 41.60	\$ 41.50
One 90 gallon roll cart at a duplex	42.95	42.90
One 90 gallon roll cart at a triplex	50.05	49.95
One 90 gallon roll cart at a four-plex	57.15	57.00
Two 90 gallon roll carts	53.40	53.50
Two 90 gallon roll carts at a duplex	54.35	54.40
Two 90 gallon roll carts at a triplex	61.45	61.45
Two 90 gallon roll carts at a four-plex	68.55	68.50
Three 90 gallon roll carts	65.25	65.50
Three 90 gallon roll carts at a duplex	65.75	65.90
Three 90 gallon roll carts at a triplex	72.85	72.95
Three 90 gallon roll carts at a four-plex	79.95	80.00
Four 90 gallon roll carts	77.10	77.50
Four 60 gallon roll carts at a duplex	77.10	77.45
Four 60 gallon roll carts at a triplex	84.20	84.50
Four 60 gallon roll carts at a four-plex	91.30	91.55
Every-Other-Week Container Services		
One 1 cubic yard container	\$ 83.70	\$ 84.20
One 1 cubic yard container at a duplex	67.90	68.35
One 1 cubic yard container at a triplex	75.00	75.40
One 1 cubic yard container at a four-plex	82.10	82.45
One 1.5 cubic yard container	114.75	115.50
One 1.5 cubic yard container at a duplex	85.10	85.80
One 1.5 cubic yard container at a triplex	92.20	92.85
One 1.5 cubic yard container at a four-plex	99.30	99.90
One 2.0 cubic yard container	145.80	146.50
One 2.0 cubic yard container at a duplex	102.25	103.15
One 2.0 cubic yard container at a triplex	109.35	110.20
One 2.0 cubic yard container at a four-plex	116.45	117.25
Special Services – Solid Waste		
One 32 gallon can every four weeks	\$ 21.70	\$ 21.60
One 32 gallon can on-call (w/o recycling or composting)	9.40	9.40
One 35 gallon roll cart every four weeks	21.70	21.60
Occasional extra can/bag	5.00	5.00
Special Services – Recycling and Organics		
Recycling only – weekly	8.50	8.50
Compost & recycling only	18.20	18.10
Yard debris extra bag/can	3.75	3.75
Extra cart for recycling	3.75	3.70
Extra cart for compost	12.35	11.90

Appendix A (Continued)
FY 2017-18 Residential Solid Waste, Recycling and Composting Rates
(Rates Effective July 1, 2017)

Service Level	FY 2017-18	FY 2016-17
Terrain Differential		
Regular weekly service (single can)	\$ 4.20	\$ 4.00
Regular weekly service (multiple cans/carts)	4.35	4.15
Monthly service	2.90	2.70
Weekly recycling only service	1.45	1.45
Compost & recycling only	2.75	2.55
On-call service	0.80	0.80
Yard debris only service	0.50	0.50
Non-Curb Service Surcharge		
One 20 gallon can	\$ 1.70	\$ 1.70
One 32 gallon can	1.70	1.70
Two 32 gallon cans	3.40	3.40
Three 32 gallon cans	5.10	5.10
Four 32 gallon cans	6.80	6.80
Excess Distance (Greater than 75')		
One 20 gallon can	\$ 0.55	\$ 0.55
One 32 gallon can	0.55	0.55
Two 32 gallon cans	1.10	1.10
Three 32 gallon cans	1.65	1.65
Four 32 gallon cans	2.20	2.20
Multifamily Special Services:		
Recycling surcharge per extra dwelling unit	\$ 7.10	\$ 7.05
Non-curb can service	1.70	1.70
Non-curb roll cart service	3.60	3.50
Excess distance per roll cart	1.20	1.15

Appendix B
CY 2016 Composite Weighted Average Revenues and Costs
(Dollars/Customer/Year)

DCR* Line #	Line item Description	Weighted Average per Customer	Summary Percent
	SUMMARY		
1	Revenues (From Line 21)	\$ 374.67	100.00%
2	Direct Cost of Operations (From Lines 55)	258.10	68.89%
3	Gross Profit (Line 1 Less Line 2)	116.57	31.11%
4	General & Administrative (From Line 94)	74.08	19.77%
5	Income from Operations (Line 3 Less Line 4)	\$ 42.49	11.34%
	ADJUSTMENTS TO ALLOWABLE COSTS:		
6	Route Purchase – Interest (From Line 92)	\$ 0.00	0.00%
7	Route Purchase – Amortization (From Line 90)	0.00	0.00%
8	Contributions (From Line 70)	0.00	0.00%
9	Federal/State/Local Income Taxes (From Line 77 & Anywhere Else Reported)	0.00	0.00%
10	Gain on Sale of Assets (From Line 20)	0.00	0.00%
11	Officers Life Ins. Premium (From Line 61, or Wherever Included)	0.00	0.00%
12	Director's Fees (From Line 61, or Wherever Included)	0.00	0.00%
13	Other Non-Allowable Costs (From wherever included)	0.00	0.00%
14	Office in Home (From Worksheet)	0.00	0.00%
15	Yard at Home (From Worksheet)	0.00	0.00%
16	Total Adjustments to Costs (Total Lines 6-15)	\$ 0.00	0.00%
17	Allowable Franchise Costs (Lines 2 + 4 - 16)	\$ 332.18	88.66%
	NET FRANCHISE EARNINGS	\$ 42.49	11.34%
	RETURN ON REVENUES	11.71%	
	REVENUE		
18	Collection Revenues	\$ 377.87	100.85%
19	Recyclable Material Sales	(4.25)	-1.13%
20	Other Revenues	1.05	0.28%
21	TOTAL REVENUES	\$ 374.67	100.00%

* DCR = Detailed Cost Report, submitted annually by all franchisees

Appendix B (Continued)
CY 2016 Composite Weighted Average Revenues and Costs
(Dollars/Customer/Year)

DCR Line #	Line item Description	Weighted Average per Customer, as Reported	Percent of Revenue	Weighted Average per Customer Net of Terrain Surcharge	Adjustments	Inflation Adjustment	Final Cost Used in Rates
	SOLID WASTE - DIRECT COST OF OPERATIONS						
22	Wages - Route Drivers	\$ 16.80	4.48%	\$ 16.00		4.54%	\$ 16.73
23	Wages – Mechanic	2.00	0.53%	1.91		4.56%	1.99
24	Payroll Tax Expense	1.75	0.47%	1.67		4.54%	1.74
25	Medical Insurance	3.68	0.98%	3.51		4.47%	3.66
26	Pension Plan Expense	1.62	0.43%	1.54		3.96%	1.60
27	Workers Compensation Insurance	0.41	0.11%	0.39		4.56%	0.41
28	Other Benefits	0.10	0.03%	0.10		4.54%	0.10
29	Training and Worker Safety	0.09	0.02%	0.09		4.56%	0.10
30	Fuel	2.28	0.61%	2.17		18.29%	2.57
31	Repairs & Maintenance - Vehicles	3.31	0.88%	3.16		4.56%	3.30
32	Repairs & Maint. - Containers & Carts	0.48	0.13%	0.48	(0.48)	Rates based on forecast costs	
33	Repairs & Maintenance - Other Equipment	0.04	0.01%	0.04		4.56%	0.04
34	Repairs & Maintenance - Yard/Buildings	0.21	0.06%	0.21		4.56%	0.22
35	Depreciation - Vehicles	5.62	1.50%	5.36	(2.09)	4.56%	3.51
36	Depreciation - Containers & Carts	2.79	0.74%	2.79	(2.79)	Rates based on forecast costs	
37	Depreciation - Other Equipment	0.13	0.03%	0.13		4.56%	0.13
38	Depreciation - Yard/Buildings	0.13	0.04%	0.13		0.00%	0.13
39	Disposal Fees	42.92	11.46%	42.92	(42.92)	Rates based on forecast costs	
40	Recycling Co-op Payments	0.00	0.00%	0.00		0.00%	0.00
41	Recycling Bins	0.00	0.00%	0.00		0.00%	0.00
42	Supplies	0.05	0.01%	0.05		4.56%	0.05
43	Yard Rent	0.96	0.26%	0.96		4.56%	1.00
44	Vehicle Rent	0.00	0.00%	0.00		4.56%	0.00
45	Other Equipment Rent	0.11	0.03%	0.11		4.56%	0.12
46	Insurance	1.02	0.27%	0.97		4.56%	1.01
47	PUC /Licenses / Fees	0.59	0.16%	0.56		4.56%	0.59
48	Franchise Fees	19.73	5.27%	19.73	(19.73)	0.00%	0.00
49	Surcharges	0.00	0.00%	0.00		0.00%	0.00
50	Interest - Vehicles	1.13	0.30%	1.07		4.56%	1.12
51	Interest - Containers & Carts	0.12	0.03%	0.12	(0.12)	Rates based on forecast costs	
52	Interest - Other Equipment	0.00	0.00%	0.00		4.56%	0.00
53	Interest - Yard/Buildings	0.07	0.02%	0.07		4.56%	0.08
54	Other Operational Expenses	0.27	0.07%	0.27		4.56%	0.29
55	TOTAL - SOLID WASTE	\$ 108.44	28.94%	\$ 106.51	(\$ 68.14)		\$ 40.50

Appendix B (Continued)
CY 2016 Composite Weighted Average Revenues and Costs
(Dollars/Customer/Year)

DCR Line #	Line item Description	Weighted Average per Customer	Percent of Revenue	Weighted Average per Customer Net of Terrain Surcharge	Adjustments	Inflation Adjustment	Final Cost Used in Rates
	RECYCLING - DIRECT COST OF OPERATIONS						
22	Wages - Route Drivers	\$ 23.54	6.28%	\$ 22.49		4.22%	\$ 23.44
23	Wages - Mechanic	2.89	0.77%	2.76		4.56%	2.89
24	Payroll Tax Expense	2.48	0.66%	2.36		4.22%	2.46
25	Medical Insurance	5.54	1.48%	5.30		4.50%	5.53
26	Pension Plan Expense	2.27	0.61%	2.17		3.97%	2.26
27	Workers Compensation Insurance	0.59	0.16%	0.56		4.56%	0.59
28	Other Benefits	0.14	0.04%	0.13		4.22%	0.14
29	Training and Worker Safety	0.12	0.03%	0.12		4.56%	0.12
30	Fuel	2.69	0.72%	2.57		18.29%	3.04
31	Repairs & Maintenance - Vehicles	4.83	1.29%	4.62		4.56%	4.83
32	Repairs & Maint. - Containers & Carts	0.40	0.11%	0.40		4.56%	0.42
33	Repairs & Maintenance - Other Equipment	0.06	0.02%	0.06		4.56%	0.06
34	Repairs & Maintenance - Yard/Buildings	0.33	0.09%	0.33		4.56%	0.34
35	Depreciation - Vehicles	9.41	2.51%	8.99	(1.80)	4.56%	7.61
36	Depreciation - Containers & Carts	2.35	0.63%	2.35		0.00%	2.35
37	Depreciation - Other Equipment	0.17	0.05%	0.17		4.56%	0.18
38	Depreciation - Yard/Buildings	0.23	0.06%	0.23		0.00%	0.23
39	Disposal Fees	0.00	0.00%	0.00		0.00%	0.00
40	Recycling Co-op Payments	0.00	0.00%	0.00		0.00%	0.00
41	Recycling Bins	0.01	0.00%	0.01		4.56%	0.01
42	Supplies	0.07	0.02%	0.07		4.56%	0.07
43	Yard Rent	1.33	0.36%	1.33		4.56%	1.40
44	Vehicle Rent	0.00	0.00%	0.00		4.56%	0.00
45	Other Equipment Rent	0.21	0.06%	0.21		4.56%	0.22
46	Insurance	1.38	0.37%	1.32		4.56%	1.38
47	PUC/Licenses/Fees	0.84	0.23%	0.81		4.56%	0.84
48	Franchise Fees	0.00	0.00%	0.00		0.00%	0.00
49	Surcharges	0.00	0.00%	0.00		0.00%	0.00
50	Interest - Vehicles	1.92	0.51%	1.83		4.56%	1.91
51	Interest - Containers & Carts	0.21	0.05%	0.21		4.56%	0.21
52	Interest - Other Equipment	0.00	0.00%	0.00		4.56%	0.00
53	Interest - Yard/Buildings	0.11	0.03%	0.11		4.56%	0.11
54	Other Operational Expenses	0.19	0.05%	0.19		4.56%	0.19
55	TOTAL - RECYCLING	\$ 64.32	17.83%	\$ 60.94	(\$1.80)		\$ 62.86

Appendix B (Continued)
CY 2016 Composite Weighted Average Revenues and Costs
(Dollars/Customer/Year)

DCR Line #	Line item Description	Weighted Average per Customer, as Reported	Percent of Revenue	Weighted Average per Customer Net of Terrain Surcharge	Adjustments	Inflation Adjustment	Final Cost Used in Rates
	ORGANICS - DIRECT COST OF OPERATIONS						
22	Wages - Route Drivers	\$ 17.60	4.74%	\$ 16.42		4.45%	\$ 17.15
23	Wages - Mechanic	2.22	0.60%	2.07		4.56%	2.16
24	Payroll Tax Expense	1.83	0.49%	1.71		4.45%	1.78
25	Medical Insurance	4.34	1.17%	4.05		4.47%	4.23
26	Pension Plan Expense	1.80	0.49%	1.68		3.91%	1.75
27	Workers Compensation Insurance	0.44	0.12%	0.41		4.56%	0.43
28	Other Benefits	0.12	0.03%	0.11		4.56%	0.12
29	Training and Worker Safety	0.10	0.03%	0.10		4.56%	0.10
30	Fuel	2.39	0.64%	2.23		18.29%	2.63
31	Repairs & Maintenance - Vehicles	3.86	1.04%	3.60		4.56%	3.76
32	Repairs & Maint. - Containers & Carts	0.40	0.11%	0.40		4.56%	0.41
33	Repairs & Maintenance - Other Equipment	0.04	0.01%	0.04		4.56%	0.04
34	Repairs & Maintenance - Yard/Buildings	0.24	0.06%	0.24		4.56%	0.25
35	Depreciation - Vehicles	7.60	2.05%	7.09	0.00	4.56%	7.41
36	Depreciation - Containers & Carts	1.74	0.46%	1.74		4.56%	1.82
37	Depreciation - Other Equipment	0.14	0.04%	0.14		4.56%	0.14
38	Depreciation - Yard/Buildings	0.16	0.04%	0.16		4.56%	0.17
39	Disposal Fees	33.60	9.05%	33.60	1.87	0.00%	35.47
40	Recycling Co-op Payments	0.00	0.00%	0.00		0.00%	0.00
41	Recycling Bins	0.00	0.00%	0.00		0.00%	0.00
42	Supplies	0.05	0.01%	0.05		4.56%	0.05
43	Yard Rent	1.07	0.29%	1.07		4.56%	1.12
44	Vehicle Rent	0.00	0.00%	0.00		4.56%	0.00
45	Other Equipment Rent	0.13	0.03%	0.13		4.56%	0.13
46	Insurance	1.11	0.30%	1.03		4.56%	1.08
47	PUC/Licenses/Fees	0.72	0.19%	0.67		4.56%	0.70
48	Franchise Fees	0.00	0.00%	0.00		0.00%	0.00
49	Surcharges	0.00	0.00%	0.00		0.00%	0.00
50	Interest - Vehicles	1.39	0.37%	1.29		4.56%	1.35
51	Interest - Containers & Carts	0.14	0.04%	0.14		4.56%	0.15
52	Interest - Other Equipment	0.00	0.00%	0.00		4.56%	0.00
53	Interest - Yard/Buildings	0.07	0.02%	0.07		4.56%	0.08
54	Other Operational Expenses	0.19	0.05%	0.19		4.56%	0.20
55	TOTAL YARD DEBRIS	\$ 84.37	22.49%	\$ 80.42	\$ 1.87		\$ 84.70

Appendix B (Continued)
CY 2016 Composite Weighted Average Revenues and Costs
(Dollars/Customer/Year)

DCR Line #	Line item Description	Weighted Average per Customer	Percent of Revenue	Weighted Average per Customer Net of Terrain Surcharge	Inflation Adjustment	Final Cost Used in Rates
	<i>GENERAL AND ADMINISTRATIVE</i>					
56	Management Salaries	16.09	4.29%	16.06	4.56%	16.80
57	Management Payroll Tax Expense	1.47	0.39%	1.47	4.56%	1.54
58	Management Medical Insurance	2.21	0.59%	2.21	4.47%	2.31
59	Management Workers Compensation	0.21	0.05%	0.20	4.56%	0.21
60	Management Pension Plan Expense	0.49	0.13%	0.49	4.56%	0.51
61	Management Other Benefits	0.12	0.03%	0.12	4.56%	0.13
62	Administrative Salaries	18.71	4.98%	18.68	4.56%	19.53
63	Administrative Payroll Tax Expense	2.33	0.62%	2.32	4.56%	2.43
64	Administrative Medical Insurance	4.59	1.22%	4.59	4.47%	4.79
65	Administrative Workers Compensation	0.07	0.02%	0.07	4.56%	0.08
66	Administrative Pension Plan Expense	0.41	0.11%	0.41	4.56%	0.43
67	Administrative Other Benefits	0.02	0.00%	0.02	4.56%	0.02
68	Office Rent	2.56	0.68%	2.56	4.56%	2.68
69	Advertising and Public Education	1.26	0.34%	1.26	4.56%	1.32
70	Contributions	0.00	0.00%	0.00	4.56%	0.00
71	Professional Fees	0.96	0.25%	0.96	4.56%	1.00
72	Training & Worker Safety	0.06	0.02%	0.06	4.56%	0.06
73	Insurance	0.69	0.18%	0.69	4.56%	0.72
74	Telephone	1.94	0.52%	1.93	4.56%	2.02
75	Utilities	1.76	0.47%	1.75	4.56%	1.83
76	Property Taxes/Licenses/Fees	1.63	0.43%	1.63	4.56%	1.70
77	Federal/ State/Local Income Taxes	0.23	0.06%	0.23	-9.50%	0.20
78	Dues & Subscriptions	0.52	0.14%	0.52	4.56%	0.54
79	Depreciation - Office Building	0.02	0.00%	0.02	4.56%	0.02
80	Depreciation - Office Equipment	0.35	0.09%	0.35	4.56%	0.37
81	Repairs & Maintenance - Office	1.11	0.30%	1.11	4.56%	1.16
82	Cleaning and Maintenance	0.59	0.16%	0.59	4.56%	0.61
83	Equipment Rental	0.10	0.03%	0.10	4.56%	0.11
84	Office Supplies	1.89	0.50%	1.89	4.56%	1.97
85	Postage & Freight	1.77	0.47%	1.76	4.56%	1.84
86	Miscellaneous Expense	0.64	0.17%	0.64	4.56%	0.67
87	Travel/Meals/Lodging	0.84	0.22%	0.84	4.56%	0.87
88	Professional Meetings and Seminars	0.02	0.01%	0.02	4.56%	0.02
89	Bad Debts	0.36	0.09%	0.36	-10.10%	0.32
90	Amortization - Route & Intangibles	0.00	0.00%	0.00	0.00%	0.00
91	Amortization - Other	0.00	0.00%	0.00	0.00%	0.00
92	Interest - Route	0.00	0.00%	0.00	0.00%	0.00
93	Interest - Other	0.99	0.26%	0.99	4.56%	1.04
94	Corporate Overhead	7.08	1.89%	7.07	4.56%	7.39
94	TOTAL - G & A	\$ 74.08	19.72%	\$ 73.95		\$ 77.23



Budget Equity Assessment Tool

BPS Planning and Urban Design

SECTION ONE: BASE BUDGET

1. In what areas did you consider the impacts on underserved communities in the development of your base budget?

BPS considers equity a core criterion in developing and ranking its planning and sustainability programs, services, projects, and policies. This is reflected in the tools the bureau uses to develop and prioritize its workplan and budget.

- In 2015, the bureau completed the citywide **Racial Equity Roadmap and Assessment**. All bureau staff participated in the process, and the results continue to inform team and project workplans.
- BPS continues to use an **Equity Toolkit** to help staff integrate and maximize equity in their work. The toolkit contains equity lens questions, a power assessment, stakeholder analysis, etc. It has been integrated into the BPS' Community Engagement Program and Manual. It is used by the Multifamily Waste Reduction Program and Sustainability at Work team to target annual service delivery.
- The 2035 Comprehensive Plan, adopted 2016, included an **Equity Policy** as a foundational element for the entire plan and the work to implement the plan. The plan also includes new policy direction of evaluation of actions, projects and policies in terms of environmental justice, anti-displacement and addressing structural racism. The Citizen Engagement element of the Comprehensive Plan was completely revamped, including adding a Community Engagement Manual. Both components focus on increasing the involvement and influence of communities of color in decisions about the growth and design of Portland and its neighborhoods.
- In 2017, BPS managers and staff participated in a two-day facilitation training focused on **building the capacity of staff to manage charged conversations** and present sensitive information to a wide range audience. The training helps staff to effectively engage with diverse cultures and people, and cultivates the ability to address cultural tensions and conflict, including entitlement and microaggressions.
- In 2017, BPS created a **Social Equity Investment Framework** designed to help target and prioritize our work. It is framed around two concepts:
 - *Economic vulnerability* is the extent to which a household is able to withstand economic shocks, such as rising rents or unemployment. It is a measure of the

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concentration of people most at risk of displacement: communities of color, low-income households, educational attainment (adults without a four-year degree), and renter households.

- *Access to opportunity* is whether people have access to assets and services that support better household outcomes. This includes active transportation, jobs, open space, high-quality schools, goods and services. It is a measure of the proximity and connectivity of these goods and services.

BPS' planning programs have already used this framework to design a workplan of projects to:

1. Give more households access to higher opportunity areas by (a) investing where complete community assets have historically been lacking; and (b) increasing housing opportunities in areas that are already higher in these complete community assets.
2. Increase housing stability for households economically at risk through housing, workforce, community development, transit and other strategies that can help mitigate economic displacement caused by rising housing costs.

Figure 1 below compares each Neighborhood Center on its scoring of economic vulnerability and access to opportunity.

It shows that centers with higher shares of communities of color are generally lower opportunity and higher vulnerability. Some of the most vulnerable Centers include Hazelwood, Midway and Rosewood. And the Centers with the highest access to opportunity include the Central City, Northwest and Hollywood.

Figure 1. Opportunity and vulnerability scoring of Centers. Size of bubble corresponds to relative population of each Center.

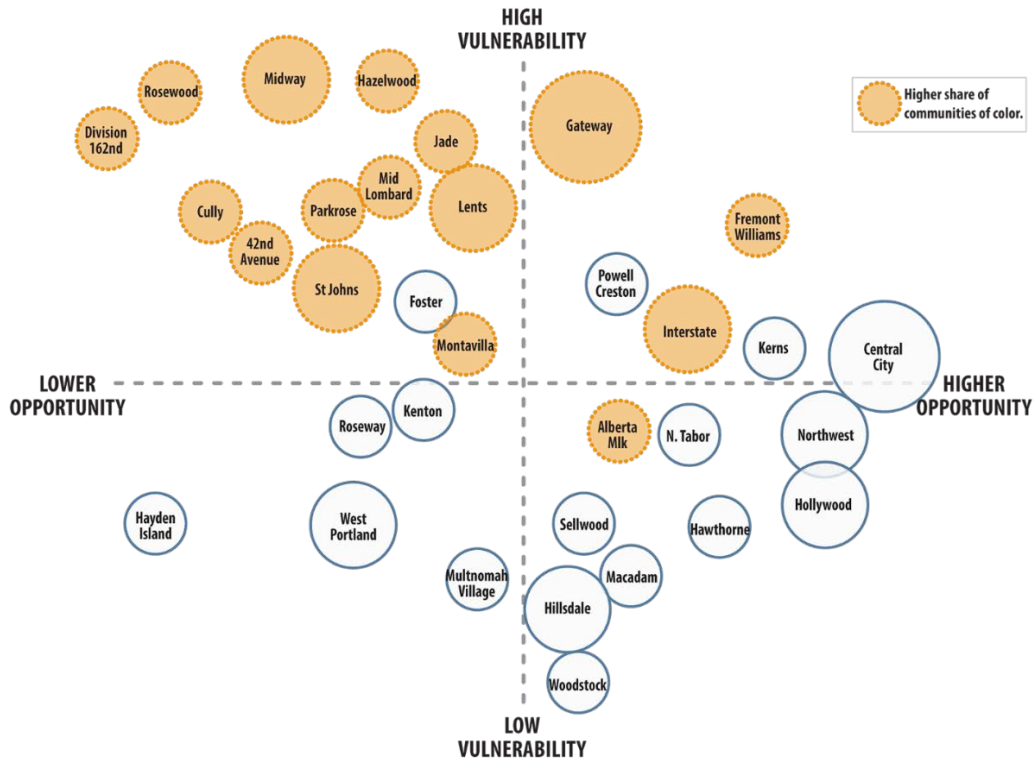
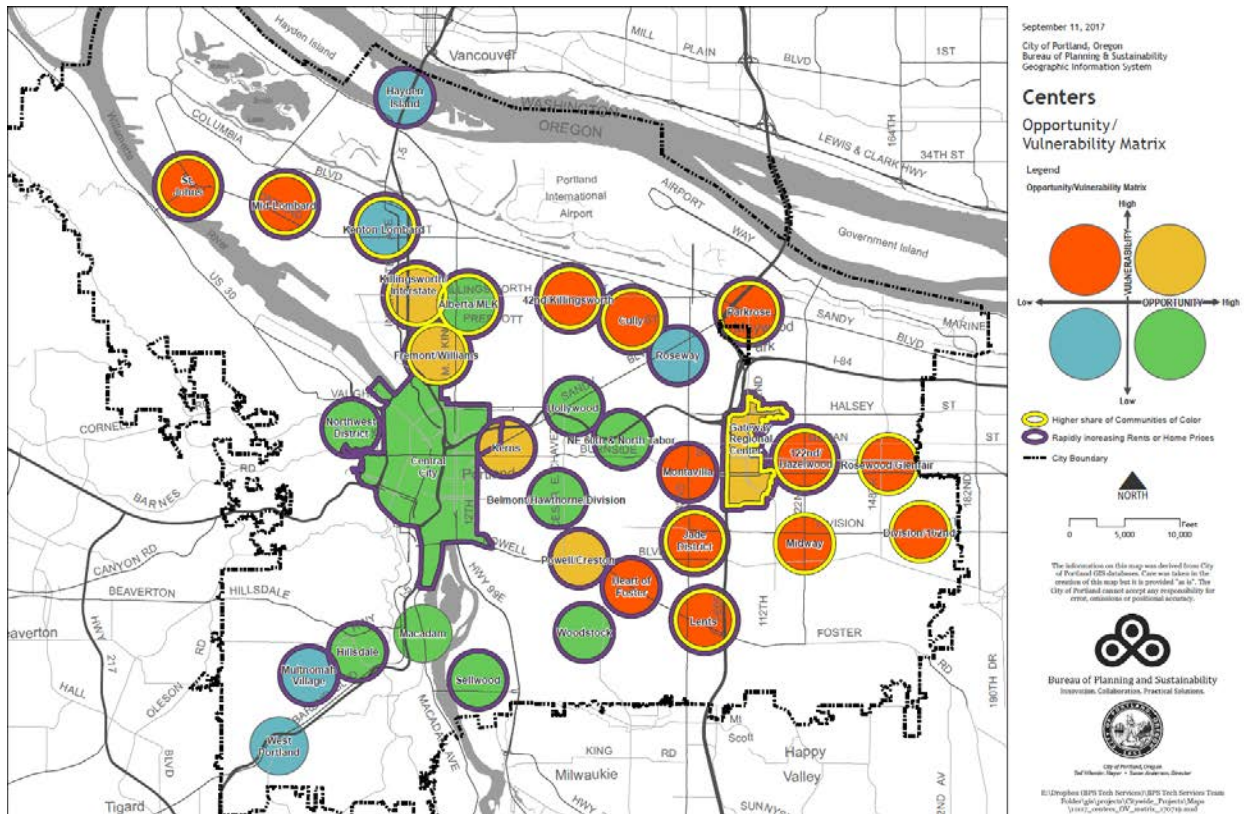


Figure 2 below shows each Center geographically and in terms of its opportunity/vulnerability quadrant.

The map further highlights communities of color and Centers with faster-than-average rent or home value increases. The map shows that Centers with higher vulnerability (red and gold) are concentrated in East Portland, with some in North/Northeast. Centers with higher opportunity and lower vulnerability (green) are primarily the inner-ring districts.

Figure 2. Map of Centers and their vulnerability and opportunity. Yellow outlines depict higher shares of communities of color; purple outlines depict a rapidly increasing housing or rental market.



2. Are there specific realignments in your base budget that either advance or inhibit equity?

BPS is making no major realignments in its base budget for FY18-19. Beginning in FY14-15, BPS built funding for a dedicated Equity Specialist position into its bureau overhead model (later elevated to an Equity Program Manager), integrating the position into its core funding. While implementation of BPS' equity work is instrumental in all its programs, allocating resources to a position whose sole focus is to advance equity has been a powerful force both in the bureau's external work and in developing and carrying out the BPS Racial Equity Plan.

3. What funding have you allocated for translation, interpretation and ADA (American's with Disability Act) accommodation including ASL (American Sign Language) interpretation and video captioning?

In FY17-18 BPS spent approximately \$22,000 on these services, and the same amount is budgeted for FY18-19. BPS is developing internal protocols around phone interpretation, translation of materials and offers interpretation at all events. Beginning in 2016, all meetings of the Planning and Sustainability Commission are now live-streamed online and rebroadcast on cable, both with captioning.

4. Are there deficiencies in the on-going funding of your base budget that inhibit your bureau's achievement of equity or the goals outlined in your Racial Equity Plan?

As noted above, BPS has maintained funding for its Equity Manager position in its on-going base budget, and the bureau is as committed as ever to integrating equity into all programs and policy development efforts.

SECTION TWO: EQUITABLE ENGAGEMENT AND ACCESS (Racial Equity Goal #2)

1. How has the community engaged with your requested budget, including this tool?

The formal mechanism for community engagement in the BPS budget development process is the Budget Advisory Committee, which includes community members as well as bureau staff. However, the BPS budget is fundamentally about prioritizing the bureau’s workplan and identifying which projects BPS can undertake given the resources available. Input to the work-planning priorities is gathered through all the bureau’s community engagement work throughout the year, not only during the formal budget development process. The District Planning program, for example, dedicates staff to serving as expert liaisons between communities and the City on planning and development issues, and the community input the District Planners receive feeds into the bureau’s identification of work-planning priorities. All BPS programs with direct community interaction serve as similar conduits.

2. How does this budget build the bureau’s capacity to engage with and include communities most impacted by inequities? (e.g., improved leadership opportunities, advisory committees, commissions, targeted community meetings, stakeholder groups, increased outreach, etc.)

This budget maintains the bureau’s funding of a dedicated equity specialist position, and one key component of that position’s work is to build the knowledge, skills, and experience of BPS staff in addressing equity. Beginning in FY15-16, BPS has allocated \$10,000-15,000 annually for all staff trainings focused on equity, and the FY18-19 budget request protects this funding despite the obligation to identify funding cuts. (This training funding is in addition to other content-specific training staff may attend that is funded at the program level.) The intent of the all-staff training is to develop a common language and familiarity with tools and techniques that help equip staff to address inequities.

BPS programs and projects are informed by the geographic distribution of communities of color across Portland, as reflected in the following table:

DISTRICT	Total Population	Community of Color Population	% Total
EAST	154,027	63,898	41.5%
NORTH	69,757	23,095	33.1%
NORTHEAST	104,865	30,217	28.8%
WEST	101,634	17,270	17.0%
SOUTHEAST	151,219	31,702	21.0%
CENTRAL CITY	38,361	8,961	23.4%
Total	612,206	173,707	28.4%

Identifying Impacts Worksheet

Populations Impacted	Potential Positive Impacts	Potential Negative Impacts
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Lower-income households	<ul style="list-style-type: none"> • Increased options for housing in single-dwelling neighborhoods to meet broader range of household types and incomes. • Increased supply of housing and affordable housing options. Increased quality and livability in the design of new multi-family housing. • Maintenance of land supply and infrastructure meet the needs of forecast job growth. 	<ul style="list-style-type: none"> • While BPS work should help increase the range of housing options, sizes, locations and costs, it is unlikely, in the near term, to mitigate the market driven increase of housing costs overall.
Disabled residents	<ul style="list-style-type: none"> • Policies that promote increased housing options for broader range of household types and incomes. • Policies promote the development of new housing according to universal design accessibility principles. • Targeting of growth around centers promotes greater local accessibility to meet household needs. 	
Communities of Color	<ul style="list-style-type: none"> • Increased influence over decisions related to major transit investments and redevelopment on the SW Corridor. • Ability to hold BPS accountable for the meeting equity objectives through its public involvement practices. 	<ul style="list-style-type: none"> • While BPS work increases housing options and supply overall, it may not be able to ensure mitigation of displacement pressures in hot markets.
Current and prospective single dwelling housing residents	<ul style="list-style-type: none"> • Increased compatibility of new infill development in single-dwelling neighborhood. 	<ul style="list-style-type: none"> • Reduced ability to meet housing demand for very large homes in single-dwelling neighborhoods. • Reduced ability to expand single-dwelling structures.

Joe Zehnder

Name of Staff Contact

Susan Anderson

1/29/18

Name of Bureau Director

Date

Rev: November 2017



Budget Equity Assessment Tool

BPS Sustainability Programs

SECTION ONE: BASE BUDGET

1. In what areas did you consider the impacts on underserved communities in the development of your base budget?

BPS considers equity a core criterion in developing and ranking its planning and sustainability programs, services, projects, and policies. This is reflected in the tools the bureau uses to develop and prioritize its workplan and budget.

- In 2015, the bureau completed the citywide Racial Equity Roadmap and Assessment. All bureau staff participated in the process, and the results continue to inform team and project workplans.
- BPS continues to use an Equity Toolkit to help staff integrate and maximize equity in their work. The toolkit contains equity lens questions, a power assessment, stakeholder analysis, etc. It has been integrated into the BPS' Community Engagement Program and Manual. It is used by the Multifamily Waste Reduction Program and Sustainability at Work team to target annual service delivery.
- The 2035 Comprehensive Plan, adopted 2016, included an Equity Policy as a foundational element for the entire plan and the work to implement the plan. The plan also includes new policy direction of evaluation of actions, projects and policies in terms of environmental justice, anti-displacement and addressing structural racism. The Citizen Engagement element of the Comprehensive Plan was completely revamped, including adding a Community Engagement Manual. Both components focus on increasing the involvement and influence of communities of color in decisions about the growth and design of Portland and its neighborhoods.
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- In 2017, BPS created a Social Equity Investment Framework designed to help target and prioritize our work. It is framed around two concepts:
 - Economic vulnerability is the extent to which a household is able to withstand economic shocks, such as rising rents or unemployment. It is a measure of the concentration of people most at risk of displacement: communities of color, low-income households, educational attainment (adults without a four-year degree), and renter households.

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- Access to opportunity is whether people have access to assets and services that support better household outcomes. This includes active transportation, jobs, open space, high-quality schools, goods and services. It is a measure of the proximity and connectivity of these goods and services.
- In the upcoming year, BPS' Sustainability Programs will explore how to incorporate this framework into their projects and decision-making.
- The 2015 Climate Action Plan is the primary strategy document that informs the sustainability teams' workplans and associated budget requests. As part of updating the plan, BPS created a Climate Action Plan Equity Working Group made up from representatives from six community-based organizations. The Equity Working Group reviewed the proposed climate actions to identify potential impacts (positive and negative) for communities of color, low-income populations and other marginalized groups.
- To support community-based organizations' work on climate action, since FY15-16 BPS has been partnering with PSU's Institute for Sustainable Solutions to place and support interns at community-based and non-profit organizations to add capacity to advance climate-related initiatives. The interns are part of a cohort that engages online and in person around climate justice and equity issues. Between 12 and 15 interns are placed each year.
- BPS will continue to dedicate time and resources to furthering community-driven climate action efforts and projects such as recent efforts to help VOZ Worker's Rights and Education Project develop their environmental justice framework, and to help the Portland African American Leadership Forum and Africa House develop a joint vision for a climate justice movement.

2. Are there specific realignments in your base budget that either advance or inhibit equity?

There are no realignments in the base budget affecting equity. The Equity Manager will continue to be responsible for spearheading the implementation of the bureau's Racial Equity Plan.

3. Are there specific realignments in your base budget that would advance or inhibit your achievement of equity goals outlined in your bureau's Racial Equity Plan?

BPS is making no major realignments in its base budget for FY18-19. Beginning in FY14-15, BPS built funding for a dedicated Equity Specialist position into its bureau overhead model (later elevated to an Equity Program Manager), integrating the position into its core funding. While implementation of BPS' equity work is instrumental in all its programs, allocating resources to a position whose sole focus is to advance equity has been a powerful force both in the bureau's external work and in developing and carrying out the BPS Racial Equity Plan.

4. What funding have you allocated for translation, interpretation and ADA (American's with Disability Act) accommodation including ASL (American Sign Language) interpretation and video captioning? What are the impacts of these allocations?

In FY17-18 BPS spent approximately \$22,000 on these services, and the same amount is budgeted for FY18-19. BPS is developing internal protocols around phone interpretation, translation of materials and offers interpretation at all events. Beginning in 2016, all meetings of the Planning and Sustainability Commission are now live-streamed online and rebroadcast on cable, both with captioning.

5. Are there deficiencies in the on-going funding of your base budget that inhibit your bureau’s achievement of equity or the goals outlined in your Racial Equity Plan?

As noted above, BPS has maintained funding for its Equity Manager position in its on-going base budget, and the bureau is as committed as ever to integrating equity into all programs and policy development efforts.

6. Identify impacts on workforce demographics in the development of the base budget and relevant decision packages.

There are no anticipated impacts on workforce demographics.

Section Two: EQUITABLE ENGAGEMENT AND ACCESS (Racial Equity Goal #2)

1. How has the community engaged with your requested budget, including this tool?

The formal mechanism for community engagement in the BPS budget development process is the Budget Advisory Committee, which includes community members as well as bureau staff. However, the BPS budget is fundamentally about prioritizing the bureau’s workplan and identifying which projects BPS can undertake given the resources available. Input to the work-planning priorities is gathered through all the bureau’s community engagement work throughout the year, not only during the formal budget development process. The District Planning program, for example, dedicates staff to serving as expert liaisons between communities and the City on planning and development issues, and the community input the District Planners receive feeds into the bureau’s identification of work-planning priorities. All BPS programs with direct community interaction serve as similar conduits.

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SOUTHEAST	151,219	31,702	21.0%
CENTRAL CITY	38,361	8,961	23.4%
Total	612,206	173,707	28.4%

Advancing equity is a core component of sustainability, together with improving economic prosperity and environmental quality. BPS seeks to align its sustainability programs with the goal of advancing equity not only in which programs and services are delivered, but how that work is implemented. Examples of how the various BPS sustainability programs and services promote equity include:

- Multifamily Recycling program offers technical assistance to improve access to a quality garbage, recycling and composting collection system for 20,000 units. Multifamily housing in Portland has a higher proportion of communities of color, immigrants and refugees and low-income communities than the city average demographics. Program engagement includes:
 - Collaboration with non-profit housing providers including CDCs, Home Forward and agencies such as Central City Concern.
 - Distribution of 18,858 pieces of collateral for residential recycling
 - *MF Matters* e-newsletter with 920 recipients
- Sustainability community engagement team uses a combination of traditional and grassroots engagement strategies to address institutional, technical and social constructs that keep communities of color and low-income communities from participating in sustainability efforts and include their world view and lifestyles in the vision of sustainability.
 - Fix-It Fairs offer access to free community resources and information to save energy and stay healthy to 1,300 low- to middle-income residents who are racially and culturally diverse. A Spanish track provides about five workshops conducted in Spanish at each fair, and sponsorship by Univisión and KBOO increases awareness of these events while free lunch and child care removes barriers to participation. In compliance with ADA Title II, the brochure that is mailed to over 80,000 households includes the language, "The City of Portland is committed to providing meaningful access. For accommodations, modifications, translation, interpretation or other services, contact 503-823-4309, the TTY at 503-823-6868 or the Oregon Relay Service at 711."
 - Web and materials translate information to core services in twelve languages.
 - Information booths are staffed in community events that have a high portion of communities of color, resulting in about 180,000 touches in the community.
 - Training locations for the Master Recycler sessions are held in communities that have historically had no or minimal participation in the program.
 - Be Cart Smart focuses messaging and communication tools to reach those new to Portland, larger families, residents with Limited English Proficiency, renters and landlords as those are the audiences identified as having greater barriers to the solid waste, recycling and composting services.
- Sustainability at Work has:
 - Prioritized continued community engagement with entrepreneurs of color, attending over 59 events focused on entrepreneurs of color in FY 16-17, with a combined 3,600 attendees. Also had over 50 interactions with community partners, including emails, phone calls and one-on-one meetings.
 - Continued to prioritize entrepreneurs of color in program development and assistance. In service to this we have continued a partnership with Micro Enterprise Services of Oregon (MESO) to empower MESO advisors to bring

sustainability best practices, services and incentives to their business clients. This pilot included technical assistance to MESO clients in FY16-17, presentations at their business builder workshops, development and implementation of two new purchasing workshops, office hours and SAW resources in MESO program participant binders.

- BPS engaged stakeholders representing elders and low-income home sellers as part of developing the Home Energy Score program. The Home Energy Score Ordinance was passed by City Council in December 2016 and became effective January 1, 2018. BPS engaged the Portland Housing Bureau, Elders in Action and AARP in developing solutions for covering the upfront cost of policy compliance for homeowners that fall at or below 60 percent of median family income. For the first year of the policy, BPS will cover the cost of getting the Home Energy Score for income-qualified home sellers.
- The Green Building Program is implementing the deconstruction policy passed by City Council in 2016. The focus is to recover materials for reuse and reduce the impacts of traditional demolition on air quality and neighborhood safety. In addition, BPS is working with community partners to prioritize workforce training for women, minorities and other disadvantaged populations.
- In FY17-18, the Green Building Program will continue to support implementation of the City's commercial building energy performance reporting policy. Since the requirement now applies to smaller buildings, BPS is prioritizing technical assistance to owners and operators that may have fewer resources to track energy use or where language or the use of technology poses a barrier to compliance.
- BPS has facilitated the use of City-owned property for food production with a focus on community benefits and equity, including the garden at City Hall which grows food for local non-profits that feed hungry people, the Lents Community Orchard and a new food forest in Southeast Portland. BPS also promotes food gleaning and donation of unused and excess food to organizations that feed hungry people.
- BPS is actively implementing Portland's Electric Vehicle (EV) Strategy, which includes a significant focus on ensuring that the electrification of Portland's transportation system creates benefits, opportunities and improved access for low-income people and communities of color (e.g., locating charging infrastructure within these communities, a mobility needs assessment, and incentives and pilot projects that focus on under-served communities). BPS staff have engaged multiple local and national stakeholders, including utilities, the State of Oregon and external investors, to identify opportunities to fill gaps in the EV charging infrastructure that would benefit low-income Portlanders and communities of color.
- The City's *Climate Change Preparation Strategy* prioritizes actions in communities expected to be most vulnerable to the impacts of climate change, including low-income populations and communities of color. Many of the actions in the strategy focus on reducing the potential health impacts these communities will face as the climate changes, including increased temperatures (heat waves, urban heat islands) and flooding. BPS is responsible for implementing many of these actions and is actively working with other implementing partners to ensure a focus on vulnerable populations. In addition, BPS is working with researchers at Portland State University to better define vulnerability to heat and reduced air quality to help inform and prioritize workplan tasks for BPS and other partner bureaus. This past year work was done to identify opportunities to reduce the impacts of urban heat in the development standards for multi-family housing, particularly in East

Portland, and BPS is participating in a project to address flooding in the Lent's neighborhood along Johnson Creek.

- As noted above, the 2015 update to the *Climate Action Plan* includes a significant focus on maximizing equity through its vision, clearly articulated equity commitments, actions prioritized for communities of color and low-income populations, equity considerations (lens), an equity implementation guide for staff, and climate-equity metrics to measure progress. This *Climate Action Plan* continues to guide the development of workplans for the bureau's sustainability teams.
- BPS has participated in ongoing program development for community solar at the state level, which contains a 10 percent carveout for low-income participation. We are part of a large coalition of community-based organizations representing communities of color and low-income people (CCC, Verde, Community Energy Project, Community Action Partnership of Oregon, MPower, NW Energy Coalition, Sustainable Northwest).
- BPS staff are supporting community-based organizations in implementing provisions in the 100 percent renewables resolution related to community-based ownership of renewable energy generation assets.
- Sustainability community engagement contributes to community wealth by building partnerships that are mutually beneficial, leveraging and highlighting community sustainability efforts and fostering ongoing relationships with community leaders.
 - Fix-it Fairs procure services from minority- or women-owned businesses. Fix-It Fairs result in increased access to communities of color and linguistically isolated residents as demonstrated by the door prize demographics form: 62 percent White, 9 percent Hispanic or Latino, 15 percent Asian, 4 percent Black or African American and 4 percent American Indian. Ten percent of respondents speak Spanish at home, 3 percent speak Chinese and 2 percent speak Vietnamese.
 - BPS allocates over \$72,000 to neighborhood, community and nonprofit organizations to organize Community Collection Events for proper disposal of bulky household waste. The events bring closer and more affordable bulky collection to the community and reduce illegal dumping in communities. Organizations often leverage these events to raise funds for other community livability projects.
 - Bright Spot utilizes the high exposure of the Sunday Parkways events to make visible community features that we see every day (but hide in plain sight) and represent City and community efforts to create healthy, vibrant, sustainable neighborhoods.
 - The Master Recycler Program provides 40 diverse community partners with trained volunteers. The volunteers provide information as well as help plan and organize community driven projects.
- Sustainability at Work has established long-term relationships with entrepreneurs of color to create opportunities for both BPS and for the businesses that extend beyond this immediate work. Our partnership with Micro Enterprise Services of Oregon builds capacity in the organization to address green business opportunities. Our work with MESO has produced tools we can now make available to other business development service providers. In addition, through a partnership with Energy Trust of Oregon (ETO), we are informing how their assistance and incentives can be made more accessible to entrepreneurs of color. We, together with Metropolitan Contractors Improvement Project, have also advised ETO on

strategies to make their trade ally network more accessible to electricians and other contractors of color.

- The Climate Action Plan Equity Working Group (discussed above) helped to build the capacity and leadership in communities and organizations serving low-income populations and communities of color to advance climate work. Participating organizations included: Upstream Public Health, Coalition of Communities of Color, Groundwork Portland, Wisdom of the Elders, OPAL and APANO. Each organization received a grant to support their participation organized by BPS and Multnomah County's Office of Sustainability. BPS continues to foster these partnerships and continues to build the capacity of the organizations and communities to engage in climate action policy and program development, and to implement community-driven climate projects. Three organizations actively engaged around the topics of environmental and climate justice this past year included VOZ, the Portland African American Leadership Forum (PAALF) and Africa House. BPS has also actively engaged with Verde and the Coalition of Communities of Color (CCC) related to the City's 100 percent Renewable Energy resolution. BPS' Climate Interns partnership with PSU, which places climate interns in many of these organizations, is another example of this continued capacity building.

Identifying Impacts Worksheet

Populations Impacted	Potential Positive Impacts	Potential Negative Impacts
Single- and multi-dwelling renters	<ul style="list-style-type: none"> • Increased knowledge about required garbage and recycling service level provided to renters and who to call if service is not adequate. Improved services. • Increased responsiveness to tenants when their service is shut off due to landlord non-payment of service. 	<ul style="list-style-type: none"> • Because landlords pay the garbage and recycling bill, the bureau opted to begin enforcing the minimum standards of service. This has the benefit of ensuring that tenants at least receive an adequate level of service. However, renters will not have the same range of options and services as owner-occupied homes.
Low- to middle-income residents who are seeking information about healthy homes and energy savings	<ul style="list-style-type: none"> • Access to 60 community resources at the Fix-It Fairs to answer questions and provide resources. 	
Entrepreneurs of Color	<ul style="list-style-type: none"> • Sustainability at Work will improve access to the benefits and minimize the barriers to these businesses with the new approaches. 	
Low-income households who are hungry	<ul style="list-style-type: none"> • Will have more information and access to gleaning programs and food shelters will have access to healthier sustainable foods. 	
Populations vulnerable to the impacts of climate change, especially heat and flooding	<ul style="list-style-type: none"> • Reduced exposure to impacts from heat and reduced air quality (asthma, heat stroke, etc.). • Deeper understanding of the factors that contribute to vulnerability to climate change impacts, and the alignment of those factors with other community priorities. 	<ul style="list-style-type: none"> • Climate change preparation actions are not likely to meaningfully impact the underlying social determinants of health (income, education, etc.).

Underserved communities that have not historically benefited from climate actions such as active transportation infrastructure, tree planting, solar, energy efficiency incentives, etc.	<ul style="list-style-type: none"> • Improved access to such amenities and the associated cost savings and quality of life improvements. 	<ul style="list-style-type: none"> • Increased gentrification and displacement pressures.
Low-income households who have limited access to transportation options	<ul style="list-style-type: none"> • Improved local air quality and greater access to affordable electrified transportation choices, including new and used electric vehicles, electric buses and electric bikes. 	

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1/29/18

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Date

Rev: November 2017



Budget Equity Assessment Tool

BPS Waste Reduction & Recycling Program

SECTION ONE: BASE BUDGET

1. In what areas did you consider the impacts on underserved communities in the development of your base budget?

BPS considers equity a core criterion in developing and ranking its planning and sustainability programs, services, projects, and policies. This is reflected in the tools the bureau uses to develop and prioritize its workplan and budget.

- In 2015, the bureau completed the citywide Racial Equity Roadmap and Assessment. All bureau staff participated in the process, and the results continue to inform team and project workplans.
- BPS continues to use an Equity Toolkit to help staff integrate and maximize equity in their work. The toolkit contains equity lens questions, a power assessment, stakeholder analysis, etc. It has been integrated into the BPS' Community Engagement Program and Manual. It is used by the Multifamily Waste Reduction Program and Sustainability at Work team to target annual service delivery.
- The 2035 Comprehensive Plan, adopted 2016, included an Equity Policy as a foundational element for the entire plan and the work to implement the plan. The plan also includes new policy direction of evaluation of actions, projects and policies in terms of environmental justice, anti-displacement and addressing structural racism. The Citizen Engagement element of the Comprehensive Plan was completely revamped, including adding a Community Engagement Manual. Both components focus on increasing the involvement and influence of communities of color in decisions about the growth and design of Portland and its neighborhoods.
- In 2017, BPS managers and staff participated in a two-day facilitation training focused on building the capacity of staff to manage charged conversations and present sensitive information to a wide range audience. The training helps staff to effectively engage with diverse cultures and people, and cultivates the ability to address cultural tensions and conflict, including entitlement and microaggressions.
- In 2017, BPS created a Social Equity Investment Framework designed to help target and prioritize our work. It is framed around two concepts:
 - Economic vulnerability is the extent to which a household is able to withstand economic shocks, such as rising rents or unemployment. It is a measure of the concentration of people most at risk of displacement: communities of color, low-

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- income households, educational attainment (adults without a four-year degree), and renter households.
 - Access to opportunity is whether people have access to assets and services that support better household outcomes. This includes active transportation, jobs, open space, high-quality schools, goods and services. It is a measure of the proximity and connectivity of these goods and services.
 - In the upcoming year, BPS' Sustainability Programs will explore how to incorporate this framework into their projects and decision-making.
- The Waste Reduction and Recycling workplan for the upcoming year again includes an increased emphasis on recycling and composting in multifamily buildings. BPS participated in a regional policy development effort to improve service to multifamily residents and is planning a new method for systematically reaching out to multifamily communities. The goal is to proactively ensure tenant access to services rather than relying on vulnerable communities to reach out for help. Action 11F in the Climate Action Plan directs BPS to prioritize and customize outreach efforts to engage under-represented and under-served populations with a goal of reaching 50 percent of multifamily households annually. The multifamily program continues to provide technical assistance and resources to disadvantaged and underserved populations, specifically targeting non-profit housing and service providers to vulnerable populations. The program continues to work closely with communities of immigrants and refugees, restricted income households, senior and disabled individuals and other at-risk populations, all of whom are found in greater proportion in multifamily housing.
- Garbage, recycling, and yard debris/food scraps collection is offered across the city as consistently as possible. All garbage and recycling companies must adhere to the same service standards.
- The 2017 Residential Franchise Review included aspirational goals to increase participation of women and minority workers and reduce barriers to economic opportunities for minority-owned and women-owned companies. As a starting place, BPS conducted a baseline survey to better understand the demographics of the residential garbage and recycling company workforce and engaged stakeholders to develop and review options. BPS will continue to refine options and in FY18-19 BPS will implement a preferred option.
- BPS seeks to use a variety of mechanisms to provide program information to customers:
 - During 2017, the Curbside Hotline for residential garbage and recycling questions responded approximately 8,000 calls and emails from residents, an average of 30 calls per day. Maintaining a live person to answer the phone ensures that residents without internet access will receive a prompt response to their question or resolution for their concern.
 - BPS recently conducted a demographic analysis of Curbside Hotline contacts and found that in general, the customers who call and email the Hotline are representative of the city's overall demographics. Customers who contacted the hotline tended to be slightly more racially diverse, have slightly larger household sizes, and have higher income. All neighborhoods were represented, though four out of the top five neighborhoods with the most contacts were in East Portland.
 - BPS offers many ways for customers to receive information about their garbage and recycling service options. Information is available on the web, the *Curbsider* newsletter is sent out twice a year to all single-family through

fourplex households, and other brochures and informational materials increase access to information, resources and services. Materials are printed in five languages, and the website includes information for renters and translates information to core services into Russian, Chinese, Somali, Spanish and Vietnamese.

Geography and Demographics of Solid Waste and Recycling Service Delivery

- Uniform collection services for residential and commercial garbage, recycling and composting are offered throughout the city.
- For residential collection, the same services, service standards, and rates are provided across most of the city. In some areas of Northwest and Southwest Portland, a terrain surcharge is added to rates to address the higher costs of providing service in an area with less street connectivity and narrower, winding roads. This terrain surcharge applies to an area of Portland that has a lower percentage of people of color and vulnerable populations than the city as a whole.
- For commercial collection, the same services and service standards are provided across the city. Rates are not set by the City; prices paid by businesses are typically not shared publicly but are understood to vary considerably.
- Public garbage collection was historically provided downtown and in six other business districts throughout the city. BPS is currently in the midst of an expansion project that will bring public garbage collection to all high-pedestrian use areas in the city.
- BPS scored and ranked all centers designated in the Comprehensive Plan to prioritize areas for the public garbage service expansion. BPS piloted public collection in the first new center (Jade District) in the summer of 2017 and expanded provision of public collection in additional neighborhoods that are currently paying for service on their own. Planning for expansion into other areas in East Portland is currently underway and will result in more cans installed in early 2018.
- BPS ratemaking policy requires haulers to provide non-curb service for garbage, recycling and composting at no additional charge to disabled residents.
- BPS policy allows low-income customers with health condition related waste to receive additional garbage capacity at no cost to residents.
- In compliance with Civil Rights Title VI and ADA Title II, the *Curbsider* newsletter, mailed twice yearly to all 150,000+ single family through fourplex households, includes a statement offering special accommodation, interpretation, or translation at the following numbers: 503-823-4309, the TTY at 503-823-6868 or the Oregon Relay Service at 1-800-735-2900.

2. Are there specific realignments in your base budget that either advance or inhibit equity?

There are no realignments in the base budget affecting equity. The Equity Manager will continue to be responsible for spearheading the implementation of the bureau's Racial Equity Plan. As a result of a Decision Package in FY16-17, BPS' base budget now includes funding to expand public garbage collection to centers across the city. The first new area being served is the Jade District. Areas that will receive new service in FY18-19 include the Division / Midway Alliance, Hazelwood, Gateway, Historic Parkrose, and other places in East Portland.

3. Are there specific realignments in your base budget that would advance or inhibit your achievement of equity goals outlined in your bureau's Racial Equity Plan?

BPS is making no major realignments in its base budget for FY18-19. Beginning in FY14-15, BPS built funding for a dedicated Equity Specialist position into its bureau overhead model (later elevated to an Equity Program Manager), integrating the position into its core funding. While implementation of BPS' equity work is instrumental in all its programs, allocating resources to a position whose sole focus is to advance equity has been a powerful force both in the bureau's external work and in developing and carrying out the BPS Racial Equity Plan.

4. What funding have you allocated for translation, interpretation and ADA (American's with Disability Act) accommodation including ASL (American Sign Language) interpretation and video captioning? What are the impacts of these allocations?

In FY17-18 BPS spent approximately \$22,000 on these services, and the same amount is budgeted for FY18-19. BPS is developing internal protocols around phone interpretation, translation of materials and offers interpretation at all events. Beginning in 2016, all meetings of the Planning and Sustainability Commission are now live-streamed online and rebroadcast on cable, both with captioning.

5. Are there deficiencies in the on-going funding of your base budget that inhibit your bureau's achievement of equity or the goals outlined in your Racial Equity Plan?

As noted above, BPS has maintained funding for its Equity Manager position in its on-going base budget, and the bureau is as committed as ever to integrating equity into all programs and policy development efforts.

6. Identify impacts on workforce demographics in the development of the base budget and relevant decision packages.

There are no anticipated impacts on workforce demographics.

SECTION TWO: EQUITABLE ENGAGEMENT AND ACCESS (Racial Equity Goal #2)

1. How has the community engaged with your requested budget, including this tool?

The formal mechanism for community engagement in the BPS budget development process is the Budget Advisory Committee, which includes community members as well as bureau staff. However, the BPS budget is fundamentally about prioritizing the bureau’s workplan and identifying which projects BPS can undertake given the resources available. Input to the work-planning priorities is gathered through all the bureau’s community engagement work throughout the year, not only during the formal budget development process. The District Planning program, for example, dedicates staff to serving as expert liaisons between communities and the City on planning and development issues, and the community input the District Planners receive feeds into the bureau’s identification of work-planning priorities. All BPS programs with direct community interaction serve as similar conduits.

2. How does this budget build the bureau’s capacity to engage with and include communities most impacted by inequities? (e.g., improved leadership opportunities, advisory committees, commissions, targeted community meetings, stakeholder groups, increased outreach, etc.)

This budget maintains the bureau’s funding of a dedicated equity specialist position, and one key component of that position’s work is to build the knowledge, skills, and experience of BPS staff in addressing equity. Beginning in FY15-16, BPS has allocated \$10,000-15,000 annually for all staff trainings focused on equity, and the FY18-19 budget request protects this funding despite the obligation to identify funding cuts. (This training funding is in addition to other content-specific training staff may attend that is funded at the program level.) The intent of the all-staff training is to develop a common language and familiarity with tools and techniques that help equip staff to address inequities.

BPS programs and projects are informed by the geographic distribution of communities of color across Portland, as reflected in the following table:

DISTRICT	Total Population	Community of Color Population	% Total
EAST	154,027	63,898	41.5%
NORTH	69,757	23,095	33.1%
NORTHEAST	104,865	30,217	28.8%
WEST	101,634	17,270	17.0%
SOUTHEAST	151,219	31,702	21.0%
CENTRAL CITY	38,361	8,961	23.4%
Total	612,206	173,707	28.4%

BPS, through Outreach and Sustainability at Work programs, is working to integrate community capacity building into many of its programs. The Waste Reduction and Recycling program is building community capacity through direct community engagement as part of the public garbage can expansion program. BPS conducts outreach to community stakeholders, including business owners, community associations, residents, and others. Stakeholders participate in siting cans and selecting locally generated artwork to display on the cans. They are actively participating in receiving a new city service.

Identifying Impacts Worksheet

Populations Impacted	Potential Positive Impacts	Potential Negative Impacts
Underserved, vulnerable, and displaced multifamily residents	<ul style="list-style-type: none"> • Receive consistent access to high-quality garbage and recycling service, regardless of where they live • Standards enforced equitably across the City through random site checks rather than relying on resident complaints 	<ul style="list-style-type: none"> • Higher costs for improved service and active enforcement may be passed on to residents in the form of higher rents
Residents in areas of East Portland vulnerable to displacement. East Portland has historically been underserved by City services.	<ul style="list-style-type: none"> • Receive public garbage containers and garbage service in high pedestrian areas. • Easy access to items with bottle bill redemption value, which is a means of income to some people. Locally produced artwork and neighborhood branding on cans can enhance pride and place-building. 	<ul style="list-style-type: none"> • Additional garbage truck traffic during servicing. Temporary disruptions during container installation. • Potentially create temporary eyesores if cans are dirty, overflowing, damaged, or tagged.

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Rev: November 2017

FY18-19

ADD PACKAGE PN_01_Increase_Housing_Supply,_Options_and_Affordability

This Decision Package will allow BPS to initiate or complete four projects that address aspects of the current housing crisis and the ability to meet Portland's long-range housing needs. The projects help to increase housing options and increase shelter options for those experiencing homelessness. The three projects are:

1. Addressing barriers to shelter for extremely low-income households.
2. Preservation of Middle Housing
3. Update of the Macadam Plan District
4. Assessment of SW Corridor housing and mixed-use development sites

Budget for Requested Funds

		<u>W/ 5% cut</u>	<u>W/O 5% cut</u>
Senior Planner	1 FTE	\$ 142,000	\$ 0
Planning Asst.	2 FTE	\$ 111,000	\$ 111,000
Contracts/supplies		\$ 240,000	\$ 240,000
TOTAL		\$ 503,000	\$ 351,000

This request includes replacement of a position that would be lost if the 5 percent cut of on-going general funds is taken. Without the 5 percent cut, the funding needed for these projects is \$351,000.

Project Descriptions

1. **Addressing barriers to Shelter for Extremely Low-Income Households and Individuals**
Through this project, BPS staff will work to reduce regulatory and other barriers to providing shelter and housing for extremely low-income and homeless households. The types of shelter and housing to be examined include mass shelters, tent campgrounds, villages of shelter pods, single-room-occupancy buildings, tiny houses on wheels and RVs, and smaller manufactured homes and ADUs.

According to the latest counts by the Joint Office of Homeless Services, 4,177 people are experiencing homelessness in Multnomah County – a figure that includes people in transitional housing without shelter and in emergency shelter. This is a 9.9 increase from 2015. Communities of color continue to be over-represented in the homeless population. That remains true even though the number and percentage of some populations, such as African Americans, is lower since 2015.

BPS staff will work with the Joint Office on Homeless Services and other City bureaus to identify, evaluate and pursue zoning and other City code changes, and programmatic actions. At a minimum, the project will yield legislatively-adopted code changes. Depending on the number and scale of these amendments, changes could be adopted in 12 to 18 months.

As staff capacity has allowed, BPS supported similar efforts in the last few years. In 2016, we amended the zoning code to remove some barriers to locating mass shelters. With this project, BPS will dedicate staff capacity and, if funded through this add package, consultant services, to address more complicated barriers and to be able to complement and leverage the work of staff in BDS and other bureaus.

2. **Preservation of Middle Housing**

FY18-19

ADD PACKAGE PN_01_Increase_Housing_Supply,_Options_and_Affordability

This is the first part of an 18-month-long project to recommend zoning code or map changes to preserve older market-rate affordable housing and historic structures in the inner-most single-dwelling neighborhoods surrounding the Central City. The 2035 Comprehensive Plan identified this “middle housing” as a critical piece of the housing supply needed for Portland to meet its goals for density, housing affordability and equitable access to complete neighborhoods.

Middle housing describes smaller-scale multi-dwelling residential buildings that are often older and smaller, and therefore less expensive housing units than typical single-family house. They include row houses, townhouses, duplexes, triplex, fourplex, etc., courtyard housing and ADUs. This type of housing is an important part of the city’s de-facto affordable housing. Middle housing buildings are often non-conforming under current codes and are increasingly at risk of being lost to conversion or redevelopment.

This project will identify and remove code barriers to preservation this often older and less expensive type of housing. In FY18-19, the project team will inventory and assess the supply of existing apartments and duplexes and update the historic resources inventory in the study area.

The project will inventory existing units and that exceed allowed maximum density, including both legal non-conforming units and illegal units. The assessment is needed to understand the supply, condition of and market forces on these existing non-conforming buildings. An economic analysis will help understand the stability or instability of this housing resource.

In FY19-20, the project will develop recommendations for zoning code or map changes to help preserve this middle housing supply, preserving historic structures, and creating opportunities to add more housing supply. Final recommendations will continue to the Planning and Sustainability Commission and City Council as legislative amendments.

Without this add package, BPS will lack the support staff and professional service capacity to undertake the project at least until FY19-20.

3. Update of the Macadam Plan District

The 2035 Comprehensive Plan calls for increasing affordable housing options in high-opportunity locations, complete communities and along civic corridors. The Macadam Plan District meets all three of these criteria and has outdated zoning regulations that result in less development than appropriate for the location.

Macadam is in SW Portland adjacent to the Central City in an area with good transit service and the potential for streetcar. Appropriately increasing development future in this area can increase the supply of well-located housing and increase the potential for affordable housing in a high-opportunity, complete community through the city inclusionary housing program.

This project will update the 30-year-old Macadam Plan District to increase the likelihood of new housing and mixed-use development on this close-in corridor in accordance with the 2035 Comprehensive Plan. The Macadam Plan District current FAR and height limits may be unnecessarily hindering development of inclusionary housing in the district.

FY18-19

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The project will include economic analysis of zoning entitlements, urban design, and an extensive transportation analysis. Since Macadam is a State Highway and is outside the Central City, any changes in development allowances in this plan district are subject to ODOT review under the State transportation planning rule.

The project will be done in tandem with the expected South Reach River Plan/South Reach. The district is adjacent to the Central City where FARs are 5:1 and 6:1. Increased development allowances in Macadam could provide additional needed housing close to transit. Portland Streetcar is considering a short extension of the NS line to Johns Landing.

Without this add package, BPS will lack the lead and support staff and professional service capacity to undertake the project.

4. Assessment of SW Corridor housing and mixed-use redevelopment sites

In FY17-18, BPS staff will complete the SW Corridor Equitable Housing Strategy, which helps meet affordable housing, density, equity and transit objectives adopted by City Council with the 2035 Comprehensive Plan. In FY18-19, funding is requested to begin implementation of the strategy by making sure that affordable housing opportunities are thoroughly considered and incorporated into the design, planning and funding of the new light-rail project.

Specifically, funding is requested for consultant services to assess sites for housing development that could result as part of the development of a new light rail line in the SW Corridor. Sites will be in the West Portland Town Center and on land potentially reclaimed through redesign of the Ross Island bridge ramps.

Without this add package, BPS will lack professional service capacity to adequately address this issue as part of our other work on the SW Corridor project.

FY18-19

ADD PACKAGE PN_01_Increase_Housing_Supply,_Options_and_Affordability

EQUITY ASSESSMENT

1. How does this program or service align with the goal of advancing equity? Identify all Citywide Goals and/or Strategies you are using.

2011-2015 ACS 5-year estimates

Planning District	Total population	Population of color	% Total
East	154,027	63,898	41.50%
North	69,757	23,095	33.10%
Northeast	104,865	30,217	28.80%
Southeast	151,219	31,702	21.00%
West	101,634	17,270	17.00%
Central City	38,361	8,961	23.40%
Portland	612,206	173,707	28.40%

These projects align with the goal of providing more equitable access for lower income households and communities of color in transit-rich, high opportunity neighborhoods. They do this through using zoning and other tools to increase the supply and range of housing in high opportunity locations that might otherwise be inaccessible to lower income households and communities of color. We do not have data on the proportion of this housing that is occupied by people of color.

The SW Corridor Equitable Housing Strategy and Macadam Plan District are entirely in Southwest Portland. As a whole, this area has a significant proportion of residents who are members of communities of color. It also has fewer housing options for lower income households.

2. Identify potential impacts on people living with a disability.

All the components of this add package can improve the lives of people living with a disability by increasing housing opportunities in transit rich, high opportunity neighborhoods.

The shelter project will seek to make code changes to support the development of safer, more stable transitional housing options. Preservation of Middle Housing in Inner Southeast and the update of the Macadam Plan District projects should increase new housing development, which creates the opportunity for use of new incentives for physically-accessible housing units in the multi-dwelling zones. Implementation of the SW Corridor Equitable Housing Strategy will ensure that affordable housing opportunities, including accessible housing, are developed along the new light rail project, which will increase transit access across the region for transit dependent communities, including people living with disabilities.

3. Identify impacts on workforce demographics.

This decision package request covers a total of 3 FTE.

4. Identifying Impacts Worksheet

ADD PACKAGE PN_01_Increase_Housing_Supply,_Options_and_Affordability

Populations Impacted	Potential Positive Impacts	Potential Negative Impacts
<p>Low- to middle-income residents and other populations vulnerable to the impacts of gentrification</p>	<ul style="list-style-type: none"> • More options for shelter for households experiencing homelessness. • More options for smaller, less expensive housing units in high opportunity complete communities. • Reduced household costs due to decreased automobile dependency through housing in locations with better nearby services and transit. • Improved health outcomes through better designed and built multi-family housing and increased access to healthy complete neighborhoods and transit. • Increased influence on transit project plans due to expanded engagement of tenants and other vulnerable populations. 	<ul style="list-style-type: none"> • For SW Corridor: Chance for increased housing costs due to higher property values and demand for transit-accessible housing in excess of supply. • For the Macadam Plan District project: chance that increased development of multi-family and mixed-use buildings could be associated with loss of less expensive existing housing.
<p>Persons with disabilities</p>	<ul style="list-style-type: none"> • Opportunity for additional accessible housing close to transit. • Opportunity for more accessible units in new housing on single-family lots. 	
<p>All of the above groups</p>	<ul style="list-style-type: none"> • For SW Corridor: A housing strategy will set targets and increase accountability for positive outcomes. 	

FY18-19

ADD PACKAGE PN_02_ Achieve_Equitable_Development_in_East_Portland

This Decision Package will allow BPS to undertake a review of the City's community development strategies for East Portland as expressed in the 2035 Comprehensive Plan and the array of actions, initiatives, investments, and policies undertaken by City bureaus and other agencies. It will review how this aligns with the East Portland Action Plan and is intended to provide basis and capacity for consideration of additional coordination and actions.

Budget for Requested Funds

Planning Asst 1 FTE	\$ 55,000
Contracts/supplies	\$ <u>80,000</u>
TOTAL	\$ 135,000

East Portland stakeholders, including the East Portland Action Plan (EPAP), have requested renewed commitment and action on the part of the City to work on community development objectives in East Portland. The City, State, TriMet and other agencies have steadily increased their focus on East Portland with actions and investment related to community development, transportation, transit and parks. Prosper Portland has been working with the community to pursue shared community development objectives in Gateway, Lents and several Neighborhood Prosperity Initiative (NPI) districts in East Portland. The 2035 Comprehensive Plan forecasts significant growth in East Portland and calls for meeting community equitable development objectives through development of a new mixed-use neighborhood centers in this area of the city.

The requested funding would support the assessment of conditions and trends in East Portland and of how public agency efforts in East Portland combine to advance community development objectives. This work will be used to engage the community and City agencies to clarify understanding of the de-facto strategy, improve coordination, and better leverage these public resources and actions to achieve shared objectives. The assessment will set a context for identification of additional future work and initiatives.

EQUITY ASSESSMENT

1. How does this program or service align with the goal of advancing equity? Identify all Citywide Goals and/or Strategies you are using.

There are a number of policies in the 2035 Comprehensive Plan relevant to pursuit of equitable development strategies in East Portland. The policies that address Environmental Justice and Equitable Development describe the equity goals sought as part of this approach:

Policy 2.3 Extend benefits. Ensure plans and investments promote environmental justice by extending the community benefits associated with environmental assets, land use, and public investments to communities of color, low-income populations, and other under-served or under-represented groups impacted by the decision. Maximize economic, cultural, political, and environmental benefits through ongoing partnerships.

Policy 2.4 Eliminate burdens. Ensure plans and investments eliminate associated disproportionate burdens (e.g. adverse environmental, economic, or community impacts) for communities of color, low-income populations, and other under-served or under-represented groups impacted by the decision.

Policy 3.3 Equitable development. Guide development, growth, and public facility investment to reduce disparities; encourage equitable access to opportunities, mitigate the impacts of development on income disparity, displacement and housing affordability; and produce positive outcomes for all Portlanders.

3.3.b. Make needed investments in areas that are deficient in public facilities to reduce disparities and increase equity. Accompany these investments with proactive measures to avoid displacement and increase affordable housing.

3.3.c. Encourage use of plans, agreements, incentives, and other tools to promote equitable outcomes from development projects that benefit from public financial assistance.

3.3.e. When private property value is increased by public plans and investments, require development to address or mitigate displacement impacts and impacts on housing affordability, in ways that are related and roughly proportional to these impacts.

3.3.f. Coordinate housing, economic development, and public facility plans and investments to create an integrated community development approach to restore communities impacted by past decisions. See Policy 5.18.

3.3.g. Encourage developers to engage directly with a broad range of impacted communities to identify potential impacts of private development projects, develop mitigation measures, and provide community benefits to address adverse impacts.

In terms of the population potentially benefited, East Portland has the highest share of residents of color in Portland. This proportion has been steadily growing, as has the share of immigrant households.

2011-2015 ACS 5-year estimates

FY18-19

ADD PACKAGE PN_02_ Achieve_Equitable_Development_in_East_Portland

Planning District	Total population	Population of color	% Total
East	154,027	63,898	41.50%
North	69,757	23,095	33.10%
Northeast	104,865	30,217	28.80%
Southeast	151,219	31,702	21.00%
West	101,634	17,270	17.00%
Central City	38,361	8,961	23.40%
Portland	612,206	173,707	28.40%

2. Identify potential impacts on people living with a disability.

This project will address issues of relevance to people with disabilities.

3. Identify impacts on workforce demographics.

This decision package request covers a total of 1 FTE for a limited-term entry-level support position.

4. Identifying Impacts Worksheet

Populations Impacted	Potential Positive Impacts	Potential Negative Impacts
Communities of color, low- to middle-income residents and other populations vulnerable to the impacts of gentrification	<ul style="list-style-type: none"> • Avoidance or mitigation of displacement pressures that accompanying growth and development. • Developing means for current residents to benefit from growth, development and access to community serving centers. • Reduced household costs due to decreased automobile dependency through housing in locations with better nearby services and transit. • Improved health outcomes through better designed and built multi-family housing and increased access to healthy complete neighborhoods and transit. • Increased influence on transit project plans due to expanded engagement of tenants and other vulnerable populations. • Better coordination among city bureaus and other agencies to achieve EPAP goals. 	<ul style="list-style-type: none"> • Chance for increased housing costs due to higher property values and demand for transit-accessible housing in excess of supply. • Chance that increased development or rehab of multi-family and mixed-use buildings could be associated with loss of less expensive existing housing.
Persons with disabilities	<ul style="list-style-type: none"> • Opportunity for additional accessible housing close to transit. • Improved roadways and complete streets. 	
All of the above groups	<ul style="list-style-type: none"> • Clarity about the collective strategy and community development objectives for Ease Portland and accountability for equitable outcomes. 	

FY18-19

ADD PACKAGE PN_03_ Build_a_Modern_Diverse_Historic_Resource_Inventory

This Decision Package will allow the BPS Historic Resources Program to continue its multi-year work program to modernize and expand the Historic Resource Inventory (HRI).

Budget for Requested Funds

Planning Asst	1 FTE	\$55,000
Supplies / Prof Services		<u>\$25,000</u>
TOTAL		\$80,000

Project Description

The rate of growth and change Portland is experiencing has made it clear that the City's historic preservation programs must be updated to respond to this pressure and to better align with other community goals.

In FY16-17, BPS received one-time funding for a study of Historic Resource Inventory (HRI) methodology. The report identified best practices that are being incorporated into the Historic Resources Code Project, expected to be adopted in Fall 2018. This zoning code project will make structural changes to how the city identifies, designates and protects historic resources. The project will incorporate a 2016 Oregon State Supreme Court decision and recently-adopted changes to State Administrative Rules, both of which provided the legal clarity necessary for the City to advance an update to the HRI.

As part of the code project, in late 2017 BPS digitized the current (1984) HRI and updated the historic resources database to create a more accessible online interactive map: pdx.maps.arcgis.com/apps/webappviewer/index.html?id=9b7e5b99790d44608d440f6bce15451f.

The HRI is a foundational tool for all historic resource efforts. Aside from code changes, one of the main recommendations proffered in the study is to undertake on-going update and maintenance of the HRI. FY18-19 updates to the HRI could address gaps such as the lack of documentation of historic resources east of 82nd Ave and resources significant for their association with ethnic, gender, social and LGBTQ history. The Portland Historic Landmarks Commission has identified HRI update work as a priority since 2008, stating in their 2017 State of Preservation report that "the PHLC strongly asks that Council invest in this work by funding a modest expansion in BPS staff and providing seed funding for inventory work in FY18-19."

The FY18-19 project will fund a Planning Assistant and limited consultant contracts to expand public access to historic resource data, conduct pilot HRI surveys in underrepresented areas, and assist a range of community groups in documenting historic resources for inclusion on the HRI. The requested FY18-19 dollars would provide matching funds for a 2018 State Historic Preservation Office Certified Local Government Grant, for which Portland is eligible.

Without this add package, BPS will be unable to work on update of the HRI until FY19-20 at the earliest.

FY18-19

ADD PACKAGE PN_03_ Build_a_Modern_Diverse_Historic_Resource_Inventory

EQUITY ASSESSMENT

- 1. How does this program or service align with the goal of advancing equity? Identify all Citywide Goals and/or Strategies you are using.**

The Historic Resource Inventory (HRI) is a citywide database of documented historic resources that are significant to the city for architectural, cultural, social, ethnic and community history. The HRI is a foundational tool used to consider which resources are most deserving of landmark designation and protection. Because it was last updated in 1984, the existing HRI does not include historic resources in vast areas of East and Southwest Portland. Additionally, because of the era in which it was conducted, the existing HRI is not inclusive of the diversity of resources significant for ethnic, gender, LGBTQ, social and community history. The update of the HRI will identify and honor the important contributions of Portlanders who have been previously under-represented in the city's understanding of significant historic resources. A more inclusive HRI will allow for planning processes, development proposals, educational programs, community organizing, and other civic initiatives to be better informed about Portland's diverse historic resources.

The 2035 Comprehensive Plan includes numerous policies related to the HRI including:

- Policy 4.52 Historic Resources Inventory. Within statutory limitations, regularly update and maintain Portland's Historic Resources Inventory to inform historic and cultural resource preservation strategies.
- Policy 4.53 Preservation equity. Expand historic resources inventories, regulations, and programs to encourage historic preservation in areas and in communities that have not benefited from past historic preservation efforts, especially in areas with high concentrations of under-served and/or under-represented people.
- Policy 4.54 Cultural diversity. Work with Portland's diverse communities to identify and preserve places of historic and cultural significance.
- Policy 4.55 Cultural and social significance. Encourage awareness and appreciation of cultural diversity and the social significance of both beautiful and ordinary historic places and their roles in enhancing community identity and sense of place.

- 2. Identify potential impacts on people living with a disability.**

None.

- 3. Identify impacts on workforce demographics.**

This funding would support 1 FTE new limited term support position to perform HRI research and database work under the guidance of the Historic Preservation program lead. The position does not have an incumbent.

4. Identifying Impacts Worksheet

Populations Impacted	Potential Positive Impacts	Potential Negative Impacts
Property owners	<ul style="list-style-type: none"> • Additional information about the history of their property. • Access to information about comparable properties to inform rehabilitation strategies. • Greater awareness about designation and protection programs. • For houses in single dwelling zones, possible flexibility for internally converting building to add additional housing units. 	<ul style="list-style-type: none"> • Broader community interest in the significance of private properties. • Concern about regulations (In Oregon, demolition and design review regulations cannot be imposed on historic properties without owner consent)
East Portland residents, property owners and businesses	<ul style="list-style-type: none"> • Recognition of historic places that have not been documented or evaluated for historic significance. • Opportunity to engage with communities that have not been previously included in City historic resource programs. 	<ul style="list-style-type: none"> • Although historic resources would be inventoried, the most significant of them would not be protected from demolition or major alteration without owner consent, possibly leading to confusion about the regulatory effect of inventory listing.
Communities of color, LGBTQ representatives, women, and populations associated with immigration and social history	<ul style="list-style-type: none"> • Inclusion in the identification of historic places significant to diverse communities. • Honoring places that have historic significance for ethnic, social, gender LGBTQ history. • Broader public recognition of places historically associated with underrepresented Portlanders. • Increase opportunities for grants and incentives for rehabilitation and reuse of historic resources most significant to different communities. 	<ul style="list-style-type: none"> • Broader community interest in places that have histories that may be difficult or triggering for underrepresented communities (i.e. civil rights movement sites).

FY18-19

ADD PACKAGE PN_04_Advance_Equity_Through_Smart_Cities_Initiatives

This Decision Package supports the creation of a group of representatives from community non-profits and other groups who will meet regularly to advise the City on addressing equity issues related to the City's Smart Cities efforts.

Budget for Requested Funds

Meeting expenses and stipends	\$30,000
Contracts	<u>\$20,000</u>
TOTAL	\$50,000

Project Description

The City of Portland defines "Smart Cities" as the use of existing and innovative technologies, data collection and data management tools to enhance community engagement and to bring public benefits through improved delivery of services. These strategies are used to support our City goals around equity, mobility, affordability, sustainability, community health and safety, workforce development, and resiliency, with a focus on underserved communities.

In June 2017, the Portland City Council established a citywide Smart Cities Steering Committee to create a Citywide governance structure for the City's Smart Cities work, which the Bureau of Planning and Sustainability leads (Resolution No. 37290). Council directed BPS and the Smart Cities Steering Committee to facilitate internal and external collaboration, set priorities, identify focus areas, establish goals for the City's Smart Cities work, and to facilitate community outreach and involvement as Smart City projects are developed and deployed.

In September 2017, the Smart Cities Steering Committee established an Equity Work Group made up of representatives from BPS, PBOT, BTS, Office for Community Technology, Office of Equity and Human Rights, and Commissioner Fritz's office. The purpose of the work group was to develop a framework for prioritizing Smart City and Open Data work that use data to address inequities and disparities and to invest in technology-driven projects that improve people's lives, including goals to:

1. Engage underserved and under-represented populations to:
 - a. inform data collection design;
 - b. Lead identification of needs, priorities and solutions; and
 - c. participate in implementation of solutions and iterative assessment.
2. Design data collection to uncover and learn about the barriers that create inequities and disparities and to identify solutions to overcoming those barriers;
3. Use data to understand how solutions benefit and/or further burden underserved communities; and
4. Leverage and/or invest city resources in data-drive solutions.

This funding request supports the creation of a group of representatives from community non-profits and other groups who will meet regularly to advise the City on addressing equity issues related to the City's Smart Cities efforts. The advisory group will help establish specific criteria for prioritizing and evaluating our Smart Cities policies and projects based on the framework described above and facilitate communication with and engagement of underserved and under-represented communities with a specific focus on race and disability.

FY18-19

ADD PACKAGE PN_04_Advance_Equity_Through_Smart_Cities_Initiatives

This includes stipends for participation by the community non-profits for the period between July 1, 2018 and June 30, 2019.

The funding will also support an outside contract to help with the formation of the Smart Cities Equity Advisory Group. The roles of this support include development of a charter, processes and protocols for the operation of the group in partnership with the Smart Cities Steering Committee, and outreach with targeted communities to identify potential members of the Equity Advisory Group.

EQUITY ASSESSMENT

1. How does this program or service align with the goal of advancing equity? Identify all Citywide Goals and/or Strategies you are using.

The goals of the Smart Cities Equity Advisory Group are to advance equity in the development of projects and policies for Smart Cities and Open Data work and develop an iterative community engagement process so that these projects and policies are shaped by feedback and needs identified by the community. Project and policy focus areas are economic prosperity, public safety, human health, environmental health, transportation/mobility, housing and resiliency.

The Smart Cities Equity Advisory Group will help create specific criteria for identifying and prioritizing projects that use data to address inequities and disparities and invest in technology-driven projects that improve lives based on the framework created by the Equity Work Group. The advisory group will establish engagement processes for underserved and under-represented populations with a focus on communities of color and persons with disabilities. The table below summarizes the Citywide goals and strategies used to develop the framework that will guide the work of the Smart Cities Equity Advisory Group.

2035 Comprehensive Plan Core Concepts	Racial Equity Toolkit Objectives
<ul style="list-style-type: none"> • Invest to reduce disparities • Make infrastructure decisions that advance equity • Include under-served and under-represented populations in decisions that affect them • Address displacement of residents • Provide for ongoing affordability • Create regulations that acknowledge that one size does not fit all 	<ul style="list-style-type: none"> • Ensure that government actions and decisions are crafted to achieve truly equitable outcomes, • Engage communities of color in decision-making, understand the root causes of existing disparities and how the City's actions can make these better (or worse) • Use data to identify current racial disparities and those most impacted by our actions • Identify inequitable consequences or burdens on communities most impacted, • Identify needed strategies and resources to ensure equity in our actions and decision making. • Identify how progress on racial equity will be tracked and measured over time, and how to report back to stakeholders

2. Identify potential impacts on people living with a disability.

The advisory group to be formed will include persons with disabilities. This is a population that could benefit from Smart Cities and that faces longstanding barriers to technology access.

3. Identify impacts on workforce demographics.

This funding does not affect BPS staffing.

4. Identifying Impacts Worksheet

Populations Impacted	Potential Positive Impacts	Potential Negative Impacts
<p>Communities of color, persons with disabilities, and other under-served and under-represented populations identified for each Smart Cities project/policy</p>	<ul style="list-style-type: none"> • More opportunity to engage in planning and investment processes for data and technology projects and policies; including data collection design to further uncover and learn about inequities, disparities and solutions. • More engagement with data and analysis used to make decisions and improve performance evaluation processes. • Increased data and technology investments for projects to support improved economic prosperity, public safety, human health, environmental health, transportation/ mobility, housing and resiliency. 	<ul style="list-style-type: none"> • Increased data and technology investments to support transportation/mobility, digital equity, public safety, etc. could lead to higher property values and changes in jobs available.

**FY18-19
CUT PACKAGE PN_01**

To meet the requested 5 percent cut, BPS would need to cut three positions and contract funding as follows.

Program Coordinator	\$ 101,628
Planner II Lan Use	\$ 112,530
Sr. Planner Land Use	\$ 142,698
<u>Professional Service Contracts</u>	<u>\$ 79,385</u>
	\$ 436,241

These cuts eliminate or significantly reduce the bureau's ability to undertake three projects related to addressing the current housing emergency. These projects were identified as those to be affected by cut because they depend on a level of staffing that matches the cut positions and/or they depend on professional service funding that would not be available with the cut. Also, they were selected because, while they are priorities, the bureau has more discretion to postpone or cut these projects compared to other comparable workplan items.

a. Addressing barriers to Shelter for Extremely Low-Income Households and Individuals

This project will work on ways to expand housing options for extremely low-income and homeless households. The options include a range of types of shelter and housing such as mass shelters, tent campgrounds, villages of shelter pods, single-room-occupancy buildings, tiny houses on wheels and RVs, and smaller manufactured homes or ADUs.

BPS will work with the Joint Office on Homeless Services and other City bureaus to identify, evaluate, and pursue zoning and other City code changes, and programmatic actions that could be taken to advance the most promising of these options.

b. Preservation of Middle Housing in SE Portland

This is the first part of an 18-month long project to recommend zoning code or map changes to preserve older market-rate affordable housing and historic structures in the inner-most single-dwelling neighborhoods surrounding the Central City. In FY18-19 the project team will inventory and assess the supply of existing apartments and duplexes and update the historic resources inventory in the study area.

The project will inventory existing units and that exceed allowed maximum density, including both legal non-conforming units and illegal units. The assessment is needed to understand the supply, condition of and market forces on these existing non-conforming buildings. An economic analysis will help understand the stability or instability of this housing resource.

In FY19-20, the project will develop recommendations for zoning code or map changes to help preserve this middle housing supply, preserving historic structures, and allowing opportunities to add more housing supply. Final recommendations will continue to the Planning and Sustainability Commission and City Council as legislative amendments.

c. Macadam Plan District Update

This project will update the 30-year-old Macadam Plan District to increase housing and

FY18-19
CUT PACKAGE PN_01

mixed-use development potential on this close-in corridor in accordance with the Comp Plan 2035. The Macadam Plan District has unusually low floor area ratios of 2:1, which may hinder development of inclusionary housing in the district.

The project will include economic analysis of zoning entitlements, urban design, and an extensive transportation analysis. Since Macadam is a State Highway and is outside the Central City, any changes in development allowances in this plan district are subject to ODOT review under the State transportation planning rule.

The project will be done in tandem with the expected South Reach River Plan public involvement. The district is very close to the Central City, and additional development entitlements could provide additional needed housing in a location close to transit. Portland Streetcar is considering a short extension of the NS line to Johns Landing.

EQUITY ASSESSMENT

1. How does this program or service align with the goal of advancing equity? Identify all Citywide Goals and/or Strategies you are using.

<p>Addressing barriers to Shelter for Extremely Low-Income Households and Individuals</p> <p>This project, if successful, will reduce code and process barriers to increasing shelter options for the homeless. These households are the lowest income and most economically vulnerable households in the city.</p> <p>According to the latest counts by the Joint Office of Homeless Services, 4,177 people are experiencing homelessness in Multnomah County – a figure that includes people in transitional housing, without shelter and in emergency shelter. That marked a 9.9 increase from 2015.</p> <p>Communities of color continue to be overrepresented in the homeless population. That remains true even though the number and percentage of some populations, such as African Americans, is lower since 2015.</p>
<p>Preservation of Middle Housing in SE Portland</p> <p>This project will remove code barriers to preservation of often older and less expensive housing options. Middle housing describes smaller scale multi-dwelling residential buildings that are often older and offer smaller and therefore less expensive units than typical single-family house. They include: row houses, townhouses, duplexes, triplex, fourplex, etc., courtyard housing and ADUs.</p> <p>This type of housing is an important part of the city's de-facto affordable housing. It also often is a non-conforming use under current codes and is increasingly at risk for conversion or redevelopment.</p> <p>There is a concentration of this housing in inner SE neighborhoods. These are locations that are well located in terms of transit, services and access to jobs. Preserving this supply of housing is consistent with the city's policies to preserve and increase the supply of affordable units in such locations. Also, preservation of this type of housing reduces pressure on less expensive units in other parts of the city.</p>
<p>Macadam Plan District Update</p> <p>The 2035 Comprehensive Plan calls for increasing affordable housing options in high-opportunity locations, complete communities and along civic corridors. The Macadam Plan District has all of these characteristics and outdated zoning regulations that result in less development potential than appropriate for the location as it is located in SW Portland adjacent to the Central City in an area with frequent transit service and the potential for streetcar.</p> <p>Appropriately increasing development potential for sites in this area can increase the supply of well-located housing and increase the potential for affordable housing through the City's inclusionary housing program.</p>