



# May 5, 2025 Finance Committee Agenda

**City Hall, Council Chambers, 2nd Floor – 1221 SW Fourth Avenue, Portland, OR 97204**

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**Monday, May 5, 2025 12:00 pm**

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**Session Status:** Adjourned

**Committee in Attendance:**

Council President Elana Pirtle-Guiney, Vice Chair

Councilor Steve Novick

Councilor Mitch Green

Councilor Candace Avalos

Councilor Eric Zimmerman, Chair

Councilor Zimmerman presided.

Officers in attendance: Keelan McClymont, Council Clerk

Committee adjourned at 1:20 p.m.

## Regular Agenda

1

[General Fund Contingency and General Reserve Fund Policies](#) (Presentation)

**Document number:** 2025-183

**Introduced by:** Councilor Eric Zimmerman

**Time requested:** 1 hour

**Council action:** Placed on File

2

[Authorize the Bureau of Transportation to acquire certain permanent and temporary rights necessary for construction of the NE Columbia – Cully Boulevard and Alderwood Road Intersection Improvements Project through exercise of Eminent Domain Authority](#) (Ordinance)

**Ordinance number:** 192064

**Document number:** 2025-184

**Introduced by:** Mayor Keith Wilson

**City department:** Transportation

**Time requested:** 50 minutes (1 of 2)

**Council action:** Referred to City Council

Motion to send the Ordinance to the full Council with the recommendation that it be passed: Moved by Green and seconded by Novick. (Aye (5): Pirtle-Guiney, Novick, Green, Avalos, Zimmerman)

3

[Authorize the Bureau of Transportation to acquire certain permanent and temporary rights necessary for construction of the SW Capitol Hill Rd and SW Troy St Sidewalk Infill Project through exercise of Eminent Domain Authority](#) (Ordinance)

**Document number:** 2025-185

**Introduced by:** Mayor Keith Wilson

**City department:** Transportation

**Time requested:** 50 minutes (2 of 2)

**Council action:** Referred to City Council

Motion to send the Ordinance to the full Council with the recommendation that it be passed: Moved by Novick and seconded by Green. (Aye (5): Pirtle-Guiney, Novick, Green, Avalos, Zimmerman)

Portland City Council, Finance Committee

May 5, 2025 - 12:00 p.m.

Speaker List

Name	Title	Document Number
Eric Zimmerman	Councilor, Committee Chair	
Keelan McClymont	Council Clerk	
Elana Pirtle-Guiney	Council President, Vice Committee Chair	
Steve Novick	Councilor	
Mitch Green	Councilor	
Candace Avalos	Councilor	
Jonas Biery	Deputy City Administrator, Budget and Finance	2025-183
Peter Hulseman	City Economist	2025-183
Steve Szigethy	Senior Capital Project Manager	2025-184, 2025-185
Priya Dhanapal	Deputy City Administrator of Public Works	2025-184, 2025-185
Martin Maloney	PBOT, Right of Way Section Supervisor	2025-184, 2025-185
Heather Byers	PBOT, Right of Way Agent	2025-184, 2025-185
Ashley Lopez	PBOT, Capital Project Manager	2025-184, 2025-185

## **Portland City Council Committee Meeting Closed Caption File**

**May 5, 2025 – 12:00 p.m.**

This file was produced through the closed captioning process for the televised city Council broadcast and should not be considered a verbatim transcript. The official vote counts, motions, and names of speakers are included in the official minutes.

**Speaker:** Good afternoon. I'm going to call the finance committee to order. It's Monday, May 5th at 1201 Keelan. Can you please call the roll?

**Speaker:** Pirtle-guiney here.

**Speaker:** Here. Green here.

**Speaker:** Avalos I mean present. Sorry.

**Speaker:** Also present. We're all here. We're ready to go. Okay. Colleagues, we're going to have just a couple of items here. The first item before I have the clerk read it really is to, I'll say jumpstart a thought process on on contingency and reserve. And so I've asked the team to come forward to help us do that. And as we enter into the budget season. So with that Keelan, can you call item one, please?

**Speaker:** General fund contingency and general reserve fund policies.

**Speaker:** So I would encourage colleagues this this is designed the staff's going to have a few comments a few guiding points, but it is designed for us to get our questions out there. Right. Last week we heard about some uncertainty in the market, and I kind of flagged that as an opportunity for us to have a discussion about appropriate size of contingency, appropriate size of reserve, how those funds get used, what types of purposes. And I say that also with there are the general municipal philosophies that kind of drive how governments set up their contingencies and reserves. But every government also has some specific language

that is unique to that government. So for instance, I've never worked in a place that used the term a policy set aside or a policy contingency, but that's something the city of Portland does. So we've carved out time, really, so that this group of five can get those questions out, get a baseline understanding and what I think will be an important group of five as we enter into the larger budget discussions with our colleagues. And so this is our chance to get a heads up and also a direct approach from our cfo and other folks. So with that, i'll turn it over to the staff. Thank you.

**Speaker:** Great. Thank you. Chair zimmerman and committee members. For the record, jonas bieri, deputy city administrator of budget and finance and chief financial officer. And here with me to answer all the hard questions is city economist peter holtzman. As was teed up. We're just looking today to provide some information on both the formal reserve, on the formal reserve policy of the city, and open up a broader discussion for reserves more broadly and eventually, hopefully more specifically, reserve funds can be maintained generally in practice for a few reasons, including to address emergencies to address temporary cash revenue shortfalls, and to provide stability and avoid risk. Some reserves are legally mandated, some are identified per policy and will highlight that policy today, and some reserves exist as a matter of financial best management practices. We're not going to go through all of the reserves today, but wanted to tee up that big principle. The city operates under a set of comprehensive financial management policies, aka fins, fins or fins. These policies direct things from financial reporting to electronic payment processing to debt management and many other categories. The policies are an important tool not only for ensuring consistent, sustainable financial practices, but also for being transparent about those practices to council, to employees, to Portlanders, and to other stakeholders such as insurers, credit rating agencies and investors in the city's bonds. There's one policy, fin 2.07, which

applies specifically to reserve funds. The first primary reserve identified by that policy is the general reserve fund. The policy level for that general reserve, often called the general fund reserve. That level is 10% of general fund revenues, less beginning fund balance. And well, let me just say state first for 2526 and proposed mayor's proposed budget that required policy amount is expected to be 77.6 million. So that 10% equates to 77.6 million compared to the policy target last year of 74.8 million. So increasing slightly commensurate with the increase in the general fund revenue expectation at that 10% policy target, our general fund reserve is lower than most, which typical kind of standard best practice is a fund target fund balance target around 15 to 20%, or roughly two or a little over two months of operating expenses. We have been comfortable with this lower target given the relative stability of the city's general fund revenue stream, which is property tax revenues. That's not the case for folks who maybe rely on on more volatile streams of revenue. Therefore, what they typically would look to have a higher fund balance target, we're comfortable with something a little lower. That general reserve is required, per the policy, to include two components. 50% of that 10% amount that reserve target, 50% of that is what we call the countercyclical reserve, which is designed to protect against very slow growth and only to be used under very specific identified circumstances in the policy. Those two circumstances under which the countercyclical reserve would be used. The first is two consecutive quarters of forecast general fund growth, lower than 3%, and the second would be meeting one of multiple declining economic indicators, such as sustainable housing, housing price declines, or increasing unemployment over multiple years. So we have to check box a, we have to have lower than 3% growth and we have to check box b, which is. Repeatable economic decline. Despite what we've

experienced over the recent years and the negative economic headwinds right now, the city does not meet either of those checks to utilize the countercyclical reserve.

**Speaker:** All right. I'm going to pause you. I feel like that was a substantive point there. I also have a question in the queue. So I'm going to do that. Just given the detailed nature of this. And you have a tendency to get on a roll. So we're going to do some questions as they pop up. Councilor green chair.

**Speaker:** I just wanted to get a little clarification in your view of. Because I understand the argument about needing to have the general fund reserve there, partly to guard against volatile revenue streams. Property taxes aren't terribly volatile, but they are down. Do you think that we are at a lower bound for our property tax revenue growth, or do you think that we could lose even more? I mean, what's the sort of near-term risk assessment you guys are thinking?

**Speaker:** Yeah, I'll answer it a little high level, and then Peter can probably provide a little more gradient level on the on the forecast. So just and just I want to be clear that we are not experiencing property tax decline. We are still experiencing small property tax growth. It's just at a rate that's lower than the three plus percent that we might typically expect. As we've said in this forum before, predominantly that's due to actual, very meaningful property value declines, predominantly large commercial properties in the downtown core. From a forecast perspective, I'll hand to Peter to talk about what we might anticipate.

**Speaker:** Yeah. And the forecast is basically one more year of very slow growth and then moderate to slow growth after that. So again, growing revenues, but just at a much lower rate. Last year's actual property tax growth was above that three whatever percent or it was above 3%, even though we saw assessed value growth of 1%, largely because we had a returning tax increment financing districts to the property tax roll. So that inflated the actual revenues that we received. The only

other thing i'll note on this because we're talking about property taxes, but then we're also talking about overall volatility. Is that the share of business license tax of our revenue stream has grown considerably over the last ten, 15 years. And so while property taxes are close to 50% now, business license taxes are about 30% and they are much more volatile. Again, we saw a decline of about 10% last year, and that wasn't during a recession or anything. That was taxpayer behavior.

**Speaker:** Okay, so what I'm hearing is that we're forecasting one more year of slow growth in property tax revenue, but we still are exposed potentially to some downside risk from our business, from our other revenue sources. Yes. Is that a fair characterization? Yes. Okay. Thank you.

**Speaker:** Okay. Great. Thank you. That's a great great questions. And yeah happy to take them as they as they come here. So 50% just to kind of reset. We were at 50% of that 10% reserve is the countercyclical. The other part 50% of that reserve is the emergency reserve. And so that's really the last line of defense to protect against, to protect against a negative general fund balance or really losing our ability to meet expenditures. So if we think about sort of the layers of protection, there's sort of our best practices, kind of optional reserves. We'll talk a little bit about things like contingency and fund balance. Then we would have that countercyclical reserve only used under specific circumstances. And if for some reason we ever had to dig down below that, then we still have the backup of that emergency reserve. The last piece on the general fund, general reserve, is that the policy does require that if the decision were ever to be made by council to utilize those reserves underneath the policy, it also requires that that moment identify a plan to replenish those so that if they're used, we also are using those with an intentional plan around reestablishing those as soon as possible.

**Speaker:** I'd like to pause you there. Given that, can you give an example of if a council taps into reserve and they identify? Here is the repayment plan. What that might look like is that do you set a date? Do you say over the next two cycles, how do you how do you achieve that. What's responsible?

**Speaker:** Yeah, that's a great question. I'm happy to say that I don't know that we've ever had to answer that question because go ahead, peter, if you've got.

**Speaker:** I think it does specify in the policy, and I forgive me for not having the exact amount of months, but it's I think it's either 24 months or 18 months or something along those lines. So it's intended to be the next budget cycle that you replenish it.

**Speaker:** Yeah. It's within 20, 24 months, 24 months identifies. And the gradient would be up to obviously council to determine okay.

**Speaker:** So for me the way I hear that is the important thing is there must be a repayment plan to get you back to that that desired reserve number. The. The offshoot of that is if whatever the situation is that drove, that doesn't change. In order to meet that repayment plan, you may find yourself in a significant general fund reduction so that you can make that payment. Meaning something so significant has occurred. We must find capital to free up in order to make that reserve hole with by the next budget, or the one thereafter. And I think I'm just saying out loud. So I understand exactly that there is a timeline and we meet it. And there there's not just getting past the current year, but there's getting past the next year or the year thereafter if the situation doesn't solve itself.

**Speaker:** Right? Yeah. I mean, obviously it would be pretty dire circumstances to, to accommodate tapping into that reserve and would be a hole to, to dig out of. The other thing I'd flag about the 24 month timeline is that might feel very different, based upon what point in the fiscal year that the decision to draw on reserves

happened, right? If that happened early in the fiscal year, you might have a lot more time to kind of accommodate it versus if it's the end of the fiscal year, you've kind of got two compressed budget cycles in there. And so just acknowledging it's very much going to be an in the moment. Understood. Yeah.

**Speaker:** With that I want to go to councilor pirtle-guiney.

**Speaker:** So I just want to clarify a couple of things that I think I heard the replenishment within 24 months applies to both the countercyclical reserve and the emergency reserve. Is that correct? That's correct. And you named some very specific criteria for pulling from the countercyclical reserve. For the emergency reserve is that is council free to use that as long as we have a repayment plan for any emergency? Or are there very specific criteria that need to be met for the emergency reserve as well that I just maybe missed?

**Speaker:** Yeah, it's a good question. The policy identifies that that's usable when under the policy to avoid a negative fund balance. So it's a little it's not specific in that it doesn't have specific conditions. There are lots of conditions that could lead to a projection of a negative fund balance over expenditures, massive loss of revenues, new unexpected obligations that could lead to that projection. So it's not specific in the way that it is under the countercyclical reserve. But but it does. It is tied specifically to fund balance projection.

**Speaker:** And is there any is there any language about how those two reserves work with each other? Council pulling from one versus the other, or from both at the same time, or is that just subject to the requirements that are laid out individually for each of the reserve funds? I'm asking these questions, and I really don't want us to pull from reserves at all. But I'd like to understand what the what the requirements are.

**Speaker:** It's important. Right? We just had a mayor release a budget and there are a lot of problem solvers. And so this is part of the spirit of this. So I appreciate these questions I hope they keep coming.

**Speaker:** Yeah. No absolutely absolutely appreciate the questions. I'm just looking at the policy. I don't see anything specific about interactivity between those. They're sort of treated a little bit as isolated elements. But yeah it's a great question.

**Speaker:** Great. Thank you very much.

**Speaker:** Councilor green.

**Speaker:** Thank you. Chair, I don't know if you're planning to talk discretely about contingencies down the road.

**Speaker:** But we will. Yeah.

**Speaker:** And i'll just i'll hold my comment to that. Thanks.

**Speaker:** Great. Great. So just to finish out the last kind of element of that formal reserve policy, the fin 2.07 is that that policy does define some specific reserves related to transportation system and to the city's feeder system, and also acknowledges that reserves may exist to comply with bond bond specific bond issuance requirements. So just wanted to call that that out, that call that out, that that is in the policy in addition to those reserves that are called out specifically in fin 2.07, as I mentioned up top, the city does maintain a variety of other reserves for specific purposes might be to protect programs from risks that were within the within the funding stream that funds a program. Both the program staff, the services provided. Examples might be things like the permit reserve. So reserve that's in place to help address declines in permit activity. Separate discussion going on about that. Obviously right now, in the context of what's going on with the development, the health benefits reserve fund. So there's examples of these funds that that exist often probably typically those. Management reserves are restricted

in use and are generally not flexible to sort of apply to different purposes. They're meant to contain within those, those dedicated buckets. The other thing I'd flag is there are also separate policies and admin rules that do exist around some of those reserves. And so this is another example where I think if we come back later at a future time, we're happy to provide a more robust kind of inventory of reserves. And what drives them both from a mount and sort of creation. Are they legally mandated? Are they policy? Are they admin rule or are they truly a management reserve? So just open up that happy to open up that door for a future discussion. Okay. So the counselor green to your question, wanted to talk a little bit about contingency. It's a little maybe less clear that the reserve policy at least is written down. And we have a way to talk about it. Contingencies a little bit more.

Sometimes a term of art. But when we talk about contingency at the city, we usually talk about it in two flavors. One is kind of the policy reserves or the policy set aside is sometimes the language we use and unrestricted contingency. So the policy reserves provide a backstop for potential expenditures that are not in the current base year budget, but have been highlighted as potential risks. So it really provides some preparation to allow spending flexibility within a fiscal year. For an example of that that we've seen used in the past few years is public safety overtime spending. So that's set aside. We anticipate that it might be something that's needed. It's a little bit of an unpredictable amount. And so that's put in this sort of policy. Set aside contingency to cover that, that expense so that there's flexibility. We don't come back monthly and regularly and say, gee, now we've got to make a new budget trade off. We anticipate that expenditure. And that's police overtime is one example. There's other skills and scopes around the city where we keep that type of a contingency. The other piece is what we call unrestricted contingency, which is essentially an extra \$3 million that we keep in in pocket for unforeseen

expenditures throughout the fiscal year. And sometimes what that does is if it's an expenditure arises during the year, that's a high, high priority. It's not covered within a policy set aside that that \$3 million contingency is really the last line of defense before we start to say, okay, now we have to go back and make a budget adjustment, or we have to go back and consider tapping the general reserve. Year over year amounts within contingency, generally at a citywide level and within the sub buckets within within the city can vary, sometimes vary widely based upon financial realities, i.e. Available revenues to support a program or expenditure volatility within that program or other emerging priorities. So I just want to flag sometimes it's tricky to sort of look citywide at contingency and find a trend, because often it's really more in the details of what's happening within those those sub buckets and what's going on around the city more, more globally. Maybe i'll pause for a second on contingency.

**Speaker:** Good pause. Naturally. Let's go to councilor.

**Speaker:** Pirtle-guiney jones, you just said that the unrestricted contingency.

**Speaker:** Is \$3 million. Is that set somewhere? Is it a percentage? Is that what the mayor happened to put aside this year? Where does that 3 million number come from?

**Speaker:** I peter's been around longer. It's a it's a it's a practice. Yeah. Practice is a better word. I was going to say a wag but.

**Speaker:** Or is it 3 million every year. And the buying power has gone down over time.

**Speaker:** Yes.

**Speaker:** And that is. Is that ever added to or is it generally just we have the policy set aside that is contingency. And we have 3 million additional. And that's all the contingency we have for a year.

**Speaker:** The 3 million in unrestricted has been stable and not added to, at least for the last four plus years. But that's where the interaction between policy reserves and contingency gets a little bit funky. Because if you think something is going to cost significantly more in the upcoming fiscal year, you'll add to policy reserves. You just might call it out specifically what it's for, and not specify an unrestricted contingency.

**Speaker:** Do we have any trends over the last few years of how much of that unrestricted contingency we've used?

**Speaker:** We can get back to you. I don't know that we have used it frequently.

**Speaker:** Yeah.

**Speaker:** At least in recent years.

**Speaker:** It may be at the over expenditure ordinance at the very like, like you wait until you're absolutely sure that you don't need it for anything else and then you it can be utilized then is, I think, the way we've historically treated it. But we can get back to you with the details.

**Speaker:** That'd be great. Thank you.

**Speaker:** That was a great.

**Speaker:** Thank you. So it's helpful to see the breakout for the two categorical purposes or uses or accounting for the contingencies. Just I think at a high level philosophical understanding of the relationship between contingency funds on the one hand and reserves on the other. And let me just, just check me on this is basically what we do with contingencies is that is our first step in sort of at a programmatic level, or maybe in the case of the unrestricted of saying we know that there is forecast uncertainty and risk inside of a fiscal year, and we don't know exactly when the flow of funds will occur. And maybe, you know, whether there's a sort of requirement to actually execute and sort of turn from accrual to cash in

some sense. And so we put we put money in a set aside to just give us that flexibility. So that's in some sense a risk hedge. And then and then after all that you've got reserves, which is sort of like after you've exhausted your set asides, you're basically at zero balance. And you can draw upon emergency reserves if you need to. Is that is that right?

**Speaker:** The only clarification I would typically it's not necessarily on the revenue side that you're hedging against with policy reserves, but it's on the expenditure side. So it's like the police and fire overtime where it was thought that that would grow instead of reduce. And so we wanted to make sure we could cover that. And now that it's coming down, that policy reserve is shrinking. And so I think it's yeah.

**Speaker:** Yeah. And I would fly I mean they're both risk mitigation tools. Right? I mean I would think of the policy reserves contingency as a little bit more programmatic or priority based. So saying we know we fund this thing that has this revenue stream and this expenditure cash flow, and there's some risk around that thing. And so we want to put some contingency or policy reserve around protecting against that thing. Whereas the general fund reserves and reserves more broadly are a little bit more for the unknown. So a little bit more for the revenue risk, right, that we don't receive those revenue streams or there's something, you know, economically catastrophic that isn't maybe as predictable as sort of the programmatic level.

**Speaker:** Thank you. That's helpful. And yeah, I think about this from like a sort of net expects. Net expense framework. So it's like net of revenues, but it's really the expense side that's more volatile. So then the other part of the question is I know that we have we have a range of policy set asides across our budget. Do you guys have a sense do they all kind of track. Is there like a metric that determines what a

reasonable set aside is? Are there some that have much larger set asides as a proportion of the budget than others? Can you give me a sense of that?

**Speaker:** I would say it's highly variable. Yeah, especially on the I mean, to the extent I just described, highly variable based upon, you know, what is the maybe the expenditure risk or if it's something that's funded by a specific revenue stream, i'll pick on permit the permit program. Right. That's a volatile revenue stream. And so there's a little bit different target. And some of them might be a little bit more of a straight line percent of x. Some of them are much more finger in the air. This is what we think. Some of them are a little bit more complex that if this then that. And so again, I think happy to come back and have a deeper conversation in those in those weeds and assemble that inventory.

**Speaker:** Yeah. Thank you.

**Speaker:** And the other thing I would add, just as a point of clarification, there will be some policy reserves in every proposed budget, but they typically are built, I would say during the fall when we have an ending fund balance. And so then it's we kind of know what we're working with. And then also know have a better insight into where we would need contingency or policy reserves and so on. The not the like the 10% or the firm reserves that each one has to have. But on the more flexible, that tends to be a process that's added to and taken from throughout the year by council.

**Speaker:** Thank you. I guess what i'll say from my colleagues here is that if we're going to think about tapping into reserves, I am very uncomfortable even to say it that in that way. But if we're thinking about reserves as our broader budget tool, I would I think we should be looking at these policy set asides first and asking the question of whether or not they are right sized to. And maybe that's between now and fall. But but you know, that's where we should be looking because. At the end

of the day, we're trying to marry up the resources that are necessary from a risk informed perspective to fund our budget priorities. And then if we want to free up resources by doing that sort of exercise, put some limits or whatever. That's, I think, the way to get cash into the general fund and not by saying, well, we're just going to, you know, 77 million is too high for a reserve balance. I think it should be seven. You know, I think that's how I tend to think we should go about this. And that's just me editorializing. Thanks.

**Speaker:** Great. So just thank you, councilor green, for that. That's really just the last point I was going to make is I would be remiss as the chief financial officer if I didn't acknowledge exactly that, that as was referenced in peter's forecast, that was just published last week. We are in kind of an unprecedented moment of, of uncertainty. You know, reserves are designed specifically to protect us against those uncertainties. Very volatile financial markets, national news, etc. And so, frankly, this is exactly the moment when we should be very diligent and disciplined in maintaining, or at least having very intentional conversations about maintaining those reserves. That's all we had prepared and obviously happy to take more questions, expecting we will come back and dig in more, but but happy to entertain other thoughts.

**Speaker:** Thanks. With that, I think both questions and discussion are quite welcome. Councilor pirtle-guiney.

**Speaker:** I just want to make sure that I have this written down correctly. I wrote down five types of reserves and contingencies. The general reserve fund with the countercyclical and emergency reserve. The reserves that are specified in fin 2.07. Aside from that general reserve fund reserves that we have for offsets of specific risks that are not called out in a financial policy, but that we have to be responsible to those risks, policy reserves or policy set asides which which start to bridge the

difference between reserve and a contingency, and then the unrestricted contingency. Is that correct, or did I miss a category.

**Speaker:** Yeah. That's fair okay.

**Speaker:** Thank you.

**Speaker:** Let me I want to clarify. So you said policy reserve in that. So police overtime you would call that in the city of Portland a policy reserve or policy contingency.

**Speaker:** It's in like if you go to the accounting software it would be in the contingency bucket. And then it would be a separate line item from unrestricted contingency as policy reserve. Sometimes it's also called policy set aside.

**Speaker:** But and the way we use policy set asides is they are things we anticipate in the current fiscal year budget that we may need to address these long term protective measures like the reserve would be for catastrophic event.

**Speaker:** Right. And I guess the way I think about the nuance to council president's question is there's sort of policy reserves that are maybe more specific to an area. So there's a separate policy or admin rule that's around that specific thing versus the policy set aside, which is really much more discretionary. There isn't a written policy, a document to point to. It's we think this is the right thing to set aside for this risk in this fiscal year.

**Speaker:** So for intents and purposes, certainly our contingency fund has, as you noted, by by practice, 3 million of undesignated unrestricted general fund dollars that sit there for the look what happened then. Our contingency fund also has a number of projects, prerogatives, policies, etc. That we think we may have to account for. And they have a variety of names, but they, at the end of the day, are part of that. Given year's contingency.

**Speaker:** Correct?

**Speaker:** Okay.

**Speaker:** I, I just say that from and I want to make sure that we are using the words restricted and unrestricted in a way that will help our council make decisions. In previous governments, where I've been a part of the budgeting, we have signaled an intent by a line item in our contingency. For example, anticipated police overtime. But those were only just signals, meaning that if a later date in the in the fiscal year, the council decided that that was no longer a need to set aside, they could tap into those contingency funds for whatever use they deemed in the future, as long as they took a budget vote for that. Okay, so it is more of a mechanism than to signal the amounts that existing contingency than it is a hold fast. It's the only thing that they can be used for. And I I'm getting nods from the table. Okay. I the reason I'm, I'm going to like the detailed level here is just that we have a variety of experiences that are going to form up how a contingency is formed. And I will just note, I think that the city we talked about 3 million. And I think that was I'm happy that my colleagues brought up how that is just a practice. The city of Tigard, our neighboring city of a whopping, I think, 55,000 residents, has a general fund contingency of \$1.4 million. We are anywhere between, I don't know, what is it, ten and 12 times the size of that community and ours is our contingency is only 50% more in the general fund. So I just kind of flagged that I indicated to this group last time that I have some concerns about the size of our contingency moving forward, but also about reserve. But it's just been in practice that we have had 3 million. And I was looking while we were here to see what Multnomah County's is across the river, and I wasn't able to pull it up quickly enough. Are there other. I don't see anybody in the queue. Councilor green. Thank you.

**Speaker:** Thank you. I'm actually just a question to what you just raised in terms of level setting in other municipalities. Do those other places have the level of differentiated policy set asides that we do here at the city of Portland?

**Speaker:** So they I don't think at the same level. And I think that's a it's a good point. And. I think as we enter into the into the budget year, I've already talked to some councilors who have some ideas that they are preparing to kind of flush out in the budget season, and those may not be fully baked by a certain time, but they may have a what I would say is a contingency type of, of, of allocation. That would be a great policy set aside knowing that if they can get the program together or if the program shows it has a need for this extra funding, that we can do it. But we should consider the contingency fund as a whole. And it's a I think that this group of finance council people. Having an idea of all the different uses of contingency and reserve, is just going to serve our body well as we move into these discussions that in my years of budgeting, I've seen a lot of really good ideas make it into contingency, which is a signal of if it all comes together. This is available for tapping at a later date. Given the rush of what is the budget season, and I think it's been a great strategy for a lot of very good programs in this community over the years, that not everything has to be fully baked, but the size of a contingency. In a time when last week we heard our economic situation is unpredictable. Is another parallel track here that we should be considering. And I and I think 10% we heard earlier, 10% for our reserves is lower than a lot of our peers would. But because of our property tax structure, we have a predictable revenue model. But still it is. It is a lower target than most. And for me, I take that as one of those. That's a concerning statement. Given a volatile upcoming economic market. So in another way of saying that this is my indication that I'm going to work really hard to make sure we don't

deplete a reserve and don't deplete a contingency as we move forward in the next six weeks.

**Speaker:** Yeah. And thank you for clarifying that context. I think, you know, a three, \$3 million unrestricted general fund contingency is already sort of an implicit statement that council or the city is willing to be a little bit more, a little less risk averse, I suppose, but then it would but then we, you know, it accrues on the back end as reserves. And so there's that, that relationship. So if you increase the general fund, unrestricted contingency and you do nothing else to the budget, you'll deplete your reserves accrual, or you'd have to sort of lower the rate at which you'd add to reserves. I think I would not be comfortable at this moment trying to raise that that unrestricted I in terms of the and I agree, actually, I think the 10% you know that's about what that's do you say it was about two months cash on hand at most.

**Speaker:** It's so 15% or 16 between 16 and 17% is two months cash on hand. That's the recommendation. 10% is obviously lower than that.

**Speaker:** So we're we're under that. And i'll just i'll note that the bonneville power administration, which I used to work there, it's got revenues that are actually in a general fund sense greater than our cities. They they have a financial reserves policy that that says 60 days cash on hand is their lower acceptable bound, and that they will start to trigger an accrual of reserves between 60 and 120 days. And so yeah, I'm also a little uncomfortable sort of hanging out in that space and drawing down reserves. Given the we may have a recession like we hadn't seen one before in a very different way coming down our pike. So thank you.

**Speaker:** Thanks, counselor. We'll go to councilor novick.

**Speaker:** Mr. Chairman. And gentlemen, I'm a little confused by the assertion that we can we're at less risk because we're reliant on property taxes and they're pretty

stable. Are there a lot of other jurisdictions that rely on property taxes, too, and what their reserves look like?

**Speaker:** Let me great point. It's more the like the proportion versus outside of Oregon of like of sales tax, I will say, because we talked about more local jurisdictions with a similar revenue makeup. Multnomah County's reserve policy is currently 12%. And they've gone on sort of slowly increasing it over a long time to try to get to 15%.

**Speaker:** Yeah, I would imagine that all Oregon municipalities get a little bit more credit for our predictable property tax system than outside of Oregon, given our property tax structure. And what was noted is the size of our blt is 30%, which is volatile. Yeah, sorry, just to jump. It's also extremely dependent upon size of size of the enterprise, size of the entity. Right. How reliant is the general fund as a total portion of the budget. And so all those are factors that factor in I just caution because looking across even within Oregon, you know, city of Portland is very unique relative to most of our most of our municipal peers.

**Speaker:** We have more vacancies in the city of Portland than most municipalities in the state of Oregon have total in employees, which means we could do a hiring freeze and our expenditures take a significant shift relative to our peers across the state of Oregon. Councilor you back in the queue? No, no. I'm looking across comments councilor avalos anything at all. Any. Okay, I think with that we've asked the questions. We've had a little bit of discussion. Anything from staff?

**Speaker:** No thank you. Look forward to coming back and continuing the discussion.

**Speaker:** Appreciate it.

**Speaker:** Great. Thanks a lot. Appreciate the opportunity for this discussion on a couple of things that often get blended together, okay, that I think we're ready for. Item number two.

**Speaker:** Authorize the bureau of transportation to acquire certain permanent and temporary rights necessary for construction of the northeast columbia cully boulevard and alderwood road intersection improvement projects through exercise of eminent domain authority.

**Speaker:** Okay.

**Speaker:** My understanding is we have dca people on the call potentially introducing.

**Speaker:** Thank you. For the record, this is I use she her pronouns and I'm the deputy administrator for public works. Good afternoon chairwoman and councilors. Thank you for the opportunity to bring forward these two ordinances for the committee's consideration. Together, they represent the next step in advancing two important infrastructure projects, both of which are slated to move into construction later this year. The first ordinance supports a safety improvement project at the intersection of northeast columbia boulevard with alderwood road and with cully boulevard, which are both key freight and community corridors in the northeast. Portland, and the second ordinance enables a sidewalk infill project, along with southwest capitol hill road between barber and southwest boulevards, and this is designed for improving safety and access for people walking, biking and using transit. We have staff from pbot to walk us through the property rights eminent domain process, and then some quick details on each project. With that, i'll hand it over to the right of way. Agent supervisor martin maloney to start us off. Thank you.

**Speaker:** Good afternoon commissioners. I'm sorry, committee members, my name is Martin Maloney with the public right of way acquisition. And this presentation is to give some general background about the eminent domain process as well as the need for our ordinances of intent and necessity. So let's see our first slide here. What is the basis for paying just compensation. Just compensation was first covered by the United States in the fifth amendment of the US Constitution. In 1970, Congress passed the Uniform Relocation Assistance and Real Property Acquisition Policies Act. This provides more uniformity to the states to follow when acquiring private property rights for the public good. Soon after or over, US 35 was passed, which Oregon still adheres to this day. When acquiring property rights under the threat of eminent domain. And second slide is what is the purpose of the uniform act? And the uniform act requires an agency to offer just compensation based on a credible appraisal report and provide adequate time to consider this offer. Our section strives to treat owners fairly and consistently encourage acquisitions by agreement, minimize litigation, and promote confidence in the public. This cuts down on the need for acquiring property rights through court action and. Next. And what is a typical easement look like? So this is an example of a property we needed to acquire some private property rights from. And this is off of a safe routes to school project on Southeast Main and 174th. And when we actually take this to council it would look like this. We add these exhibits in that show a legal description and an exhibit of the property rights necessary to acquire through through the process of eminent domain, if necessary. Let's see, why do we need an ordinance or US 35 requires the agency to pass an ordinance of ordinance or resolution specifying the needed property rights for all of the project. This also provides the ability to offer compensation to property owners for the specific property rights as well.

**Speaker:** And.

**Speaker:** The next one here, and what type of outreach does our section complete during these? During the process, these are some examples of communications with property owners during the right of way phase, the we will send out general information notices sent by certified mailing which contain property or which contain project information, as well as the needed property rights from the property owners, as well as the ordinance hearing information. And just as a matter of note, I don't know of any other government agency that actually does provide that information and invite the public to our ordinances ordinance hearings. We send out 15 day appraisal inspection notices to the property, and then we will send out offer benefit packets to property owners that specify this appraisal and the city's just compensation amount. Based off this appraisal report. And then the property owner has 40 days to consider these offers at that time. And we'll have plenty of conversations with them during the active negotiation. And so easements acquired over the past 15 years. So I've worked with with the city of Portland for about 15 years myself. And during that time, we've averaged about 160 easements acquired per for pbot. And as capital projects, about 24 100,400 easements acquired through active negotiations. None of these have been acquired through trial. And also just one acquisition we acquired through a mediated mediated settlement. And at this time, I can hand it off to steve or capital delivery project manager or division manager to speak a little bit more about the northeast columbia boulevard intersection improvement project.

**Speaker:** Good afternoon. Councilors again, steve seghetti, pbot capital delivery division manager. We wanted to provide that introduction because we will be, as you saw, we bring a lot of these to council historically. So wanted to have marty here to provide that kind of introduction to the new council in this committee about

what the process that we go through with right of way acquisition. So now you hear about the two projects that we have coming up at council specifically. So I'm here on behalf, by the way, my project manager winston sandino, who couldn't make it today, but this project, northeast columbia boulevard at cully and alderwood, is a freight mobility project located here on the map northeast columbia boulevard to sort of tightly spaced intersections on columbia boulevard and important freight corridor. So this is a freight mobility project also safety project. The main features include side by side left turn lanes to kind of unlock a bottleneck and safety issue between those two intersections. Dedicated left and right turn lanes on alderwood. South bound approaching columbia boulevard. A new traffic signal at columbia and cully boulevard. If you've ever tried to turn left from cully onto columbia, you know that's a pretty scary to do today. So that will help with that traffic signal replacement at columbia and alderwood. And as with many pbob projects, pedestrian bicycle benefits as well. Wider sidewalks with street trees, upgraded ada ramps and a 12 foot wide multi-use concrete path on alderwood and columbia. Granted, it'll be kind of a little bit of an island of pedestrian and bicycle friendliness in this larger freight area, but any opportunity we have to kind of install those facilities is important funding wise. This is a primarily a federally funded project through both a partnership with the port of Portland as well as through metro's regional flexible fund program. 9.5 million total project cost. And here are just two illustrations of the two intersections again. So cully cully columbia is the western intersection. Columbia alderwood is the eastern intersection. Today you really just have one single left turn lane shared by those those two intersections. So you see the side by side left turn lanes there in the middle of the road. That sort of unlocks that bottleneck and improves safety for turning. There you can see the wider approach from the north on alderwood road that becomes left and right turn lanes,

and then just wider sidewalks with planter strips and that multi-use path on the northern component of the project. So you know this obviously this takes up more space in the environments that we need to acquire these, these property rights through this ordinance. Just last slide before I'll turn it over to Heather. Current project phase. We're in design. We've completed environmental assessment. We're at a 60% design level. And right of way acquisition is next. Looking at a construction date of summer 2026. Again, project budget 9.5 million, approximately 90% from the federal government. This is a partnership with the port of Portland. And in terms of public involvement, you know, one thing to kind of add on to Marty's, the slide he had about the right of way process, even before we get to the right of way process, our project managers are doing outreach in these areas. So this is almost certainly not the first time that people are hearing about the project. We want to set up our right of way agents. Well, for good negotiations through through good public involvement. So we've done that here. We've been in contact with the property owners. We've done presentations and discussed early designs with both the cully association of neighbors, as well as Naya Native American youth and family center, as well as the Portland freight advisory committee. And we, Heather, will get into we've done additional new round of communications with the directly affected property owners just over the past week, and we'll have additional mailings and an open house as the project progresses through design and approaches construction. So enough for me introduced Heather here. She'll introduce herself and we'll get into the actual right of way process here.

**Speaker:** Hi, I'm Heather Byers, a right of way agent with Pbot. So my primary role is to lead the right of way acquisition process for capital improvement projects. And today we're here seeking authority to proceed with negotiations and to offer just compensation to property owners for necessary easements and, if needed, to

condemn for these easements for this project, permanent and temporary easements are needed from ten property owners. Permanent easements are needed for construction of ada ramps and sidewalk improvements, and the temporary easements will be used in support of construction. Affected property owners have been notified of the city's need to acquire these property rights, and have been informed of the upcoming City Council hearing. We've also reached out by phone to affected property owners, who didn't initially respond to the general information notices we sent out via certified mail, and that concludes our presentation for this project.

**Speaker:** Both of these will be coming on the 21st, I believe. Yeah, we'll pause there. We had one more project, but does the committee have any questions before getting into the next project?

**Speaker:** It looks like we do. So let's go to councilor. Pirtle-guiney to start with.

**Speaker:** Thank you. First, just a small.

**Speaker:** Technical question. You said that you had done another round of outreach to folks who had not initially responded to the first round of outreach. Have you at this point made contact with every single property owner, or are there still property owners who we have not had a conversation with.

**Speaker:** For this project? I believe there's one who I left a message for, but with like a receptionist where they where they work. So I've made contact with someone within the business because these are mostly there's a couple businesses that we have a private road that we're affecting. So the businesses along that road, but otherwise, yes, we've made contact with everyone.

**Speaker:** Okay. And all of the sites along this project are industrial landowners, is that correct?

**Speaker:** I believe so.

**Speaker:** Yeah, I think that's all, except for.

**Speaker:** Portland parks with the golf course. Yeah.

**Speaker:** Okay. I do have some questions about the project itself, but those are probably policy questions that are better for a briefing for the transportation and infrastructure committee. And if I remember correctly, you are going to give them the opportunity to hear about these projects. But finance will make the decision on the items that need to move to council. Is that correct? They will be given that opportunity.

**Speaker:** I will defer to your news on that. Yeah. We'll check in with our council coordinator with macron. Yeah.

**Speaker:** Councilor here I'm online and we will not be taking this to transportation committee. But we have offered to give them a briefing.

**Speaker:** Perfect. When we had last talked, we had talked about making sure they had that offer. I'm glad that that's happened. Does the project cost that you listed include the cost of reimbursement for properties under the eminent domain process, or is that an additional cost above and beyond the project cost that was listed on the screen?

**Speaker:** The project estimate includes sort of a basic estimate of compensation to the properties, you know, if it went to an eminent domain situation, which, again, is exceedingly rare in our work, that would come out of a larger project contingency, which also exists within that 9.5 million.

**Speaker:** So we shouldn't expect to see any additional asks for dollars come before us on these projects because of the eminent domain process.

**Speaker:** Correct? I don't anticipate that. And I'll add on to that also that we have recently successfully gotten some additional funds through metro through their

redistribution process of regional flexible funds to help bolster the budget of this project overall. So that would help this situation if it were to come to pass.

**Speaker:** Perfect. Thank you so much.

**Speaker:** Councilor avalos is next.

**Speaker:** Please.

**Speaker:** What happens if a property owner declines?

**Speaker:** Declines for any any offers?

**Speaker:** Yeah.

**Speaker:** So the city will this happens. And what we're what we would actually ask would be, you know, we're not infallible when we go through this process. So we work with them and ask like, why do you think our offer was not enough in your eyes? We just want to have that information from them as well. And we really try to work on a settlement at that point. There is information that our appraisers might miss during their inspections. So this does does this does occur and we definitely are there to work with them. If we can't come to an agreement at that point, we would have to actually work with the Multnomah County and enter in filing for early possession of the property. And even at that point, we're still going to be working with the property owner and see if we can come up with a negotiated settlement ahead of trial. And again, like the slide I have shown, I have never even taken one of these to trial before, because usually we will work with the property owner and try to figure out a settlement that works for both of us.

**Speaker:** Okay. Thank you. So in general, I was curious about pbot's planning on ensuring ongoing maintenance of this multi-use path and ada improvements so they don't fall into disrepair like we've seen everywhere else. Is that are those things built into your plans?

**Speaker:** We do a maintenance estimate with every capital project, so a life cycle maintenance cost for every project so that that is that is considered. This project will have a mix of sidewalks, which currently under title 17 are adjacent property owner responsibility. After the warranty period of the project, the multi-use path to your point, we've determined that those are pbot responsibilities. When it's not a sidewalk as defined by code. So yes, both both are are considered when we when we advance these capital projects as well as the pavement in the roadway as well.

**Speaker:** Okay. Lastly, what feedback did you hear from cully residents and community orgs during early design and how did that shape this project?

**Speaker:** Great question. My our project manager, winston sandino would definitely speak to that better than I could. And we can get that information. What I do know is that we've had no pushback on this. It's, you know, sort of the most impacts are in that industrial area where we're working directly with the industrial property owners. So I have not been made aware of any concerns from any of the stakeholders in the area. We typically see that a little bit more when we're doing projects in sort of residential and commercial areas of the city. This one, you know, being somewhat separated from the primary area of the cully neighborhood. I have not heard of any major pushback. But again, i'll make sure with my project manager, winston sandino, if we if we've heard anything and we can bring that to the t&e committee, if that's if that's appropriate.

**Speaker:** Thank you. That's all.

**Speaker:** All right. Apologies if I haven't seen it. I guess I'm trying to understand. Or in the document there is an estimate for finances that you expect to pay out for these. I don't know if the right word is settlements or whatever the right word would be. Do you have an estimate, a dollar estimate, given that this is finance committee.

**Speaker:** We do, definitely. It's been a policy that we haven't actually shared that since it's public information, and it might actually affect our active negotiations with property owners down the road. That's sure. But it is definitely attached to the project overall budget. And to even add to Steve's point, we do add a contingency as well for the potential for condemnation proceedings. So there is a contingency in our estimates for right of way as well.

**Speaker:** I was hoping you're going to answer it that way. So thank you. I'm highlighting the point in that it's a real estate negotiation, which allows you some flexibility to go proceed as you need. And as we get our legs under us for what comes to different committees and then goes to council, I wanted to highlight that that point here, that there is not a dollar amount, but I am seeing that. So the project budget, if I'm reading this correctly, is 9.5 million, right? And so that just gives us an idea of just in terms of what the cap would be and, and percentages of what this is relative to the whole project. So thanks for answering it that way. And with that, councilor green.

**Speaker:** Thank you. Chair. Did I hear correctly? I just want to make sure I heard it correctly, that there will be a period of warranty period during construction, but then after that, the adjacent property owners will be assessed an infrastructure fee. Is that right?

**Speaker:** Not a fee. What I was referring to there is, after the two year warranty period of the construction contract. So after construction is complete, we have two years that are subject to warranty. After that, existing city code in title 17 has anything that's defined as a sidewalk becomes the maintenance responsibility of adjacent property owners. So no fee assessment there. Just a general sort of, you know, maintenance obligation of property owners. And that's that's citywide okay.

**Speaker:** That's helpful. So it's not we're not going in saying here's some money for the easement and maybe we're but then also we're going to take it back from like a, like an sdc type of arrangement. That would feel awkward.

**Speaker:** Correct. No. Yeah. There's nothing no arrangement there. I mean and also this maybe to that point this we have some projects that are local improvement districts. This is not one of those. So there's no no assessment to property owners. Just a code item related to sidewalk maintenance in the long term.

**Speaker:** All right. Thank you.

**Speaker:** Okay.

**Speaker:** You have more information about the southwest project as well.

**Speaker:** Yes.

**Speaker:** And i.

**Speaker:** Think maybe we go ahead and present on that. And then i'll entertain motions on both of these projects separately. So why don't you just roll into the next piece of this?

**Speaker:** Great ashley will.

**Speaker:** Introduce herself and take take it from there. Thank you.

**Speaker:** Hello. Ashley lopez, pbob project manager for the southwest capitol hill road sidewalk infill project. Here is a photo of what will soon be sidewalk adjacent to a nature park. So this project is a project. A local transportation infrastructure charge. It's a fee that developers pay in lieu of improving the frontages on unimproved single family lots. And with those funds, pbob designates where those funds are spent due to high need areas around the city. So this is one celtic project in Portland, and this corridor on southwest capitol hill road between bertha and barber was prioritized due to these highlighted bullet points. So an important route

to neighborhood destinations you'll see in the map area. It is adjacent to parks, schools, and frequent transit areas. It's home to underserved populations, including higher proportions of people of color, people with lower incomes, and people that rent their homes. And it's also a large stormwater issue area. Lots of erosion and flooding and higher vehicle traffic along these areas with sidewalk gaps. So lots of folks are forced to walk in the roads here. It's also a joint project between pbot and the bureau of environmental services. So pbot through this project will be building new sidewalk segments. Approximately 740ft, install new bike infrastructure. So this will include bike lane striping and some shared paths, and also update street lighting. And the bureau of environmental services will be planting new street trees and adding stormwater facilities. So here is the map of the area. And this is the sidewalk, sidewalk and bike, pedestrian, sidewalk and bike locations that are highlighted. We have one tiny segment on the northern end, a central section, and then that southern end. And again, this is on capitol hill road between berthia and barber. So the project schedule is shown on the bottom, and we are currently in 95% design phase soon to wrap that up, with construction expected to start in spring 2026 and last about a year or so. So in terms of public involvement, I was able to keep track of everything I've done since August 2023, which is when I got this project. But even before then, there was even more public outreach. So that's not on the record, but we've done virtual open houses, tabling at community events, including Sunday parkways and Multnomah days, email newsletters, presentations to neighborhood associations, along with door to door flyering and lots of mailings. And then shown here is the project budget at 2,666,000. So this includes the local infrastructure improvement charge, general fund, out of the mud, and a federal state grant, which was secured by community group southwest trails. Is this.

**Speaker:** Your part?

**Speaker:** Yes. Okay.

**Speaker:** Hello again, heather byers, right of way agent with pbot. And I'm also working on this project. We're here seeking authority to proceed with negotiations and offer just compensation to property owners for necessary easements and, if needed, to condemn for these easements. For this project, permanent and temporary easements are needed from ten property owners, which includes one permanent easement and ten temporary easements. The permanent easement is needed for construction of ada sidewalk improvements and bicycle infrastructure, and the temporary easements will be used in support of construction. Affected property owners have been notified of the city's need to acquire these property rights, and have been informed of the upcoming City Council hearing. Staff has also reached out for this project by phone to affected property owners, who didn't initially respond to the general information notices. This concludes our presentation.

**Speaker:** Great. We're going to go to councilor green for questions first.

**Speaker:** Thank you. Chair. So you've received you've done some outreach with the neighbors. Have you received any feedback?

**Speaker:** Yeah. We one of the topics we actually asked and this was tabling at Multnomah days maybe last summer or so we asked.

**Speaker:** Have all been there. I think we were all there.

**Speaker:** Okay, might have met you. So one of the questions we asked for capitol hill road was whether folks wanted parking for the park or sidewalk segment there. So that was one one area that was influenced by public input. So folks did prefer sidewalk as opposed to parking for that nature park.

**Speaker:** That's not surprising. People in southwest don't have sidewalks. The other part, I guess I would have. So I guess on the map it seemed like there was a break in the areas we're going to do the work for, the areas that don't have the blue line. Is it because they already have that infrastructure, like what's going on there.

**Speaker:** That yeah, we are doing sidewalk segments. And so not all areas that are shown white have sidewalk. We did do scope reductions due to not having enough funding to build the entire corridor out. So some of the segments we cut out were the more trickier or more expensive segments. So the section adjacent to a park does have sidewalk north of that does not, but that section would require large retaining walls which which would have doubled what we're paying in some portions. So we did eliminate that segment just due to funding. But we are in fact designing the segment between a park and the southern blue line. So we're having our design consultant design that portion and knowing that we can pay for that with future funding. So that's all we can afford right now to build with this project. But we're working to design other bits as we go along.

**Speaker:** So it's a it's a funding constraint, not a sort of we don't think we need it.

**Speaker:** Right.

**Speaker:** Okay. That's really useful for a later conversation this week on sidewalks. The other piece is that I did see mention of a local improvement. Did I see were there going to be user fees or sort of adjacent homeowner fees attached to this as well? Or help me understand that.

**Speaker:** These fees were paid by developers all across the city, and we are using these funds in this location, so we're not charging.

**Speaker:** Any sdcs.

**Speaker:** We already have these these fees collected.

**Speaker:** I could add on to that a little bit more. Ashley is exactly right. I was adopted, I believe, in 2016 by council. Councilor Novick knows a lot about it. And so yeah, so that went through sort of an investment strategy of where to spend those, those dollars that come in from those single family frontages fee and lou. And this particular area of southwest Portland was one of three areas of the city that were chosen for investment in the Tryon and Stevens Creek watersheds of southwest Portland. The other two areas, by the way, were in Cully and in the Division Midway area. So yeah, these are public investment of funding in hand, no new funding or no new charges to properties.

**Speaker:** Okay. Thank you.

**Speaker:** Thanks. Let's go to Councilor Pirtle-Guiney.

**Speaker:** I understand what the reimbursement to a property owner is when we're taking permanent permanent property rights, but this looked like nine of the ten properties that were touched were just temporary easements. What does that reimbursement look like? I know we can't talk about specific costs for this project, but generally, is that a percentage of what the market value is? Is it based on what the type of impact is? What should we think about from the finance perspective that we're looking at when we see temporary property easements?

**Speaker:** Yeah.

**Speaker:** You're definitely correct on that. So it's basically looked at as a ground lease almost. So temporary construction easements are right of way acquisition as well. It doesn't matter if it's temporary or permanent. But the acquisition for the temporary rights is usually based on a percentage of fee. And it really depends on what the use is. If we're going to be doing any grading, if it's for public access, if it's a non-exclusive or exclusive temporary easement, that would the percentage would actually switch a little bit in those regards. So it's a kind of what we are doing.

**Speaker:** Thank you.

**Speaker:** So you spoke of there being a lot of renters along this corridor. I want to one just kind of get a sense from you, all of how you believe that this project will benefit them directly and not accelerate their displacement. But also, I'm curious what strategies were used to ensure that renters who often don't receive mailed property notices were informed and had a say in this project.

**Speaker:** Speak a little bit to that, and actually feel free to chime in if you have anything else. But yeah, I mean, one of the great things about this project is we have both a mix of both market rate and affordable units in the pipeline. I believe Portland housing bureau has a project at barber boulevard across from the safeway in the works. Habitat for humanity has a development up at the north end. So this dovetails well with those those two investments, particularly on the south end. You have the safeway grocery store. So these sidewalks will help people get to and from that grocery store, as well as the frequent service number 12 bus and same thing up at the north end. I mean, even that tiny little speck of blue on the map, there is a missing segment of sidewalk that could help people that live either at the existing or the proposed habitat for humanity community to access. For example, reekie elementary school or ida b wells high or the hillsdale town center. So I think it's a good some good destinations in the area. Speaking about how we reach folks, we use. And actually you've probably done this more recently than I have, but we have a way of using postal service lists to reach every single apartment and not just assume that we're, you know, getting every address from our geographic information system.

**Speaker:** Yeah. And I guess you bring up a good point about reaching folks in apartment complexes. I used to actually partner with through a nonprofit working through at affordable housing complexes. And I know that a big part of reaching

folks there is working through the resident services coordinator. So it could be possible that I could locate whoever that person is based on the different complex and invite them to walk through or open houses that we're doing. I know that we're a ways out from construction, but this is one of my biggest projects, so I'm kind of doing the most public involvement. So that that's definitely something I have planned to do something in person. So yeah, just working with someone who's already there and getting the information to folks would be useful.

**Speaker:** Thank you. That's all.

**Speaker:** Councilor novick.

**Speaker:** I confess this isn't really specific, but I just wanted to have a little further conversation about the altec, which I remember us creating. And the idea is that instead of people developers spending money to build a lonely, tiny little piece of sidewalk disconnected from anything else, the money goes into a pot to use for priority projects. I was curious about two things. One, I had thought before that we were going to like, say, all the money collected within a certain area of the city would stay in that area. I was actually pleased to hear you say it sounds like it's more it's citywide. And second, how much money have we collected in funds over the past nine years?

**Speaker:** I would need to look that up. Councilor novick. Yeah, I don't have that in front of me, but we know that we've had to kind of slow down these projects, unfortunately, to match cash flow. And I do know that it has it did go down a bit during the pandemic. We had at the beginning of that program an assumption of around \$1 million a year coming in, and we did receive that and actually did surpass that. I think the most we got up to was about 1.5 a year before the pandemic, and then that has kind of slowed down a bit. So now we're in the kind of hundreds of thousands per year. So yeah, I don't have the account balance in front of me. But

you know, we've had to sort of sort of parcel out these projects. This one, we have another one in southwest on southwest gale street, and then we have actually the first one that's going to construction, you might hear about later this year in cully. So I can get you the account balance and some of the.

**Speaker:** I don't need that. I just wanted to know a ballpark like you just gave. Thank you.

**Speaker:** Thanks.

**Speaker:** Miss Lopez, I just want to say thank you. I think your record keeping and in terms of the engagement has been really helpful. And in terms of, you know, let's let's be notable that that yellow spot there is a school, a park is one of the least accessible, in my opinion, in that area. So I just think that this is an important, important spot. And I also think that this project gives us a chance to dive a little further in on something that both councilor green and I've brought up is the varieties of types of sidewalks that we can we can plan for. Right. Southwest presents a number of challenges. And when you're taking something from mud and gravel, just going up a little bit makes such a hell of a difference. And so I just I appreciate what you've drawn for us in terms of what we can get done, but also what we'd like to get done. And there's a big difference there. So i, I want to meet the person who doesn't want a sidewalk on this road. I'd love to have a coffee with them and pick their brain. I also, boy, in terms of related to the other projects and some of the examples you had in your presentation earlier, sign me up for a. You're going to pay me to take a little bit of my property to then do a sidewalk. That then makes my property more, more valuable. I mean, that's a list I want to be on the top of. So heck yeah. Thank you for bringing this, councilor green, do you have another comment? No. Okay. With that, I think we're going to take the opportunity

to check if there's any public testimony on both of these ordinances before I will entertain a vote.

**Speaker:** No one signed.

**Speaker:** Up.

**Speaker:** No signups. Okay, councilors, with that, taking one at a time, I will entertain a motion to adopt this ordinance that finance and send it to council with the recommendation for passage for item number two.

**Speaker:** Chair, I move the ordinance to authorize the bureau of transportation to acquire certain permanent and temporary rights necessary for construction of the northeast columbia cully and the rest be so full sent to full council with the recommendation that be passed. There's a long title.

**Speaker:** Second.

**Speaker:** Okay.

**Speaker:** We're moved by councilor green and seconded by councilor novick with that clerk. Can you call the roll, please?

**Speaker:** Pirtle-guiney.

**Speaker:** Sorry, novick. Hi, green.

**Speaker:** Hi.

**Speaker:** I zimmerman.

**Speaker:** I unanimous the ordinance carries with that I will take a similar motion for item number. Actually, I want to make sure Keelan. I think you might need to read item three into the record. Then I will take that motion.

**Speaker:** That sounds great. Thank you. Authorize the bureau of transportation to acquire certain permanent and temporary rights necessary for construction of the southwest capitol hill road and southwest troy street sidewalk infill project through exercise of eminent domain authority.

**Speaker:** Chair zimmerman, I move the ordinance to authorize the bureau of transportation to acquire certain permanent and temporary rights necessary for construction of the southwest capitol hill road and southwest troy street sidewalk infill project through exercise of eminent domain authority to be sent to the full council with the recommendation that it be passed. Second okay motion by councilor novick, seconded by councilor green. With that clerk. Can you call the roll pirtle-guiney?

**Speaker:** I novick I green, I avalos zimmerman.

**Speaker:** I with the unanimous vote that ordinance passes.

**Speaker:** Thank you council.

**Speaker:** Thank you for your presentation. Exciting for both of those projects. Both well needed. Thank you. Okay. Councilors, our next meeting will be Monday, will be Monday, may 12th. And that will be our first. We'll call it sub budget committee. It'll be a work session for this committee for the ops and finance part of our organization. And so with that you can expect to see dca's, beery and morrissey, along with their teams, presenting the more detailed version of their budgets and seeing no other comments or questions. I will adjourn this meeting of finance.