

Regular Session

RS

Milwaukie City Council

COUNCIL REGULAR SESSION

City Hall Council Chambers, 10501 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

2413th Meeting**REVISED AGENDA****NOVEMBER 5, 2024**

(Revised November 1, 2024)

Council will hold this meeting in-person and by video conference. The public may come to City Hall, join the Zoom webinar, or watch on the [city's YouTube channel](#) or Comcast Cable channel 30 in city limits. For Zoom login visit <https://www.milwaukieoregon.gov/citycouncil/city-council-regular-session-382>. Written comments may be delivered to City Hall or emailed to ocr@milwaukieoregon.gov.

Note: agenda item times are estimates and are subject to change.

Page #

1. **CALL TO ORDER** (6:30 p.m.)
 - A. **Pledge of Allegiance**
 - B. **Native Lands Acknowledgment**
2. **ANNOUNCEMENTS** (6:31 p.m.) **2**
3. **PROCLAMATIONS AND AWARDS**
 - A. **Veterans Day – Proclamation** (6:35 p.m.) **5**
Presenters: Council President Robert Massey, and
Councilor Adam Khosroabadi
4. **SPECIAL REPORTS**
 - A. **None Scheduled.**
5. **COMMUNITY COMMENTS** (6:40 p.m.) **7**

To speak to Council, please submit a comment card to staff. Comments must be limited to city business topics that are not on the agenda. A topic may not be discussed if the topic record has been closed. All remarks should be directed at the whole Council. The presiding officer may refuse to recognize speakers, limit the time permitted for comments, and ask groups to select a spokesperson. **Comments may also be submitted in writing before the meeting, by mail, e-mail (to ocr@milwaukieoregon.gov), or in person to city staff.**
6. **CONSENT AGENDA** (6:45 p.m.)

Consent items are not discussed during the meeting; they are approved in one motion and any Council member may remove an item for separate consideration.

 - A. **Approval of Council Meeting Minutes of:** **15**
 1. **September 10, 2024, study session,**
 2. **September 17, 2024, work session,**
 3. **September 17, 2024, regular session,**
 4. **October 1, 2024, work session, and**
 5. **October 1, 2024, regular session.**
 - B. **Appointments to Boards and Commissions – Resolution** **29**
 - C. **Authorization of a Contract for the North Ardenwald Project – Resolution** **32**
 - D. **Authorization of a Grant for the Harrison Street Safety Study – Resolution** **36**

7. BUSINESS ITEMS

- A. **Stormwater and Erosion Control Code Amendments Adoption – Ordinance** (6:50 p.m.) 40
Staff: Peter Passarelli, Public Works Director

8. PUBLIC HEARINGS

- A. **Capital Improvement Plan (CIP) ~~Safe Access for Everyone (SAFE)~~ Projects Best Value Contracting Authorization – Resolution** (7:05 p.m.) 92
(agenda item title changed)
Staff: Jennifer Garbely, City Engineer, and
Hector Gomez-Barrios, Associate Engineer

9. COUNCIL REPORTS (7:20 p.m.) 100

10. ADJOURNMENT (7:30 p.m.)

Meeting Accessibility Services and Americans with Disabilities Act (ADA) Notice

The city is committed to providing equal access to public meetings. To request listening and mobility assistance services contact the Office of the City Recorder at least 48 hours before the meeting by email at ocr@milwaukieoregon.gov or phone at 503-786-7502. To request Spanish language translation services email espanol@milwaukieoregon.gov at least 48 hours before the meeting. Staff will do their best to respond in a timely manner and to accommodate requests. Most Council meetings are broadcast live on the [city's YouTube channel](#) and Comcast Channel 30 in city limits.

Servicios de Accesibilidad para Reuniones y Aviso de la Ley de Estadounidenses con Discapacidades (ADA)

La ciudad se compromete a proporcionar igualdad de acceso para reuniones públicas. Para solicitar servicios de asistencia auditiva y de movilidad, favor de comunicarse a la Oficina del Registro de la Ciudad con un mínimo de 48 horas antes de la reunión por correo electrónico a ocr@milwaukieoregon.gov o llame al 503-786-7502. Para solicitar servicios de traducción al español, envíe un correo electrónico a espanol@milwaukieoregon.gov al menos 48 horas antes de la reunión. El personal hará todo lo posible para responder de manera oportuna y atender las solicitudes. La mayoría de las reuniones del Consejo de la Ciudad se transmiten en vivo en el [canal de YouTube de la ciudad](#) y el Canal 30 de Comcast dentro de los límites de la ciudad.

Executive Sessions

The City Council may meet in executive session pursuant to Oregon Revised Statute (ORS) 192.660(2); all discussions are confidential; news media representatives may attend but may not disclose any information discussed. Final decisions and actions may not be taken in executive sessions.



COUNCIL REGULAR SESSION

City Hall Council Chambers, 10501 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

2413th Meeting

MINUTES

NOVEMBER 5, 2024

Council Present: Councilors Will Anderson, Adam Khosroabadi, Rebecca Stavenjord, and Council President Robert Massey, and Mayor Lisa Batey

Staff Present: Joseph Briglio, Acting Assistant City Manager Hector Gomez-Barrios, Associate Engineer
Jennifer Garbely, City Engineer Emma Sagor, City Manager
Justin Gericke, City Attorney Scott Stauffer, City Recorder

Mayor Batey called the meeting to order at 6:30 p.m.

1. CALL TO ORDER

A. Pledge of Allegiance.

B. Native Lands Acknowledgment.

2. ANNOUNCEMENTS

Mayor Batey remarked on the benefits of using leaves on the ground to help pollinators and announced upcoming activities including city leaf drop opportunities, work parties at Minthorn Springs Natural Area and Elk Rock Island, a library of things event at the Ledding Library, a city manager open door session, and the annual Thanksgiving edition of the Milwaukie Farmers Market.

Mayor Batey read an election-themed Haiku and noted that the Haiku reading practice may end in 2025. Council expressed support for maintaining the poem reading practice.

Mayor Batey thanked Council members for not actively campaigning during meetings.

3. PROCLAMATIONS AND AWARDS

A. Veterans Day – Proclamation

Council President Massey and **Councilor Khosroabadi** remarked on the importance of recognizing veterans. **Jerry Craig** with American Legion Post 180, **Nancy McCrary** and **Phyllis Hines** with the Susannah Lee Barlow Chapter of the Daughters of the American Revolution (DAR), and **Tina Kennedy** with Fort Kennedy commented on how their organizations worked to recognize and support veterans. **Mayor Batey** proclaimed November 11, 2024, to be Veterans Day.

4. SPECIAL REPORTS

A. None Scheduled.

5. COMMUNITY COMMENTS

Mayor Batey reviewed the comment procedures. **Sagor** noted there was no follow-up from the October 15 comments but reported correspondence received since the last meeting regarding questions about Main Street commercial parklets and enforcement of overnight camping rules. It was Council consensus to allow the Beer Store Milwaukie to maintain its parklet through the winter.

Shelley Hicks, Gresham, Oregon, resident, commented on a traffic citation that their son had received in 2020 and recent interactions with Milwaukie municipal court staff regarding the disposition of that citation.

6. CONSENT AGENDA

It was moved by Councilor Khosroabadi and seconded by Councilor Anderson to approve the Consent Agenda as presented.

A. City Council Meeting Minutes:

1. September 10, 2024, study session,
2. September 17, 2024, work session,
3. September 17, 2024, regular session,
4. October 1, 2024, study session,
5. October 1, 2024, work session, and

B. Resolution 57-2024: A resolution of the City Council of the City of Milwaukie, Oregon, making appointments to city boards and commissions.

C. Resolution 58-2024: A resolution of the City Council of the City of Milwaukie, Oregon, authorizing a public improvement contract with Landis & Landis for construction of the Ardenwald North Improvements Project (CIP-2021-W61).

D. Resolution 59-2024: A resolution of the City Council of the City of Milwaukie, Oregon, authorizing an agreement with the United States Department of Transportation (USDOT) for the safety assessment of the Harrison Street corridor.

Motion passed with the following vote: Councilors Anderson, Khosroabadi, Massey, and Stavenjord and Mayor Batey voting “aye.” [5:0]

7. BUSINESS ITEMS

A. Stormwater and Erosion Control Code Amendments Adoption – Ordinance (removed from the agenda, rescheduled to the November 19, 2024, regular session)

8. PUBLIC HEARING

A. Capital Improvement Plan (CIP) ~~Safe Access for Everyone (SAFE)~~ Projects Best Value Contracting (BVC) Authorization – Resolution (agenda title revised)

Call to Order: **Mayor Batey** called the public hearing on the proposed BVC method for certain SAFE projects, to order at 7:04 p.m.

Purpose: **Mayor Batey** announced that the purpose of the hearing was to receive the staff report, take public comment, and consider adopting a resolution to authorize BVC for certain SAFE projects.

Conflict of Interest: No Council member declared a conflict of interest.

Staff Presentation: **Garbely** and **Gomez-Barrios** explained the benefits of using BVC for CIP projects on Harvey Street, King Road, and 42nd Avenue. They noted traffic control changes and outreach that would be implemented during the projects.

Councilor Anderson and **Garbely** noted that city contractors are required to pay prevailing wages. They noted that the city did not know what health benefits contractors offered their employees and what pro-worker policies the city could implement.

Mayor Batey, **Garbely**, and **Gomez-Barrios** discussed the city’s use of permeable pavement on CIP projects, where stormwater would be routed along 42nd Avenue, and

plans to upgrade the traffic signal lights on King Road. They noted that the three projects listed in the resolution would not be contracted out at the same time.

Correspondence: No correspondence had been received.

Audience Testimony: No audience member wished to speak to Council.

Staff Response to Testimony: None.

Council Questions for Staff: None.

Close Public Testimony: **It was moved by Councilor Stavenjord and seconded by Councilor Khosroabadi to close the public comment part of the CIP BVC authorization hearing. Motion passed with the following vote: Councilors Anderson, Khosroabadi, Massey, and Stavenjord and Mayor Batey voting “aye.” [5:0]**

Mayor Batey closed the public comment part of the hearing at 7:15 p.m.

Council Discussion: None.

Council Decision: **It was moved by Councilor Khosroabadi and seconded by Councilor Stavenjord to approve the resolution acting as the Local Contract Review Board, adopting findings and allowing the use of best value construction contracting for Safe Access for Everyone (SAFE) projects. Motion passed with the following vote: Councilors Anderson, Khosroabadi, Massey, and Stavenjord and Mayor Batey voting “aye.” [5:0]**

Resolution 60-2024:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, ACTING AS THE LOCAL CONTRACT REVIEW BOARD, ADOPTING FINDINGS AND ALLOWING THE USE OF BEST VALUE CONSTRUCTION CONTRACTING FOR SAFE ACCESS FOR EVERYONE (SAFE) PROJECTS.

Mayor Batey remarked on work by volunteers to spruce up bulb-outs in downtown to create pollinator pathways and suggested staff look for ways to protect the bulb-outs from being run over by vehicles.

9. COUNCIL REPORTS

Councilor Anderson reported on recent Clackamas County Coordinating Committee (C4) discussions about micro-transit services and enhancing the Sunrise Corridor.

Councilor Stavenjord remarked on a recent Business of Milwaukie event and the special screening of a film to benefit housing and social services in Clackamas County.

10. ADJOURNMENT

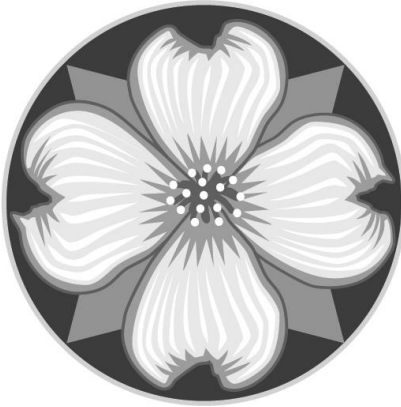
It was moved by Councilor Stavenjord and seconded by Councilor Khosroabadi to adjourn the Regular Session. Motion passed with the following vote: Councilors Anderson, Khosroabadi, Massey, and Stavenjord and Mayor Batey voting “aye.” [5:0]

Mayor Batey adjourned the meeting at 7:22 p.m.

Respectfully submitted,


 Scott Stauffer, City Recorder

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RS Agenda Item

2

Announcements

LEAVES ARE NOT LITTER

THEY'RE FOOD AND SHELTER FOR
BUTTERFLIES, BEETLES, BEES, MOTHS, AND MORE.
TELL FRIENDS AND NEIGHBORS TO JUST

#LEAVETHELEAVES



xerces.org



All Together Now
**LIBRARY OF THINGS
OPEN HOUSE**
NOVEMBER 14, 2:00 - 4:00PM

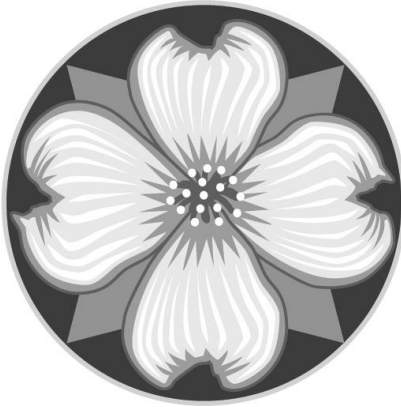


Mayor's Announcements – November 5, 2024

- **Free Leaf Drop – Saturdays - Nov. 9 & 13 and Dec. 7 & 14 (7 AM – 2 PM)**
 - Bring along a utility bill as proof of residency.
 - Service is free, but non-perishable food is being collected for local families for anyone that would like to donate.
 - Johnson Creek Building, 6101 SE Johnson Creek Blvd.
- **Minthorn Springs Volunteer Restoration Event – Sat., Nov. 9 (9:30 AM – 12 PM)**
 - Volunteer to help remove invasive plants and pick up litter.
 - Tools, gloves, and snacks provided.
 - Minthorn Springs is at SE 37th Ave. and SE Railroad Ave.
- **All Together Now: Library of Things Open House – Sat., Nov. 14 (2-4 PM)**
 - Instruments, games, puzzles and more!
 - All ages are welcome
 - Ledding Library, 10660 SE 21st Ave.
- **Elk Rock Island Volunteer Restoration Event – Sat., Nov. 16 (9:30 AM – 12 PM)**
 - Join these third Saturday events to remove invasive plants and pick up litter.
 - Bring mud gear, gloves, a water bottle and your favorite digging or clipping tools.
 - Volunteers meet at SE 19th and SE Sparrow.
- **City Manager Open Door Session – Fri., Nov. 22 (9-10 AM)**
 - Ask questions, raise concerns, or just find out more about the city.
 - No sign-up is necessary. First come, first served.
 - City Hall (Council Chambers), 10501 SE Main St.
- **Thanksgiving Farmers Market – Sun., Nov. 24 (9:30 AM – 2 PM)**
 - Stock up on the freshest farm grown produce and ingredients for the holidays.
 - Parking lot at SE Harrison St. and SE Main St. downtown
- **LEARN MORE AT WWW.MILWAUKIEOREGON.GOV OR CALL 503-786-7555**

Rustle of papers
Choices inked with care and pride
Future penned today

Share your Milwaukie Haiku!
Email yours to bateyl@milwaukieoregon.gov



RS Agenda Item

3

Proclamations & Awards

PROCLAMATION

WHEREAS the United States first proclaimed November 11, 1919, as Armistice Day to mark the end of World War I, the “War to End All Wars,” and to solemnly reflect on the horrific consequences of all wars, and

WHEREAS since 1919, the 11th day of the 11th month has come to be a time to recognize the contributions made by the millions of men and women who answered Our Nation’s call to arms in the pursuit of world peace, and

WHEREAS Veterans Day brings communities together to honor military veterans and their legacy of selfless services and sacrifice and to remember the millions of civilians and military personnel who have died or been injured by war, and

WHEREAS the United States Department of Defense recognizes that the risk of future wars will be greatly increased by climate chaos and the resulting forced migrations due to devastating starvation, inundation, fires, flooding and drought and we should do everything necessary to decrease those effects, and

WHEREAS the City of Milwaukie has been proud to partner with American Legion Post 180 and the Susannah Lee Barlow Chapter of the Daughters of the American Revolution to recognize and honor veterans in community who did not come home, and

WHEREAS the City of Milwaukie recognizes the sacrifices made by the those who served our country so that all may pursue life, liberty, and happiness.

NOW, THEREFORE, I, Lisa Batey, Mayor of the City of Milwaukie, a municipal corporation in the County of Clackamas, in the State of Oregon, do hereby proclaim **November 11, 2024**, to be **Veterans Day** in the City of Milwaukie.

IN WITNESS WHEREOF, and with the consent of the City Council of the City of Milwaukie, I have hereunto set my hand on this 5th day of November 2024.

Lisa Batey, Mayor

ATTEST:

Scott Stauffer, City Recorder



Join Us in Our Mission

Remember ★ Honor ★ Teach



★ **December 14, 2024** ★

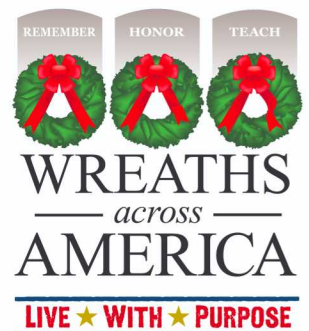
National Wreaths Across America Day



**Help Susannah Lee Barlow Chapter
honor local heroes!**

Sponsor a wreath today to be placed on a
veteran's grave this December at Willamette
National Cemetery.

Scan the QR code to make a donation online or
visit www.wreathsasscrossamerica.org/OR0078P



#LiveWithPurpose



WREATHS *across* AMERICA

Wreath Sponsorship Order Form

Sponsored wreaths are placed on grave markers at state and national veterans' cemeteries, as well as at local and community cemeteries each December for National Wreaths Across America Day.

Your donation will ensure the placement of a veteran's wreath for one or more veterans laid to rest at the participating location of your choice.

All sponsored veteran wreaths are shipped directly to the location selected by the sponsor on this form. Wreaths are not shipped to individual wreath sponsors.

Please make checks payable to:

Wreaths Across America

PO Box 249

Columbia Falls, ME 04623

Call 877-385-9504 with any questions.

Thank you for your sponsorship and for joining us in our mission to Remember, Honor, and Teach!

SPONSORSHIP TYPE	PRICE	QUANTITY	TOTAL
Individual = 1 Wreath	\$17.00		
Family = 4 Wreaths	\$68.00		
Small Business = 10 Wreaths	\$170.00		
Corporate = 100 Wreaths	\$1,700.00		

For quicker processing and the convenience of paying with a credit card, debit card, Google Pay, or PayPal, veteran wreaths may be sponsored online by scanning the QR Code above or by visiting: www.wreathsasscrossamerica.org/OR0078P

You should be the only one to enter your credit card information at checkout on the Wreaths Across America website. For your security, do not share this information with anyone else who offers to place an order for you. To verify the validity of the QR Code, always check that wreathsasscrossamerica.org is part of the web address when sponsoring wreaths online.

If you prefer to pay with a check, please complete this form and mail it along with your check to Wreaths Across America at the address listed in the box above.

CHECK #		CHECK DATE		SPONSOR NAME FOR DISPLAY <i>If different than name on check.</i>	
GROUP ID(s)	OR0078P			EMAIL ADDRESS	
LOCATION ID(s)	ORWNCP			PHONE #	
DOLLAR AMOUNTS(s)				MAILING ADDRESS	

To split your donation between multiple groups and/or locations, please list the IDs and dollar amounts for each.

SPECIAL REQUESTS

Please note in memory/honor of requests do not place a wreath on a specific loved one's grave.

IN MEMORY OF REQUEST	The "In Memory Of" Name will be listed on the Wreaths Across America online Remember Wall, along with your personal message.	IN HONOR OF REQUEST	An email will be sent to your chosen recipient from Wreaths Across America letting them know of your donation of sponsored veteran wreaths in their honor.
NAME FOR MEMORY WALL POST		RECIPIENT NAME	
SPONSOR EMAIL ADDRESS		RECIPIENT EMAIL ADDRESS	
MESSAGE (optional)		MESSAGE (optional)	

Thank you for supporting our mission to REMEMBER, HONOR, and TEACH!



WREATHS *across* AMERICA

Grave Specific Wreath Sponsorship Order Form

Sponsored wreaths are placed on grave markers at state and national veterans' cemeteries, as well as at local and community cemeteries each December for National Wreaths Across America Day.

Your donation will ensure the placement of a veteran's wreath for one or more veterans laid to rest at the participating location of your choice.

All sponsored veteran wreaths are shipped directly to the location selected by the sponsor on this form. Wreaths are not shipped to individual wreath sponsors.

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PO Box 249

Columbia Falls, ME 04623

Call 877-385-9504 with any questions.

Thank you for your sponsorship and for joining us in our mission to Remember, Honor, and Teach!

SPONSORSHIP TYPE	PRICE	QUANTITY	TOTAL
Individual = 1 Wreath	\$17.00		
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Small Business = 10 Wreaths	\$170.00		
Corporate = 100 Wreaths	\$1,700.00		

For quicker processing and the convenience of paying with a credit card, debit card, Google Pay, or PayPal, veteran wreaths may be sponsored online by scanning the QR Code above or by visiting: www.wreathsasscrossamerica.org/OR0078P

You should be the only one to enter your credit card information at checkout on the Wreaths Across America website. For your security, do not share this information with anyone else who offers to place an order for you. To verify the validity of the QR Code, always check that wreathsasscrossamerica.org is part of the web address when sponsoring wreaths online.

If you prefer to pay with a check, please complete this form and mail it along with your check to Wreaths Across America at the address listed in the box above.

CHECK #		CHECK DATE		SPONSOR NAME FOR DISPLAY <i>If different than name on check.</i>	
GROUP ID(s)	OR0078P			EMAIL ADDRESS	
LOCATION ID(s)	ORWNCP			PHONE #	
DOLLAR AMOUNTS(s)				MAILING ADDRESS	

To split your donation between multiple groups and/or locations, please list the IDs and dollar amounts for each.

SPECIAL REQUESTS

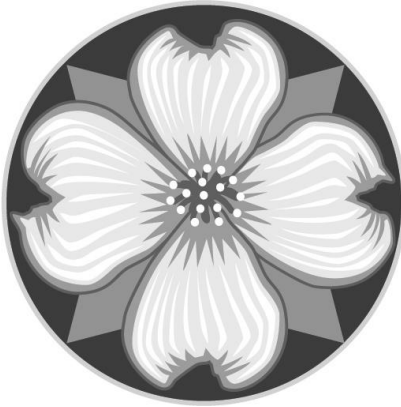
Please note in memory/honor of requests do not place a wreath on a specific loved one's grave.

GRAVE SPECIFIC REQUEST	You will receive an email from WAA requesting the Grave Specific information. You must respond to that email if you would like a wreath placed on your loved ones grave. <i>** Grave Specific Requests must be received at WAA-HQ no later than the Cutoff Date.</i>
VETERAN NAME	
SPONSOR EMAIL ADDRESS	
SPONSOR PHONE #	

IN MEMORY OF REQUEST	The "In Memory Of" Name will be listed on the Wreaths Across America online Remember Wall, along with your personal message.
NAME FOR MEMORY WALL POST	
SPONSOR EMAIL ADDRESS	
MESSAGE (optional)	

IN HONOR OF REQUEST	An email will be sent to your chosen recipient from Wreaths Across America letting them know of your donation of sponsored veteran wreaths in their honor.
RECIPIENT NAME	
RECIPIENT EMAIL ADDRESS	
MESSAGE (optional)	

Thank you for supporting our mission to REMEMBER, HONOR, and TEACH!



RS Agenda Item

5

Community Comments

From: [Mike Lesch](#)
To: [OCR](#)
Cc: [Vera Kolias](#); [Peter Passarelli](#); [Emma Sagor](#); [Lisa Batey](#); [BeerStore Milwaukie](#); [Nate Noble](#); [Mike Lesch](#)
Subject: Beer Store Milwaukie - Parklet Extension
Date: Friday, October 18, 2024 11:09:35 AM

This Message originated outside your organization.

Hello Distinguished City Council and Honorable Mayor Batey,

Beer Store Milwaukie would like to respectfully request that our Parklet located at 10610 SE Main Street be allowed to remain in place throughout the winter months. We understand that the Parklet season runs from April through November and we would like permission to keep our current structure in place for many reasons which we will explain in detail. We will also make some winter-weather adjustments for both safety and practicality. Additionally, we will pay any additional fees associated with the space the Parklet occupies.

In December alone there are two City of Milwaukie signature events (Umbrella Parade and Tree Lighting as well as Winter Solstice and Christmas Fleet) plus one new event which is taking form (Cherry Drop on New Year's Eve). Both signature events draw large crowds to downtown Milwaukie and our Parklet provides the additional space we need to accommodate this influx and provide a safe place for our community to gather and enjoy these celebrations together. There are also many private holiday parties and family get-togethers that we would like to continue to support with the added capacity the Parklet provides.

As the holiday season subsides and we move into the New Year, there is always a lull throughout our community as we recover from these celebrations. There are, however, many "beautiful winter days" filled with bright sunshine and crisp, fresh air. For example there is always that one week in February when the clouds part, the air warms, and we are teased with glimpses of Spring all around us. It is on these days that our Parklet becomes an oasis for those who are ready to trade their winter coats for a hoodie or flannel and enjoy some sunshine. Even though a majority of our winter days are gray and gloomy, there are a few atypical days of sunshine that our Parklet allows us all to enjoy.

In the coming days we will be removing the green fabric shade panels from our Parklet. This will be done to reduce the possibility of wind damage and eliminate the possibility of these panels taking flight during a winter storm. It will also let the sunshine in on those gorgeous winter days. We commit to keeping the area inside and around the Parklet clean and free of leaves and debris throughout the winter as we have done each year since the beginning of the COVID pandemic when our Parklet was first installed. We hope our maintenance track record over the past two and a half years has provided year-round evidence of our ability to fulfill this commitment.

Finally, should our request be approved, if there are any additional fees associated

with this extension, we agree to pay them up front and only need to know the amount and preferred form of payment.

All of us at the Beer Store Milwaukie understand the contributions we provide to our community and realize the responsibility that goes along with those contributions. Our vision has always been to provide the best possible environment for our community to meet and enjoy time together. It has become our mission to seek out new ways to accomplish this and improve on our existing infrastructure. We hope our community feels the same way and that you, our leadership team, will be able to support all of us who continue to work toward these goals.

Thank you for taking the time to review this request. We are happy to answer any questions our council may have. Please feel free to reach out to us anytime.

Mike Lesch
Beer Store Milwaukie
503.799.3581

Scott Stauffer

From: Lisa Batey
Sent: Monday, October 28, 2024 11:22 AM
To: _City Council; Ryan Burdick
Cc: Tim Salyers
Subject: FW: Overnight camping on public streets

Forwarding for inclusion in the record of our next meeting and also for the Chief's information.

From: Rebecca Bergio <rebecca.bergio@gmail.com>
Sent: Monday, October 28, 2024 11:19 AM
To: Rebecca Stavenjord <StavenjordR@milwaukieoregon.gov>; Adam Khosroabadi <KhosroabadiA@milwaukieoregon.gov>; William Anderson <AndersonW@milwaukieoregon.gov>; Robert Massey <MasseyR@milwaukieoregon.gov>; Lisa Batey <BateyL@milwaukieoregon.gov>; Tim Salyers <salyerst@milwaukieoregon.gov>
Cc: Hughsmithlaker@hotmail.com; Cloann Jones <gregandcloann@yahoo.com>; rondaroo45@aol.com
Subject: Overnight camping on public streets

This Message originated outside your organization.

Members of Milwaukie City Council:

There is a van that has someone sleeping in it overnight that is parked in my neighborhood (Linwood). Currently, it's in front of our beautiful Wichita Park. Four days ago it was parked a house away from me.



It is not an RV but I believe it qualifies as a "Campervan" because it has a bed and someone sleeps in it.

Campervan

Article

Talk

☆

For mobile homes without a built-in motor vehicle, see [travel trailer](#).

This article needs additional citations for verification. [Learn more](#)

A **campervan**, also referred to as a **camper**, **caravanette**, **motorhome** or **RV** (recreational vehicle) in North America, is a self-propelled vehicle that provides both transport and sleeping accommodation. The term describes vans that have been fitted out, whereas a motorhome is one with a coachbuilt body.

Since our Missoula ordinances specify camping overnight in an RV is illegal but do not specify vans, cars, etc., the most that can be done is getting it tagged by the police after three days of remaining parked in the same location.

This vehicle has been tagged more times than I can recall because myself and my neighbors have called about it often over the last year. The last time he moved it, he left a box spring and mattress on the sidewalk. Today I see that there is a full garbage bag left next to the van.

It has become a game of whack-a-mole between the police and the owner because the vehicle's owner moves it as soon as it gets tagged. I'd bet that there are other similar situations in the city.

I and my neighbors on SE 48th Ave and its adjoining streets and SE Menover St from SE Lowwood to SE Stanley, believe this process to be a huge waste of code enforcement and policing resources. And it does nothing to solve the problem.

I believe that there should be a limit to how many times a vehicle gets tagged before it becomes an automatic tow. If that's not a solution that you can support, I challenge you to come up with one that solves the problem.

I look forward to hearing from you soon regarding this matter of concern.

Sincerely,
Rebecca Bengio
10809 SE 60th Ave
Missoula, MT 59722
503-702-6148

It is not an RV but I believe it qualifies as a “Campervan” because it has a bed and someone sleeps in it.

Since our Milwaukie ordinances specify camping overnight in an RV is illegal but do not specify vans, cars, etc, the most that can be done is getting it tagged by the police after three days of remaining parked in the same location.

This vehicle has been tagged more times than I can recall because myself and my neighbors have called about it often over the last year. The last time he moved it, he left a box spring and mattress on the sidewalk. Today I see that there is a full garbage bag left next to the van.

It has become a game of whack-a-mole between the police and the owner because the vehicle's owner moves it as soon as it gets tagged. I'll bet that there are other similar situations in the city.

I and my neighbors on SE 60th Ave and its adjoining streets and SE Monroe St from SE Linwood to SE Stanley, believe this process to be a huge waste of code enforcement and policing resources. And it does nothing to solve the problem.

I believe that there should be a limit to how many times a vehicle gets tagged before it becomes an automatic tow. If that's not a solution that you can support, I challenge you to come up with one that solves the problem .

I look forward to hearing from you soon regarding this matter of concern .

Sincerely,
Rebecca Bergio
10899 SE 60th Ave
Milwaukie, OR 97222
503-702-6148

From: [Scott Stauffer](#)
To: [Shelley J Hicks](#); [OCR](#)
Subject: RE: outrageous traffic court issue
Date: Tuesday, November 5, 2024 7:09:29 PM

Hi Shelley – thank you for providing your contact information. Staff will be in touch with more information as soon as possible.

SCOTT STAUFFER

City Recorder
he • him • his
City of Milwaukie
p: 503.786.7502

From: Shelley J Hicks <thapimptress@gmail.com>
Sent: Tuesday, November 5, 2024 7:06 PM
To: OCR <OCR@milwaukieoregon.gov>
Subject: Re: outrageous traffic court issue

This Message originated outside your organization.

i attended the zoom city council meeting . I was asked to give my contact info and that someone would reach out to me . This was advised by , I beleive, the mayor that was running this zoom meeting . Can you give her my contact info or is there a different email I am supposed to send my contact info to ?

Shelley Hicks
503-669-8330

On Mon, Nov 4, 2024 at 3:22 PM OCR <OCR@milwaukieoregon.gov> wrote:

We have received your comments and will share them with city staff.

You are welcome to attend City Council meetings and speak during the community comment part of any regular session meeting. For more information about upcoming Council meetings visit www.milwaukieoregon.gov/meetings.

If you have further questions, let us know.

SCOTT STAUFFER

City Recorder
he • him • his
City of Milwaukie
p: 503.786.7502

From: Shelley J Hicks <thapimptress@gmail.com>

Sent: Monday, November 4, 2024 2:46 PM

To: OCR <OCR@milwaukieoregon.gov>

Subject: outrageous traffic court issue

This Message originated outside your organization.

My son got a ticket apparently in 2020 that he was never notified of until October 11, 2024 . Now the city of Milwaukie wants him to pay for these tickets that happened during covid when the DMV was closed and not even taking appointments , therefore he could not get his license reinstated and could not get insurance !

Under ordinance 810.439 subsection 1.a.E. it states it's passed the statute of limit. Not to mention he was told to pay the ticket and write a letter to the judge . He wrote the letter and went back with a money order and the person at the counter told him he could not write the judge and that he was misinformed!

I find this preposterous!

i would like to bring this issue to the Milwaukie City Hall council meeting .

I can be contacted my phone at 503-669-8330 or email

please contact me or I will be considering bringing this into the media .

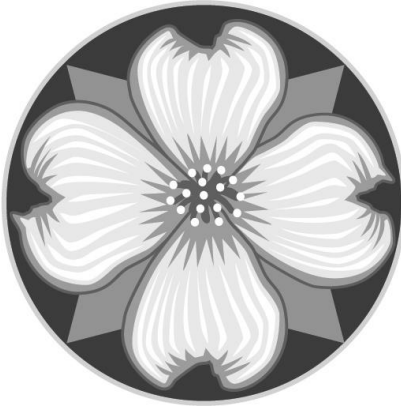
I can imagine my son is not the only person your courts have done this too and this should never be a thing that happens !

Shelley Hicks

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This email has been scanned for viruses and malware, and may have been automatically archived by **Mimecast Ltd.**



RS Agenda Item

6

Consent Agenda

COUNCIL STUDY SESSION

City Hall Community Room, 10501 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

MINUTES**SEPTEMBER 10, 2024**

Council Present: Councilors Will Anderson, Adam Khosroabadi, Rebecca Stavenjord, and Council President Robert Massey, and Mayor Lisa Batey

Staff Present: Joseph Briglio, Acting Assistant City Manager Emma Sagor, City Manager
Nicole Madigan, Deputy City Recorder

Press Present: None.

Mayor Batey called the meeting to order at 5:16 p.m.

1. Clackamas County Childcare Coalition – Discussion

Bridget Dazey, Executive Director of Clackamas Workforce Partnership, and **Dani Stamm Thomas**, Early Learning Hub Director in Clackamas County, provided an overview of the Clackamas County Child Care Coalition (C5) and discussed the group's mission. **Mayor Batey** and **Stamm Thomas** remarked on the lack of childcare options.

Dazey and **Stamm Thomas** discussed why childcare matters, the lack of child and adult care options, groups participating in C5, the benefits of investing in childcare programs, the costs to the workforce of not having childcare, and what solutions C5 was pursuing.

Mayor Batey and **Dazey** commented on C5's upcoming report on childcare. The group discussed barriers to providing more childcare programs and how local, county, state, and federal governments fund, support, and authorize childcare programs. The group noted the importance of businesses supporting childcare.

Councilor Anderson and **Stamm Thomas** remarked on the possibility of standardizing early learning hubs across Oregon.

Mayor Batey noted plans for Council to participate in future C5 activities. **Zak Pacholl**, Youth Era Clackamas Drop Program Manager, and **Stamm Thomas** noted that paying childcare providers livable wages would help increase childcare program options.

2. Youth Era Clackamas Drop – Discussion

Pacholl provided an overview of the Youth Era program and the Clackamas Drop location in downtown Milwaukie, that offers peer support and youth-focused social support and career development services. **Councilor Khosroabadi** appreciated Youth Era's work and **Pacholl** remarked on the trainings the program offers.

Council President Massey and **Pacholl** noted Youth Era is funded by county and state resources and the group noted how many staff members work for the program.

The group remarked on ways to connect Youth Era with social and housing service providers in Clackamas County. **Councilor Stavenjord** and **Pacholl** discussed how Youth Era connects youth to housing services.

3. Affordable Housing and Home Ownership Models – Discussion

Councilor Khosroabadi discussed how the city could encourage homeownership in Milwaukie, noting current housing costs and suggesting that the city could implement a down-payment assistance program, establish community land trusts, continue to seek land banking opportunities, and incentivize innovative types of housing.

The group discussed the proposed housing programs, noting what work the city had already started, which governments and organizations the city could work with on such programs, and how Council could prepare the city to implement such programs. They noted the potential for implementing a housing program on the city-owned Sparrow Site and commented on whether increased homeownership would have an impact on the overall number of housing units available.

Councilor Stavenjord suggested the city reach out to the Housing Authority of Clackamas County (HACC) to discuss programs the city could support in the near-term and schedule a Council discussion on HACC's scattered housing sites. **Sagor** suggested staff would present to Council the housing projects and programs the city could pursue.

4. Council Reports

Councilor Stavenjord reported on the recent establishment of the Business of Milwaukie business alliance group and an upcoming Meet Milwaukie event that group was hosting and an upcoming Clackamas Service Center (CSC) event.

5. Adjourn

Mayor Batey announced that after the meeting Council would meet in executive session pursuant to Oregon Revised Statute (ORS) 192.660 (2)(d) to conduct deliberations with persons designated by the governing body to carry on labor negotiations.

Mayor Batey adjourned the meeting at 7:13 p.m.

Respectfully submitted,

Scott Stauffer, City Recorder

COUNCIL WORK SESSION

City Hall Council Chambers, 10501 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

MINUTES

SEPTEMBER 17, 2024

Council Present: Councilors Will Anderson, Adam Khosroabadi, Rebecca Stavenjord, and Council President Robert Massey, and Mayor Lisa Batey

Staff Present: Joseph Briglio, Acting Assistant City Manager	Michael Osborne, Finance Director
Mandy Byrd, Development Project Manager	Emma Sagor, City Manager
Jennifer Garbely, City Engineer	Scott Stauffer, City Recorder
Justin Gericke, City Attorney	

Mayor Batey called the meeting to order at 4:03 p.m.

1. Capital Improvement Plan (CIP) Projects – Quarterly Update

Garbely provided an update on ongoing CIP projects, including Americans with Disabilities Act (ADA) ramp improvements, slurry seal maintenance, Washington Street area improvements, Meek North and Ardenwald North improvements, downtown sidewalk and stormwater facility improvements, the Monroe Neighborhood Greenway, a group of Safe Access for Everyone (SAFE) projects that staff would like to use best value contracting (BVC) practices, King Road, Waverly area, and Stanley Avenue and water reservoir improvements. The group discussed the projects and remarked on how Milwaukie had built a good reputation among contractors and the complexities of the Monroe Greenway project which is partly funded by the city, county, and state.

Garbely reported on grant funding the city was seeking to support projects, awards the engineering staff had received, and engineering staff changes. The group discussed the status of the 29th Avenue Greenway project, the deployment of cameras for traffic counting at intersections, and the city's greenway placemaking work.

2. Sparrow Site – Update

Briglio and **Byrd** provided an overview of the Sparrow Site, noting the location and size of the two city-owned properties that comprise the site, and they reviewed density, brownfield, and access issues at the site. **Councilor Anderson** and **Briglio** discussed differences in residential zoning at the site and in the neighborhood around the site.

Byrd and **Briglio** continued to provide an overview of the site, noting its geographic context, presenting a potential timeline for developing the site, and reviewing the site's development goals as previously adopted by Council. The group discussed the site goals, including what the targeted income level should be for housing built on the site, whether homeownership should be more of a priority, and how residents of the surrounding Island Station neighborhood feel about developing the site.

Councilor Anderson had concerns about the site goal requiring minority and woman owned contractors. The group discussed how the city could measure contractor demographics, how the city's equity work would inform contracting at the site, and the possibility of using a project leadership agreement (PLA) model to achieve contractor demographic goals.

The group discussed the site's goal regarding affordable housing, the possibility of seeking a land trust model at the site, which would result in the city selling the property in a land trust or other development partnership. There was Council consensus to invite a land trust model expert to speak to Council and to revise the site goal language to focus on increasing the supply of affordable housing with a target area median income (AMI) level of 80% with a preference for 60%.

The group discussed the site goal related to minority and woman owned contractors, and there was Council consensus to revise the goal to reflect the city's recently updated equity in contracting practices.

There was Council consensus to keep the tree canopy goal as previously adopted.

The group discussed whether the city could retain a placemaking goal if the city sold the site to a developer. The site's access and brownfield issues were noted, and the group remarked on whether developers are interested in the site.

Sagor and **Briglio** asked for Council feedback on the site goals. **Mayor Batey** and **Councilor Stavenjord** remarked on whether the city would have influence over the county's scattered housing sites around Milwaukie. The group discussed whether the city should pursue developing the Sparrow Site now or wait for the county to act on the scattered sites, noting the possibility of using city construction excise tax (CET) funds to support housing work. **Sagor** and **Briglio** suggested the city could work on the Sparrow Site and monitor the scattered sites until a Council decision point was reached.

Mayor Batey and **Councilor Anderson** briefly commented on housing building materials, noting the need for Council to discuss it further at a future meeting.

3. Construction Excise Tax (CET) Overview – Discussion

Briglio provided an over of the CET which generates revenue to support residential and commercial development and reviewed staff recommendations on how to spend CET revenue. The group discussed CET fund balances, how funds had been spent, how much revenue the CET is expected to generate, and how the funds could be spent on programs like land banking, homeownership down payment and rent assistance programs.

Sagor summarized there was Council consensus to revise the Sparrow Site goals after a land trust expert presented to Council, that staff would prepare a housing grant application for Council to approve and staff would identify state and federal programs to partner with the city's CET funded work, and there was no direction to develop the Sparrow Site now as county scattered discussions continued.

Mayor Batey asked if there was Council support for expanding the availability of urban renewal funded economic development grants to businesses outside the urban renewal area. **Councilor Stavenjord** asked if the Milwaukie Redevelopment Commission (MRC) Community Advisory Committee (MRCCAC) would have an advisory role in such grants and **Sagor** suggested the MRC would retain authority and that Council should discuss expanding the urban renewal grants at a future meeting. **Mayor Batey** believed Council was interested in providing grant oversight and getting grant program updates.

4. Adjourn

Mayor Batey adjourned the meeting at 6:06 p.m.

Respectfully submitted,

Scott Stauffer, City Recorder

COUNCIL REGULAR SESSION

City Hall Council Chambers, 10501 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

MINUTES

SEPTEMBER 17, 2024

Council Present: Councilors Will Anderson, Adam Khosroabadi, Rebecca Stavenjord, and
Council President Robert Massey, and Mayor Lisa Batey

Staff Present: Joseph Briglio, Acting Assistant City Manager Gabriela Santoyo Guitierrez, Equity &
Justin Gericke, City Attorney Inclusion Coordinator
Nicole Madigan, Deputy City Recorder Scott Stauffer, City Recorder
Emma Sagor, City Manager

Mayor Batey called the meeting to order at 6:36 p.m.

1. CALL TO ORDER

A. Pledge of Allegiance.

B. Native Lands Acknowledgment.

2. ANNOUNCEMENTS

Mayor Batey announced upcoming activities including a public comment opportunity for the Washington-Monroe Greenway, the Milwaukie Leadership Academy, a call for artwork for the Historic City Hall Sculpture Garden, a restoration event at Elk Rock Island, the fall library authors series, and the October First Friday event. **Stauffer** noted it was National Register to Vote Day, and **Santoyo Gutierrez** noted a Mexican ballet event and announced the inaugural grant awards from the city's Community Events Fund.

Mayor Batey read a voter registration themed Haiku.

3. PROCLAMATIONS AND AWARDS**A. Outstanding Milwaukie High School (MHS) Student – Award**

Kim Kellogg, MHS Principal, introduced Guadalupe Barrera and Council congratulated the student on their academic and extracurricular activities.

B. Latinx and Hispanic Heritage Month – Proclamation

Santoyo Gutierrez and Equity Steering Committee (ESC) Member **Nikki Storm** introduced the proclamation and remarked on the importance of recognizing Latinx and Hispanic heritage. **Mayor Batey** proclaimed October 2024, to be Latinx and Hispanic Heritage Month in Milwaukie.

Mayor Batey announced that Council would proceed to item 3. D. as the presenter for item 3. C. had not arrived yet.

D. Constitution Week – Proclamation

Nancy McClary, Susannah Lee Barlow Chapter of the Daughters of the American Revolution (DAR), commented on the importance of the United States Constitution. **Mayor Batey** proclaimed September 17-23, 2024, to be Constitution Week in Milwaukie.

4. SPECIAL REPORTS

A. Clackamas County Water Environment Services (WES) – Annual Report

Greg Geist, WES Director, provided an overview of WES services, rate structure, facility improvement projects, collaborative projects and events support with the city.

Council President Massey, Geist, and Mayor Batey remarked on the future of water treatment technology and testing for ground pollutants.

Councilor Anderson, Mayor Batey, and Geist noted that the city is responsible for the drinking water in Milwaukie.

Councilor Stavenjord, Geist, and Mayor Batey noted WES' work in local schools.

Councilor Khosroabadi and Sagor thanked WES for working with the city on many projects and issues.

B. Clackamas County Community Action Board (CAB) – Report

Councilor Khosroabadi introduced the CAB, a needs assessment report, and Jennifer Munch Grund and Brenda Durbin with Clackamas County Social Services.

Durbin and Munch Grund introduced themselves and provided an overview of the needs assessment and the county's community action work meant to measure and address poverty. They discussed the federal poverty level, the median family income in the county, and the Asset-Limited, Income-Constrained, Employed (ALICE) framework to understand poverty in the countywide and Milwaukie community. They remarked on how the city and county could work together to lower costs for low-income residents, noting the CAB's work.

Councilor Stavenjord discussed economic mobility in the county and the use of demographic data to better position services for low-income residents. **Durbin and Stavenjord** commented on how the city and county could craft policies to better support low-income families. The group talked about providing living wages for housing and social service provider staffers and what various agencies were doing to provide living wage jobs.

Councilor Khosroabadi thanked Durbin and Munch Grund for reporting and encouraged Council to keep the ALICE data in mind when it comes to setting Council's goals for the next few years. **Councilor Anderson** asked for annual updates on the ALICE data.

Mayor Batey and Munch Grund remarked on why the federal poverty level had not been updated in decades, noting a lack of general understanding about poverty.

Mayor Batey announced that Council would return to item 3. C.

C. Mid-Autumn Festival – Proclamation

Thao Thu, Vietnamese Community of Oregon, introduced the proclamation and explained the significance of the Mid-Autumn Festival for the Vietnamese community. **Mayor Batey** proclaimed September 23-30, 2024, to be Mid-Autumn Festival Days.

5. COMMUNITY COMMENTS

Mayor Batey reviewed the public comment procedures and **Sagor** reported that there was no follow-up report from the September 3 community comments. No audience member wished to address Council.

Bernie Stout, Milwaukie resident, expressed frustration with the route alignment of the Monroe Neighborhood Greenway and suggested there had been a lack of communication about the project to the community.

Mayor Batey recessed the meeting at 8:53 p.m. and reconvened at 9:04 p.m.

Dennis Tarr, Milwaukie resident, commented on the placement and visibility of a stop sign at the intersection of 37th Avenue and Monroe Street, expressed appreciation for the work of the city, and asked if the city had a vehicle noise control ordinance.

6. CONSENT AGENDA

It was moved by Councilor Anderson and seconded by Council President Massey to approve the Consent Agenda as presented.

A. City Council Meeting Minutes:

1. August 6, 2024, work session,
2. August 6, 2024, regular session,
3. August 12, 2024, site visit,
4. August 20, 2024, work session, and
5. ~~August 20, 2024, regular session.~~ (removed)

B. Resolution 48-2024: A resolution of the City Council of the City of Milwaukie, Oregon, authorizing an intergovernmental agreement (IGA) with the Confederated Tribes of the Grand Ronde for the implementation of a First Fish Herons Artworks Program at Milwaukie Bay Park.

C. Resolution 49-2024: A resolution of the City Council of the City of Milwaukie, Oregon, supporting healthy pollinators and adopting Bee City USA commitments.

~~D. A resolution authorizing an IGA for the Stanley Avenue Project.~~ (removed)

~~E. A motion approving a 5.0% management/non-represented cost-of-living adjustment (COLA) effective retroactively to the first day of the pay period for July 1, 2024.~~ (removed)

F. Resolution 50-2024: A resolution of the City Council of the City of Milwaukie, Oregon, acting as the Local Contract Review Board, authorizing an increase in the project authorization for engineering services for the Washington Street Area Improvements Project.

G. Resolution 51-2024: A resolution of the City Council of the City of Milwaukie, Oregon, acting as the Local Contract Review Board, authorizing an increase in the project authorization for the Stanley Water Reservoir Project.

Motion passed with the following vote: Councilors Anderson, Khosroabadi, Massey, and Stavenjord and Mayor Batey voting “aye.” [5:0]

7. BUSINESS ITEMS

A. None Scheduled.

8. PUBLIC HEARING

A. None Scheduled.

9. COUNCIL REPORTS

Councilor Stavenjord reported on the city's involvement in a county-led grant application to provide short-term rental assistance, noting the impact of poverty on families and school-age children and how a school's boundaries affect their eligibility for services. Stavenjord noted upcoming meetings with the North Clackamas School District (NCSD) and a grand opening at the Clackamas Service Center (CSC).

Council President Massey reported on an upcoming North Clackamas Watershed Council (NCWC) meeting and the installation of electric vehicle (EV) charging stations in neighborhoods across the city.

Councilor Anderson reported on a community survey the Transportation System Plan Advisory Committee (TSPAC) would be conducting and encouraged Council to think about ideas for the upcoming Neighborhood Hubs Phase III conversation.

Mayor Batey reported on recent tours of the Kellogg Creek Dam with members of the Metro Council, a Cultivating Belonging in Clackamas County report, and introduced a letter for Council to consider about a state climate protection program. The group discussed the letter, and it was Council consensus to send the letter as revised on the dais on behalf of the entire Council.

10. ADJOURNMENT

It was moved by Councilor Anderson and seconded by Council President Massey to adjourn the Regular Session. Motion passed with the following vote: Councilors Abma, Khosroabadi, Massey, and Stavenjord and Mayor Batey voting "aye." [5:0]

Mayor Batey adjourned the meeting at 9:29 p.m.

Respectfully submitted,

Scott Stauffer, City Recorder

COUNCIL WORK SESSION

City Hall Council Chambers, 10501 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

MINUTES

OCTOBER 1, 2024

Council Present: Councilors Will Anderson, Adam Khosroabadi, Rebecca Stavenjord, and Council President Robert Massey, and Mayor Lisa Batey

Staff Present: Joseph Briglio, Acting Assistant City Manager
Katie Gavares, Climate & Natural Resources Manager
Justin Gericke, City Attorney
Adam Heroux, Associate Planner
Peter Passarelli, Public Works Director
Emma Sagor, City Manager
Scott Stauffer, City Recorder

Mayor Batey called the meeting to order at 4:06 p.m.

1. Neighborhood Hubs Phase III – Discussion (removed from the agenda)

Mayor Batey announced that the Hubs discussion would be rescheduled.

2. Council Climate Goal Update – Discussion

Passarelli and **Gavares** provided an update on the city's climate action work, including the creation of climate equity indicators and metrics, providing positive community outreach around tree rules, and the development of state building performance standards (BPS). **Mayor Batey** and **Passarelli** discussed how BPS would be implemented.

Gavares reported on the roll out of a state home energy score (HES) program for rental housing. The group commented on how HES' are reported and **Passarelli** noted that compliance with the city's HES program had been fair. The group noted that Milwaukie did not have a rental stock inventory program.

Gavares provided an update on the city's participation in the Tualatin and Neighbors Charging Up (TANC-Up) grant program which placed electric vehicle (EV) charging stations in Milwaukie and the city's ongoing EV projects with Portland General Electric (PGE). The group noted how PGE Electric Avenue charging station customers can use their subscriptions while the Electric Avenue site is closed for updates, and they remarked on whether the city needed to play a role in pointing customers to EV charging stations.

Gavares provided an overview of transportation and land use legislation to be considered during the state legislature's 2025 session and provided updates on work to revise the city's natural resources tree code that would be presented to Council soon and noted Milwaukie Arbor Day activities. Upcoming projects, including a greenhouse gas (GHG) emission inventory, collection of new tree canopy data, updates to the city's Climate Action Plan (CAP), and drafting a city building feasibility study, were noted.

Councilor Anderson asked about the timeline and scope for the CAP update, noting the answer could be provided later.

Councilor Stavenjord asked how environmental justice would intersect with the city's equity work. **Gavares** and **Passarelli** commented on plans to integrate an equity framework into the city's climate and public works operations. **Mayor Batey** noted staff were looking at bringing Leslie King, with the Oregon Department of Fish and Wildlife (ODFW) Commission, back to speak to Council on climate equity.

The group noted the status of PGE's statewide green tariff program for new buildings, noting challenges in implementing and paying for such a program.

3. Milwaukie Bay Park Parking – Discussion

Briglio discussed parking at Milwaukie Bay Park and downtown Milwaukie, noting past discussions on introducing paid parking at the park and enhancing parking signage and simplifying the downtown parking time limits and permit program. **Mayor Batey** and **Council President Massey** expressed support for the signage and permit changes.

Council President Massey remarked on requirements for motorized boater parking at the park and suggested there was a need for more parking for non-motorized boaters. The group discussed Oregon State Marine Board (OSMB) parking rules, what the city could do on a seasonal basis to improve parking, and whether paid parking would violate any intergovernmental agreement (IGA) the city has with North Clackamas Parks and Recreation District (NCPRD). They talked about issuing all Milwaukie residents a parking pass for Milwaukie Bay Park and charging non-residents to park.

The group commented on seasonal parking changes that staff could ask OSMB about.

Councilor Stavenjord and **Briglio** talked about the move from four-hour to two-hour parking lots in downtown Milwaukie and if that change would create hardships for customers or employees of downtown businesses. **Mayor Batey** expressed support for the move to two-hour parking and the group wondered how permits could be used for customers of downtown businesses who plan to park for longer than two hours.

Briglio provided an overview of where the new parking signage would be installed.

Sagor summarized that staff would reach out to the OSMB with several questions and **Briglio** suggested the parking signage would be installed before spring 2025.

Mayor Batey suggested Council should further discuss charging to park at Milwaukie Bay Park. **Councilor Khosroabadi** asked that Council discuss charging employees of downtown businesses to park in downtown.

Council Reports

Council President Massey reported attending a recent North Clackamas Watersheds Council (NCWC) meeting.

Councilor Khosroabadi encouraged Council members to meet with the new Downtown Business Alliance group.

Councilor Stavenjord reported on recent Clackamas County Coordinating Committee (C4) and Metro regional technical committee meetings which had focused on possible transportation legislation and urban growth issues in Washington County.

Councilor Anderson noted a recent state legislative transportation roadshow and survey work done by the city's Transportation System Plan Advisory Committee (TSPAC). **Mayor Batey** and **Councilor Stavenjord** reported on topics raised during the transportation roadshow and remarked on whether C4's issues had been mentioned at the roadshow.

Mayor Batey and **Councilor Stavenjord** discussed the North Clackamas School District (NCSD) school boundaries map, and the Milwaukie city limits map, and what the differences in the maps mean for social services provided to students at schools on the city border. The group commented on how the city can advocate for Milwaukie students

and how the city could receive regular reporting on student service needs. They noted the role of the Clackamas Service Center (CSC) in providing student services and new pilot programs coming to the CSC through county agencies that the city could support.

Sagor noted upcoming events, including the October First Friday of the year that would include an open house at city hall, and a Meet Milwaukie event in November. The group discussed plans for a Council dinner and there was Council consensus to hold the dinner on October 13.

Mayor Batey noted the recent establishment of a Friends of Milwaukie Bay Park group that had organized a rally at the park. **Batey** commented on the NCPRD Board's recent meetings on parks and Milwaukie Bay Park issues, noting more would be reported during the October 1 regular session.

4. Adjourn

Mayor Batey adjourned the meeting at 5:59 p.m.

Respectfully submitted,

Scott Stauffer, City Recorder

COUNCIL REGULAR SESSION

City Hall Council Chambers, 10501 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

MINUTES**OCTOBER 1, 2024**

Council Present: Councilors Will Anderson, Adam Khosroabadi, Rebecca Stavenjord, and
Council President Robert Massey, and Mayor Lisa Batey

Staff Present: Katie Gavares, Climate & Natural Resources Manager
Justin Gericke, City Attorney
Peter Passarelli, Public Works Director
Emma Sagor, City Manager
Gabriela Santoyo Gutierrez, Equity & Inclusion Coordinator
Scott Stauffer, City Recorder
Laura Weigel, Planning Manager

Mayor Batey called the meeting to order at 6:31 p.m.

1. CALL TO ORDER

A. Pledge of Allegiance.

B. Native Lands Acknowledgment.

2. ANNOUNCEMENTS

Mayor Batey announced upcoming activities including the Ledding Library's fall author series, October First Friday events, a Minthorn Springs restoration event, a Mexican ballet performance, the city's Arbor Day celebration, a prescription drug drop-off and document shredding event, and Halloween events.

Mayor Batey read a Haiku by Councilor Anderson.

3. PROCLAMATIONS AND AWARDS**A. Arbor Day – Proclamation**

Gavares introduced the proclamation and remarked on the city's Arbor Day plans. **Mayor Batey** proclaimed October 26, 2024, to be Arbor Day in Milwaukie.

Councilor Stavenjord asked that future proclamations not use the word "citizen."

B. Indigenous Peoples Day – Proclamation

Santoyo and **Stauffer** introduced the proclamation and commented on the importance of recognizing Native American heritage and noted the city's work with the Confederated Tribes of the Grande Ronde (CTGR). **Mayor Batey** proclaimed October 14, 2024, to be Indigenous Peoples Day in Milwaukie.

C. Community Planning Month – Proclamation

Weigel remarked on the importance of community planning. **Mayor Batey** proclaimed October to be Community Planning Month in Milwaukie.

D. National Archives Month – Proclamation

Stauffer and **Dave Aschenbrenner**, with the Milwaukie Historical Society, introduced the proclamation and **Mayor Batey** proclaimed October to be Archives Month in Milwaukie.

E. Support for Election Workers – Proclamation

Council President Massey and **Mayor Batey** introduced the proclamation and commented on the importance of supporting election workers. **Mayor Batey** proclaimed October 16, 2024, to be Election Workers Appreciation Day in Milwaukie.

4. SPECIAL REPORTS

A. None Scheduled.

5. COMMUNITY COMMENTS

Mayor Batey reviewed the public comment procedures. **Sagor** reported that, in follow-up to comments made on September 17, staff had been in contact with a resident regarding the Monroe Neighborhood Greenway project and another resident regarding the visibility of a stop sign and the vehicle noise code. **Mayor Batey** and **Sagor** remarked on how the city enforced noisy vehicle rules. **Batey** noted a letter to Council from the Beer Store Milwaukie about open container laws and **Sagor** noted the topic would be placed on a Council agenda. No audience member wished to address Council.

6. CONSENT AGENDA

It was moved by Councilor Stavenjord and seconded by Councilor Khosroabadi to approve the Consent Agenda as presented.

A. City Council Meeting Minutes:

1. August 20, 2024, work session, and
2. August 20, 2024, regular session.

B. Resolution 52-2024: A resolution of the City Council of the City of Milwaukie, Oregon, making appointments to the Public Safety Advisory Committee (PSAC).

C. A resolution adopting a supplemental budget. (removed from the agenda)

D. Resolution 53-2024: A resolution of the City Council of the City of Milwaukie, Oregon, authorizing a partnership between the City and Clackamas County to submit a grant application for federal Pathways to Removing Obstacles (PRO) Housing funds to fund affordable housing development in Milwaukie.

E. A resolution authorizing an intergovernmental agreement (IGA) for the Stanley Avenue Project. (removed from the agenda)

Motion passed with the following vote: Councilors Anderson, Khosroabadi, Massey, and Stavenjord and Mayor Batey voting “aye.” [5:0]

7. BUSINESS ITEMS

A. None Scheduled.

8. PUBLIC HEARING

A. None Scheduled.

9. COUNCIL REPORTS

Mayor Batey continued to discuss the status of the city’s parks maintenance intergovernmental agreement (IGA) with the North Clackamas Parks and Recreation District (NCPRD), noting ongoing legal actions and statements made by NCPRD leaders.

Council President Massey and **Councilors Khosroabadi, Stavenjord, and Anderson** agreed with Mayor Batey's remarks and noted the city and park district issues had been going on for a long time. They commented on the ongoing legal validation action related to the city's ability to leave the district.

Councilor Stavenjord noted an upcoming facility groundbreaking event at the Clackamas Service Center (CSC) in unincorporated Clackamas County, and discussed Council's committee assignments, suggesting that Councilor Anderson take the lead on representing the city at the Clackamas County Coordinating Committee (C4). Council discussed revising the assignments and it was the Council consensus to revise the committee assignments to assign C4 to Anderson. **Sagor** noted a revised committee assignments motion will be placed on the October 15 regular session consent agenda.

10. ADJOURNMENT

It was moved by Councilor Stavenjord and seconded by Councilor Khosroabadi to adjourn the Regular Session. Motion passed with the following vote: Councilors Anderson, Khosroabadi, Massey, and Stavenjord and Mayor Batey voting "aye."
[5:0]

Mayor Batey adjourned the meeting at 7:37 p.m.

Respectfully submitted,

Scott Stauffer, City Recorder

COUNCIL STAFF REPORT

To: Mayor and City Council
Emma Sagor, Acting City Manager

Reviewed: Nicole Madigan, Deputy City Recorder

From: Scott Stauffer, City Recorder

Subject: **Board and Committee Appointments**

Date Written: Oct. 23, 2024

ACTION REQUESTED

As outlined in the Milwaukie Municipal Code (MMC), Council is asked to consider approving a resolution making appointments to the Ledding Library Board and Planning Commission.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

May 2024. As part of the city's annual board and committee (BC) recruitment process, individuals not appointed to BCs were identified as alternative appointees to fill future vacancies.

On September 13, 2024, Planning Commissioner Josh Freeman resigned from the commission effective immediately.

On October 20, 2024, Library Board Member Joel McLemore resigned from the board effective immediately.

October 2024. In response to the resignations noted above, staff referred to the list of alternate nominees for the Library Board and Planning Commission. The alternates identified below have confirmed their interest in serving on the board and commission.

ANALYSIS

Authority to fill city boards and committee (BC) vacancies is granted to the Mayor and Council by Section 26 of the City Charter. Appointed individuals serve for a term length determined by the Milwaukie Municipal Code (MMC). Upon the completion of a term, if the individual is eligible, they may be reappointed by Council to serve another term. BC appointments are made when a term has expired or when a position has been vacated. BC terms expire on June 30, but appointments are also made as needed to fill vacancies.

To fill vacant neighborhood district association (NDA) nominated positions, NDAs make appointment recommendations to Council, which considers and typically approves recommendations through the regular session consent agenda. Neither of the positions being filled through the attached resolution are NDA-nominated.

All BC positions, except certain NDA nominated positions, are term limited, meaning there is a limit to the number of times that members can be re-appointed.

Joanna Tabacek has been nominated to fill the vacant Library Board position and Max Penneck has been nominated to fill the vacant Planning Commission position. Both nominees are residents of the city and are eligible for appointment. Penneck is currently a member of the city's Park and

Recreation Board (PARB); per direction from Mayor Batey, Penneck may serve on the Planning Commission and PARB through the rest of their current PARB term which ends in June 2025.

BUDGET IMPACT

The proposed BC appointments have no financial impact, however certain BCs have authority to make fiscal decisions recommendations.

CLIMATE IMPACT

Appointing different community members to the Library Board and Planning Commission ensures that the city hears many voices when shaping and meeting Milwaukie's climate goals.

EQUITY IMPACT

Staff strive to make participation with the city's BCs as accessible as possible by holding hybrid meetings and offering BC applications translated in Spanish. One goal of the city's annual BC recruitment process is to ensure that the community has a consistent opportunity to participate in the city's work.

WORKLOAD IMPACT

None.

COORDINATION, CONCURRENCE, OR DISSENT

The office of the city recorder (OCR) worked with the staff liaisons to confirm that the individuals listed below would like to serve on Library Board and Planning Commission.

STAFF RECOMMENDATION

Staff recommend the following appointments:

Ledding Library Board: two-year terms, limit of three consecutive terms.

Position	Name	Term Start Date	Term End Date
2	Joanna Tabacek	11/5/2024	6/30/2026

Planning Commission: four-year terms, limit of two consecutive terms.

Position	Name	Term Start Date	Term End Date
6	Max Penneck	11/5/2024	6/30/2026

ALTERNATIVES

Council could decline to make the recommended appointments, which would result in continued vacancies on the noted board and commission.

ATTACHMENTS

1. Resolution

COUNCIL RESOLUTION No.**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON,
MAKING APPOINTMENTS TO CITY BOARDS AND COMMISSIONS.**

WHEREAS Milwaukie Charter Section 26 authorizes the Mayor, with the consent of the Council, to make appointments to boards and committees (BCs), and

WHEREAS the city undertook an annual BC recruitment process in the spring of 2024 which resulted in alternate nominees for future BC vacancies, and

WHEREAS there are vacancies on the Ledding Library Board and Planning Commission, and

WHEREAS the individuals named below were identified as alternates, are eligible to serve, and have confirmed they are interested in serving, and

WHEREAS staff recommend the following qualified individuals be appointed and reappointed.

Ledding Library Board:

Position	Name	Term Start Date	Term End Date
2	Joanna Tabacek	11/5/2024	6/30/2026

Planning Commission:

Position	Name	Term Start Date	Term End Date
6	Max Penneck	11/5/2024	6/30/2026

Now, Therefore, be it Resolved by the City Council of the City of Milwaukie, Oregon, that the individuals named in this resolution are appointed to the identified committee of the City of Milwaukie for the term dates noted.

Introduced and adopted by the City Council on **November 5, 2024**.

This resolution is effective immediately.

ATTEST:

Lisa M. Batey, Mayor

APPROVED AS TO FORM:

Scott S. Stauffer, City Recorder

Justin D. Gericke, City Attorney

COUNCIL STAFF REPORT

To: Mayor and City Council
Emma Sagor, City Manager

Reviewed: Jennifer Garbely, City Engineer

From: Josh Neath, Associate Engineer

Subject: **Ardenwald North Improvements Project Low Bid**

Date Written: Oct. 16, 2024

ACTION REQUESTED

Council is asked to approve the attached resolution to execute a contract with Landis & Landis Construction to construct the Ardenwald North Improvement Project.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

The project is included in the 2025 to 2030 Capital Improvement Plan (CIP) and the 2025-2026 biennium budget adopted by Council.

ANALYSIS

The objective of the Ardenwald North Improvements project is to repair and replace underground facilities and pavement to good condition and decrease ongoing operational needs. The summary of work includes:

- Grind & inlay street repairs on Van Water Street, Roswell Street, Sherrett Street, 28th Avenue, 28th Place, 29th Avenue, 30th Avenue, and 31st Avenue.
- Replace sidewalk on the north side of Roswell Street between 31st and 32nd Avenue.
- Replace existing catch basins with Curb & Gutter Type 2 inlets throughout the project.
- Remove and replace water system on 29th Avenue, 30th Avenue, 31st Avenue, and Roswell Street.
- Pipe burst wastewater line on 28th Avenue, 29th Avenue, and 31st Avenue.
- Install storm drywell at Home Avenue and Wilma Circle.

Staff completed a competitive bidding process in compliance with Rule 115.020(C) of the city's Public Contracting Rules. Seven (7) proposals were received by the solicitation deadline and are summarized below:

	Contractor	Total Bid Amount
1	D&D Concrete and Utilities	\$3,832,004.00
2	James W. Fowler Co.	\$3,686,564.50
3	Kerr Contractors Oregon LLC	\$3,444,964.00
4	Knife River Corporation	\$3,130,057.05

5	Landis & Landis Construction	\$2,677,058.25
6	Moore Excavation, Inc.	\$3,167,566.00
7	Tapani, Inc.	\$2,698,000.00
	Engineer's Estimate	\$2,738,302.00

BUDGET IMPACT

This project is funded in the 2025-2030 CIP. Identified funding sources are the city's Street Surface Maintenance Program (SSMP), Safe Access for Everyone (SAFE), state gas tax, and stormwater funds. The water and wastewater scope of the project design will be funded by federal American Recovery Plan Act (ARPA) funds.

WORKLOAD IMPACT

None. The city's engineering team will oversee the construction process. Additional on-call construction management services are available if needed.

CLIMATE IMPACT

Construction activity has a significant impact on the environment due to emissions from transport of materials, heavy equipment uses, and the manufacturing of materials such as asphalt concrete pavement and underground utility pipes.

EQUITY IMPACT

CIP projects prioritize improving safety and access to quality services for residents. This project not only includes Ardenwald neighborhood updates and maintenance, but also includes updates to the 29th Avenue Greenway as part of the recent greenway improvements installed by public works. Providing a safe, accessible greenway helps provide places within the right-of-way (ROW) for people of all ages and abilities to travel. This includes Americans with Disabilities Act (ADA) enhancements that remove barriers for people to walk, bike, or roll safely in a shared road concept.

Implementing greenway improvements equitably means doing so thoughtfully in places with greatest need and highest risk. This is why it is important to use data to make informed decisions about what infrastructure improvements could have the greatest impact. In addition, construction communication updates to water, wastewater, and stormwater facilities have been distributed and available in Spanish and English.

COORDINATION, CONCURRENCE, OR DISSENT

Managers from engineering, public works, and finance reviewed and approved the project scope and budget.

STAFF RECOMMENDATION

Staff recommend that Council award the Ardenwald North Improvements project contract to Landis & Landis Construction with a project budget authorization of \$3,077,059.

ALTERNATIVES

Council could choose to:

1. Award the project as presented,
2. Reject all bids in the public interest and direct staff to revise and rebid the project, or
3. Reject all bids in the public interest.

ATTACHMENTS

1. Resolution

COUNCIL RESOLUTION No.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, ACTING AS THE LOCAL CONTRACT REVIEW BOARD, AUTHORIZING A PUBLIC IMPROVEMENT CONTRACT WITH LANDIS & LANDIS CONSTRUCTION FOR CONSTRUCTION OF THE ARDENWALD NORTH IMPROVEMENTS PROJECT (CIP-2021-W61).

WHEREAS the city has identified the Ardenwald North Improvements project in the 2025 – 2030 Capital Improvement Plan (CIP); and

WHEREAS the city has identified funding for the project in the 2025 – 2026 Biennium Budget; and

WHEREAS the project is consistent with the city's Safe Access for Everyone (SAFE) program, Street Surface Maintenance Program (SSMP), and Water, Wastewater, and Stormwater System Plans; and

WHEREAS a contractor was selected after a formal competitive selection process using the low bid award in compliance with Rule 115.020(C) of the city's Public Contracting Rules (PCR).

Now, Therefore, be it Resolved by the City Council of the City of Milwaukie, Oregon, that the city manager or designee is authorized to execute a contract with Landis & Landis Construction for construction of the Ardenwald North Improvements project, waive any irregularities, and authorize the city engineer or assistant city engineer to administer the project in accordance with the project specifications in the amount not to exceed \$3,077,059.

Introduced and adopted by the City Council on **November 5, 2024**.

This resolution is effective immediately.

Lisa M. Batey, Mayor

ATTEST:

APPROVED AS TO FORM:

Scott S. Stauffer, City Recorder

Justin D. Gericke, City Attorney

COUNCIL STAFF REPORT

To: Mayor and City Council
Emma Sagor, City Manager

Date Written: Oct. 22, 2024

Reviewed: Joseph Briglio, Community Development Director

From: Jennifer Garbely, City Engineer

Subject: **Safety Assessment of Harrison Street Corridor Agreement with USDOT**

ACTION REQUESTED

Council is asked to adopt a resolution authorizing an agreement with the United States Department of Transportation's (USDOT) Federal Highway Administration (FHWA) for Safe Streets and Roads for All (SS4A) grant for the Safety Assessment of Harrison Street Corridor.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[September 17, 2024](#): The city engineer provided a Capital Improvement Plan (CIP) projects update that informed Council that an application was submitted for the SS4A grant for safety improvements on Harrison Street.

BACKGROUND

A study was conducted on 42nd Avenue between King Road and Harrison Street to have a better understanding of the safety improvements needed before the design of the Logus Road, 40th and 42nd Avenue project. The study addressed temporary safety improvements at 42nd Avenue and King Road, which have been installed. The permanent safety improvements will be evaluated in this SS4A grant that will include the corridor starting at the intersection of King Road and 43rd Avenue traveling west, then south on 42nd Avenue, the west on Harrison Street to the express way at Highway 99E. The goal of the safety assessment is to identify and evaluate countermeasures that will mitigate fatalities and serious injuries for all roadway users within the corridor.

BUDGET IMPACTS

The 20% match (\$80,000) for this grant will come from the Logus Road, 40th and 42nd Avenue project, which will need to be de-coupled.

CLIMATE IMPACTS

This project will enhance safety and comfort for people choosing to travel by walking, rolling, or biking. Improving active transportation infrastructure helps support the city's climate goals by providing alternatives to single-occupancy vehicle travel.

The materials and equipment used in the construction of infrastructure contain embedded carbon and generate greenhouse gas emissions. To the extent possible, staff work with contractors to use more sustainable materials and methods such as warm mix asphalt and concrete with a percentage of the cement replaced by fly ash or ground slag.

While some trees must be removed to provide the required area to construct a project, the goal is to always install more trees than are removed. When feasible, stormwater projects will now start to include the more natural, low-impact development facilities. These are smaller facilities spread throughout a project that allow better retention, cleansing, and infiltration of stormwater runoff. Where feasible on sidewalk and pathway projects, more pervious asphalt and concrete surfaces will be installed to reduce stormwater runoff. With CIP projects, language in the project specifications that limit idling time of construction vehicles will be included.

EQUITY IMPACT

Engineering projects help bring equity and accessibility to the community. CIP projects focus on the areas in Milwaukie with the greatest need and highest risk. Their goal is to improve safety and access to quality services for residents. Through the city's Safe Access for Everyone (SAFE) program our goal is to remove barriers for people to walk, bike, or roll safely. This includes Americans with Disabilities Act (ADA) enhancements. In addition, construction communication updates to water, wastewater, and stormwater facilities will be distributed and available in Spanish and English.

WORKLOAD IMPACTS

A consultant will be hired to conduct the road safety assessment for this grant.

COORDINATION, CONCURRENCE, OR DISSENT

Engineering staff coordinated with public works, community development, finance, and the city manager's office on this project.

ALTERNATIVES

None.

ATTACHMENTS

1. Resolution

COUNCIL RESOLUTION No.**A RESOLUTION OF THE CITY COUNCIL OF MILWAUKIE, OREGON, AUTHORIZING A GRANT WITH THE UNITED STATES DEPARTMENT OF TRANSPORTATION (USDOT) FOR THE SAFETY ASSESSMENT OF HARRISON STREET CORRIDOR.**

WHEREAS the City of Milwaukie has identified necessary safety improvements on the Harrison Street Corridor, and City Council has previously approved funding for the Logus Road, 42nd and 40th Avenue project in the 2025–2026 biennium budget and the 2025–2030 Capital Improvement Plan (CIP), and

WHEREAS this project is consistent with the city's Safe Access for Everyone (SAFE) Program, Street Surface Maintenance Program (SSMP), and Water, Wastewater, and Stormwater System plans, and

WHEREAS a Safe Streets and Roads for All (SS4A) grant from USDOT will provide funding for a safety assessment on a portion of the Harrison Street Corridor starting at the intersection of King Road and 43rd Avenue traveling west, then south on 42nd Avenue, then west on Harrison Street to Highway 99E, and

WHEREAS the goal of the safety assessment is to identify and evaluate countermeasures that will mitigate fatalities and serious injuries for all roadway users within the corridor.

Now, Therefore, be it Resolved by the City Council of the City of Milwaukie, Oregon, that the city manager or their designee is authorized to sign the grant with the USDOT for the Safety Assessment of Harrison Street Corridor.

Introduced and adopted by the City Council on **November 5, 2024**.

This resolution is effective immediately.

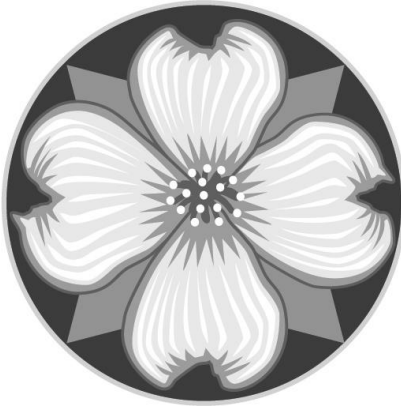
ATTEST:

Lisa M. Batey, Mayor

APPROVED AS TO FORM:

Scott S. Stauffer, City Recorder

Justin D. Gericke, City Attorney



RS Agenda Item

7

Business Items

COUNCIL STAFF REPORT

To: Mayor and City Council
Emma Sagor, City Manager

Date Written: Oct. 24, 2024

Reviewed: Peter Passarelli, Public Works Director, and Gabriela Santoyo Gutierrez, Equity & Inclusion Coordinator

From: Katie Gavares, Climate & Natural Resources Manager

Subject: **Stormwater Code and Erosion Control Code Amendments**

ACTION REQUESTED

Council is asked to review the proposed ordinance for stormwater and erosion control code amendments, review associated code modifications, and adopt the ordinance.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[November 15, 2022](#): Staff presented revisions to the stormwater code during Council's deliberations on the climate fee.

[December 6, 2022](#): Council adopted revisions to the stormwater code related to nature-based stormwater facilities and the use of stormwater funds on private property.

[October 15, 2024](#): Staff presented proposed amendments on escalating enforcement to the stormwater and erosion control code.

ANALYSIS

Under the federal Clean Water Act (CWA) and Oregon Revised Statute (ORS) 468B.050, the Oregon Department of Environmental Quality (DEQ) issued the city a renewed National Pollutant Discharge Elimination System (NPDES) Municipal Separate Storm Sewer System (MS4) Phase I Discharge Permit, effective October 1, 2021. DEQ regulates stormwater runoff from the city through the city's MS4 NPDES Permit No. 101348, issued to Clackamas County and its co-permittees, which include Milwaukie. As a condition of the MS4 Permit, the city needs to revise the code, specifically Chapter 13.14 Stormwater Management and Chapter 16.28 Erosion Control, to include a written escalating enforcement and response procedure for all qualifying construction sites for construction site runoff control.

Staff have engaged with consultants at Water System Consulting Inc. (WSC) and Parametrix to provide recommended revisions that were consistent with the Milwaukie Municipal Code (MMC) and would meet the permit requirements. These amendments included adding the required escalating enforcement language to both Chapters 13.14 and 16.28, adding additional language concerning violations, adding definitions to better align definitions in the code with permit language, and consolidating the location of violations and penalties within the appropriate section of each chapter.

Additionally, staff incorporated Council feedback from the October 15 work session into the revised code that is recommended for adoption. This includes adding the definition for

“Manager” in Chapter 16.28 Erosion Control and removed the duplicative language on enforcing violations in sections 16.28.120(A and C). Staff retained section 16.28.120(B) Violations Deemed a Nuisance, as it provides the option of using the city’s existing nuisance code to address these violations, including abatement. Rather than repeating the city’s existing requirements for abatement in this section, the code instead refers to Chapter 8.04.070. Finally, staff retained the language in 16.28.030(D) about ensuring an Erosion Control Plan is kept on site and available upon request. The statement mirrors standard permit language and outlines the city’s authority and the permittee’s responsibility as a permit holder.

BUDGET IMPACT

Not applicable.

CLIMATE IMPACT

The proposed amendments align with the city’s Climate Action Plan (CAP) and are consistent in ensuring protection of surface water quality in an urban environment. This, in turn, will protect Milwaukie’s groundwater from contamination, maintaining Milwaukie’s high quality drinking water.

EQUITY IMPACT

The proposed amendments are primarily technical changes designed to ensure compliance with state and federal regulatory requirements. There are no direct impacts anticipated on underrepresented or marginalized communities as part of this specific action.

WORKLOAD IMPACT

Not applicable.

COORDINATION, CONCURRENCE, OR DISSENT

The proposed amendments have been coordinated with public works staff and code enforcement staff.

STAFF RECOMMENDATION

Staff recommends that Council adopt the attached ordinance.

ALTERNATIVES

Not applicable.

ATTACHMENTS

1. Ordinance

Exhibit A: Strikeout version of stormwater management and erosion control chapters

Exhibit B: Clean version of stormwater management and erosion control chapters

**COUNCIL ORDINANCE No.****AN ORDINANCE OF THE CITY OF MILWAUKIE, OREGON, AMENDING MUNICIPAL CODE (MMC) CHAPTERS 13.14 STORMWATER MANAGEMENT AND 16.28 EROSION CONTROL BY ADDING REQUIREMENTS RELATED TO ESCALATING ENFORCEMENT.**

WHEREAS the city is required by federal law to have an approved National Pollutant Discharge Elimination System (NPDES) Municipal Separate Storm Sewer System (MS4) Phase 1 Discharge Permit for its municipal storm sewer system; and

WHEREAS the city is required by the 2021 NPDES Permit to adopt, update, and maintain adequate legal authority to control pollutant discharges into and discharges from its MS4 and to implement and enforce the conditions of this permit, to the extent allowable pursuant to the respective authority granted under state law; and

WHEREAS compliance with the NPDES Permit requires the city to establish a written escalating enforcement and response procedure for all qualifying construction sites for construction site runoff control.

Now, Therefore, the City of Milwaukie does ordain as follows:

Section 1. Amendments. The Milwaukie Municipal Code (MMC) Chapter 13.14 Stormwater Management and Chapter 16.28 Erosion Control are amended as described in Exhibit A (underline/strikeout version) and Exhibit B (clean version).

Section 2. Effective Date. This ordinance will become effective on December 5, 2024.

Read the first time on _____ and moved to second reading by _____ vote of the City Council.

Read the second time and adopted by the City Council on _____.

Signed by the Mayor on _____.

Lisa M. Batey, Mayor

ATTEST:

APPROVED AS TO FORM:

Scott S. Stauffer, City Recorder

Justin D. Gericke, City Attorney

Exhibit A

CHAPTER 13.14 (strikethrough) STORMWATER MANAGEMENT

§ 13.14.010. PURPOSE.

The City finds and declares that absent effective maintenance, operation, regulation, and control, existing stormwater drainage conditions in all drainage basins and subbasins within the City constitute a potential hazard to the health, safety, and general welfare of the City. The City Council further finds that nature-based and manmade stormwater facilities and conveyances together constitute a stormwater system and that the effective regulation and control of stormwater can best be accomplished through formation, by the City, of a stormwater utility.

(Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.020. DEFINITIONS.

“Best Management Practices (BMPs)” means schedules of activities, prohibition of practices, maintenance procedures, and other management practices to prevent or reduce the pollution of waters of the state. BMPs are also treatment requirements, operating procedures, and practices to control runoff, spillage, or leaks, sludge, or waste disposal, or drainage from raw material storages.

“Chronic Illicit Discharges” means continuous or repeated illicit discharges to a Municipal Separate Storm Sewer System (MS4), potentially resulting from sanitary/wastewater connections to an MS4, sanitary/wastewater inflows into an MS4, unpermitted industrial wastewater discharges to the MS4, or other types of illegal dumping or poor housekeeping practices upstream from an outfall where irregular flows, color, smell, or other monitoring parameters indicate an issue that may need repeat investigations over time to ensure cross connections or illegal dumping are remedied. Chronic illicit discharges may not be long-term and ongoing as in the case of illicit connections that can be stopped easily. Chronic illicit discharges may be defined by inconclusive findings of outfall investigations indicating pollutant discharge or repeated reports by members of the public that have not been traced back to a definite source.

"City" means the City of Milwaukie, a municipality, and its authorized employees.

"City council" means the City Council of Milwaukie.

"Customer" means a person in whose name service is rendered as evidenced by the signature on the application/contract for stormwater, sanitary sewer, or water service or, in the absence of a signed instrument, by the receipt and payment of bills regularly issued in their name.

"Developed" means an area that has been altered by grading or filling of the ground surface, or by construction of any improvement or other impervious surface area, which affects the hydraulic properties of the location.

“Discharge” means any addition of any pollutant or combination of pollutants to waters of the state from any point source, or any addition of any pollutant or combination of pollutants to the waters of the “contiguous zone” or the ocean from any point source other than a vessel or other floating craft that is being used as a means of transportation. This definition includes additions of pollutants into waters of the state from surface runoff, which is collected or channeled by humans; discharges through pipes, sewers, or other conveyances owned by a State, municipality, or other person, which do not lead to a treatment works; and discharges through pipes, sewers, or other conveyances, leading into privately owned treatment works.

"Equivalent service unit (ESU)" means a configuration of development or impervious surface estimated to contribute an amount of runoff to the City's stormwater system that is approximately equal to that created by the average developed single-family residence within Milwaukee. One ESU is equal to 2,706 square feet of impervious surface area.

"Illicit Discharge" means any discharge to the City's storm sewer system that is not composed entirely of stormwater, except discharges permitted by a National Pollutant Discharge Elimination System (NPDES) permit or other state or federal permit, or otherwise authorized.

"Impervious surface" means any surface resulting from activities that prevents the infiltration of water or results in more runoff than in undeveloped conditions. Common that hard surface area which either prevents or retards the entry of water into the soil mantle and/or causes water to run off the surface in greater quantities or at an increased rate of flow from that present under natural conditions. Impervious surfaces may include, but are not limited to, building rooftops, roofs, traditional concrete, or asphalt paving on, walkways, patios, driveways, parking lots, gravel lots and roads, and packed earthen material or storage areas, trafficked gravel, and oiled, macadam, or other surfaces which similarly impede the natural infiltration or runoff of stormwater.

"Improved premises" means any area that the ~~Public Works Director~~ Manager determines has been altered such that the runoff from the site is greater than that which could historically have been expected. Improved premises do not include public roads under the jurisdiction of the City, County, State or federal government.

"Manager" means the City Manager or designee ~~of the City stormwater management system.~~

Municipal Separate Storm Sewer System (MS4) means a conveyance or system of conveyance, including roads with drainage systems, municipal streets, catch basins, curbs, gutters, ditches, man-made channels, or storm drains that are (i) owned or operated by a State, city, town, county, , or other public body having jurisdiction over disposal of sewage, industrial wastes, storm water, or other wastes, that is (ii) designed or used for collecting or conveying stormwater (iii) that is not a combined sewer; and (iv) that is not part of a Publicly Owned Treatment Works as defined at 40 CFR §122.2.

"National Pollutant Discharge Elimination System (NPDES)" means the national program for issuing, modifying, revoking and reissuing, terminating, monitoring, and enforcing permits, and imposing and enforcing pretreatment requirements, under sections 307, 402, 318, and 405 of Clean Water Act [40 CFR §122.2].

"One- or two-family residential" means an area that is improved with one or two attached single-family dwelling units for occupancy each by a single family or a similar group of people, provided each dwelling has a separate billing within the City's utility billing system.

"On-site mitigation control system" means a stormwater drainage facility ~~that which the Public Works Director has determined~~ prevents the discharge, or substantially reduces the discharge, of stormwater or nonpoint source pollution into a receiving water or public stormwater system facility.

"Person responsible" means the occupant, lessee, tenant, contract purchaser, owner, agent, or other person having possession of property, or if no person is in possession, then the person in control of the use of the property, or in control of the supervision of development on the property.

"Point Source" means a discernible, confined, and discrete conveyance including, but not limited to, a pipe, ditch, channel, tunnel, conduit, well, discrete fissure, container, rolling stock, concentrated animal feeding operation, vessel or other floating craft, or leachate collection system from which pollutants are or may be discharged. Point source does not include agricultural storm

| water discharges and return flows from irrigated agriculture.

"Pollutant" means dredged spoil; solid waste; incinerator residue; sewage; garbage; sewerage sludge; munitions; chemical wastes; biological materials; radioactive materials; heat; wrecked or discarded equipment; rock; sand; cellar dirt; and industrial, municipal, and agricultural waste discharged into water.

"Public works standards" mean the City of Milwaukie Public Works Standards ~~and the referenced City of Portland Stormwater Management Manual~~ that the City requires be complied with for the design and construction of on-site mitigation facilities including stormwater detention, retention, and water quality treatment facilities.

"Stormwater" means ~~water from that portion of precipitation that does not naturally percolate into the ground or evaporate, but flows via overland flow, interflow, channels, or pipes into a defined surface water channel or a constructed stormwater control infiltration facility, surface or subterranean water from any source, drainage, and nonseptic wastewater.~~

"Stormwater service" means the operations of the City's stormwater utility in providing programs and facilities for maintaining, improving, regulating, collecting, and managing stormwater quantity and quality within the City's service area.

"Stormwater system" means any manmade or nature-based structure or configuration of ground that is used or by its location becomes a place where stormwater flows or is accumulated, including, but not limited to, pipes, sewers, curbs, gutters, manholes, catch basins, ponds, creeks, underground injection control (UIC) facilities, open drainageways, rain gardens, vegetated swales, permeable pavement, green roofs, urban forest canopy, tree trenches, rainwater harvesting, green streets and their appurtenances. Stormwater system does not include the Willamette River.

"Street wash water" means water that originates from publicly financed street cleaning activities consistent with the City's National Pollutant Discharge Elimination System (NPDES) municipal stormwater permit.

"Toxic substances" mean any chemical listed as toxic under Section 307(a)(1) of the Federal Clean Water Act (CWA) or Section 313 of Title III of Superfund Amendments and Reauthorization Act (SARA).

"Undeveloped" means any area that has not been altered by grading or filling of the ground surface, or by construction of any improvements or other impervious surface area, which affects the hydraulic properties of the location.

"Waters of the state" means lakes, bays, ponds, impounding reservoirs, springs, wells, rivers, streams, creeks, estuaries, marshes, inlets, canals, the Pacific Ocean within the territorial limits of the State of Oregon, and all other bodies of surface or underground waters, natural or artificial, inland or coastal, fresh or salt, public or private (except those private waters that do not combine or effect a junction with natural surface or underground waters) that are located wholly or partially within or bordering the state or within its jurisdiction.

(Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.025. REGULATIONS AND REQUIREMENTS.

A. Compliance with ~~Industrial~~-NPDES Stormwater Permits

Any ~~industrial person or entity responsible for any discharged discharger, discharger associated with construction activity, or other discharger~~ subject to any NPDES permit issued by the Oregon DEQ, from which pollutants may enter the public or private stormwater system, ~~shall~~

must comply with all provisions of such permits, including notification to and cooperation with local entities as required by federal regulations. Proof of compliance with said permits may be required in a form acceptable to the Manager prior to issuance of any grading, building, or occupancy permits or business license.

B. Compliance with State, Local, and Federal Regulations

All users of the public stormwater system, and any person or entity whose actions may affect the system, ~~shall~~must comply with all applicable federal, State, and local laws, including Section

19.402 Natural Resources. Compliance with the requirements of this chapter ~~shall~~ in no way substitutes for, or eliminates the necessity for compliance with, applicable federal, State, and local laws.

C. Stormwater Management Document

The Manager will administer this Chapter 13.14 and may furnish additional policy, criteria, and information, including specifications and procedures for implementing the requirements of this chapter. In the event of a discrepancy between the requirements of any stormwater management document and the code, the requirement that is most protective of water quality overrides all other requirements.

D. Conflicts with Existing and Future Regulatory Requirements of Other Agencies

Any provisions or limitations of this chapter, and any rules adopted pursuant hereto, are superseded and supplemented by any applicable federal, State, or local requirements existing or adopted subsequent hereto that are more stringent than the provisions and limitations contained herein. Any provision of this chapter and rules adopted pursuant hereto that are more stringent than any such applicable federal, State, or local requirement will prevail and be the standard for compliance by the connectors to and the discharges to the public stormwater system.

E. Accidental Spill Prevention and Control

Dischargers who are not required to obtain an NPDES permit; but who handle, store, or use hazardous or toxic substances or discharges prohibited under Section 13.14.105.E General Discharge Prohibitions, on their sites; must prepare and submit to the Manager, at the Manager's request, an Accidental Spill Prevention Plan within 60 days of notification by the City. If other laws or regulations require an Accidental Spill Prevention and Control Plan, a plan that meets the requirement of those other laws and regulations will satisfy the requirement of this section.

F. Notification of Spills

As soon as any person in charge of a facility, or responsible for emergency response for a facility, becomes aware of any suspected, confirmed, or unconfirmed release of material, pollutants, or waste creating a risk of discharge to the public stormwater system, such persons must:

1. Begin containment procedures;
2. Notify proper emergency personnel in case of an emergency;
3. Notify appropriate City and/or State officials regarding the nature of spill;

4. Follow up with the City regarding compliance and modified practices to minimize future spills, as appropriate.

The notification requirements of this section are in addition to any other notification requirements set forth in federal, State, or local regulations and laws. The notification requirements do not relieve the person of necessary remediation or enforcement action set forth in Section 13.14.115.

F. Requirement to Eliminate Illicit Connections

- ~~1. The Manager may require by written notice that a person responsible for an illicit connection to the public stormwater system comply with the requirements of this chapter to eliminate the illicit connection or secure approval for the connection by a specified date.~~
- ~~2. If, subsequent to eliminating a connection found to be in violation of the chapter, the responsible person can demonstrate that an illicit discharge will no longer occur, that person may request approval to reconnect. The reconnection or reinstallation of the connection shall be at the responsible person's expense.~~

G. Requirement to Remediate

~~Whenever the Manager finds that a discharge of pollutants is taking place, or has taken place, which will result in, or has resulted in, pollution of stormwater or the public stormwater system, the Manager may require by written notice to the responsible person that the pollution be remediated and the affected property restored, to the standards established by the Manager, within a specified time.~~

H. Requirement to Monitor and Analyze

~~Whenever the Manager determines that any person is engaged in any activity, and/or owns or operates any facility, which may cause or contribute to stormwater pollution or illicit discharges to the public stormwater system, the Manager may, by written notice, order that such person undertake such monitoring activities and/or analyses, and furnish such reports, as the Manager may deem necessary to demonstrate compliance with this chapter. The written notice shall be served either in person or by certified or registered mail, return receipt requested, and shall set forth the basis for such order and shall particularly describe the monitoring activities and/or analyses and reports required. The burden to be borne by the owner or operator; including costs of these activities, analyses, and reports; shall bear a reasonable relationship to the need for the monitoring, analyses, and/or reports and the benefits to be obtained. The recipient of such order shall undertake and provide the monitoring, analyses, and/or reports within the time frames set forth in the order.~~

G. Stormwater Treatment

The quality of stormwater leaving the site after development must be equal to or better than the quality of stormwater leaving the site before development, based on the following criteria:

1. On-site mitigation facilities for water quality required for development must be designed, installed, and maintained in accordance with the Public Works Standards.
2. Land use activities of particular concern as pollution sources must implement additional

best management practices for pollution control including, but not limited to, those best management practices specified in the Public Works Standards.

3. Development in a watershed that drains to streams with established total maximum daily load (TMDL) limitations; as provided under the Clean Water Act, Oregon Law, Administrative Rules, and other legal mechanisms; must assure that on-site mitigation facilities for water quality control meet the requirements for pollutants of concern.

H. Design and Performance Criteria for Stormwater Detention and Water Quality Treatment Facilities Constructed on Private Property

1. All on-site mitigation facilities; including stormwater detention, retention, and water quality treatment facilities required by the City; must be designed and constructed to meet the Public Works Standards.
2. Except as permitted by the ~~Engineering Director~~Manager, as provided by the Public Works Standards, on-site mitigation facilities must be located on private property and may not be located on property that will become a public right-of-way, public stormwater easement, or future street plan.
3. Except as permitted by the Manager, as provided by the Public Works Standards, once constructed, the on-site mitigation facilities must be privately owned, operated, and maintained. Maintenance responsibility must include all elements of the stormwater detention and water quality treatment system up to the point of connection with a drainage structure or waterway of the public stormwater system. Such connection is subject to City approval.
4. Maintenance as required by the Public Works Standards must be specified in an operation and maintenance plan submitted to and approved by the Manager prior to issuance of a notice to proceed with public improvements. Prior to the time of project acceptance, the developer or applicant must enter into an agreement with the City to ensure the implementation of the operation and maintenance plan, and a memorandum of agreement must be recorded with Clackamas County. Private stormwater detention and water quality treatment facilities are subject to periodic inspection by the City to ensure proper maintenance and performance.
5. Failure to properly operate or maintain on-site mitigation facilities for stormwater detention, retention, and water quality treatment according to the operation and maintenance plan of the adopted City of Portland Stormwater Management Manual in effect on the date of the ordinance codified in this chapter is a violation.

(Ord. 2013 § 1, 2010; Ord. 2025 § 3, 2011; Ord. 2036 § 3, 2011; Ord. 2223 § 1, 2022)

§ 13.14.030. REQUEST FOR SERVICE, INITIATION OF BILLING.

A request for water service constitutes a request for stormwater service and will initiate appropriate billing for stormwater services as established in this chapter. If development of a parcel does not require initiating water service, the creation of an improved premises from which stormwater may be discharged into the public stormwater system will constitute a request for service and initiate the obligation to pay the fees and charges authorized in this chapter.

(Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.040. CHARGES FOR STORMWATER SERVICE.

- A. Except as the charges may be reduced under subsection C of this section, the obligation to pay stormwater service charges arises whenever there is a request for stormwater service for an improved premises. Unless another person responsible has agreed in writing to pay and a copy of that writing is filed with the City, the person receiving the City's water utility charge bill must pay the stormwater charges as set by City Council resolution. If there is no water service to the property or if water service is discontinued and the property is an improved premises, the stormwater charges must be paid by the person responsible for the property.

The person required to pay the charge is hereafter referred to as the customer.

- B. The City Council may by resolution establish fees and charges necessary to provide and operate a stormwater system and service.
- C. Upon completion of the on-site mitigation credit application package available from the City's Public Works Department, a customer of the utility may request a reduction of the stormwater service charge. The service charge will be reduced in relation to the customer's ability to demonstrate that on-site stormwater facilities meet or exceed the City's standards for stormwater quantity and quality control at that site.

Any reduction given will continue until the condition of the property is changed or until the ~~Public Works Director~~Manager determines the property no longer qualifies for the credit given. Upon change in the condition of the property, another application may be made by a person responsible.

- D. Service charge avoidance may be requested through the application package available from the Public Works Department. The criteria for waiver of the service charge as it applies to a specific customer includes total retention of stormwater with no effective discharge to the City's stormwater system; the petitioner's ability to demonstrate through hydrologic/hydraulic analysis that the site receives no stormwater service from the City's stormwater system; and proof that stormwater facilities are constructed and maintained to City standards.
- E. For the purposes of this chapter, dry wells are not an on-site mitigation control system eligible for service charge reduction or service charge avoidance because of the potential water quality impact that dry wells may have on the City's groundwater resources.

(Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.050. STORMWATER CHARGES—BILLING.

- A. Charges for stormwater service supplied by the City to any customer will be charged for and billed to each such customer in accordance with rates established by the City Council. Prior to the establishment of stormwater service fees and charges by the City Council, the Milwaukie Citizens Utility Advisory Board will prepare and deliver a report and recommendation on rates to the City Council. The Committee must prepare and deliver its recommendation to City Council on an annual basis, according to the rules established by City Council. Stormwater service fees and charges as established by the City Council will be added to and made a part of the billings for water and sewer service.
- B. The customer is responsible for all stormwater service fees and charges, except as allowed by Section 13.14.040. The City may require deposits prior to providing stormwater service or in lieu of a deposit, obtain a signed agreement from the property owner, whether the customer or not, that they will be ultimately liable for the charges and that the City may use a lien as one method to secure payment if the charges are not paid. However, the City may not require a property owner to sign such an agreement.
- C. Billings may be prorated. The proration will be a daily rate determined by dividing the annual minimum billing by 365 days times the number of days of occupancy from last meter reading and/or billing date.
- D. A reduced stormwater service charge may be charged for customers who qualify as low income utility customers under the provisions of Chapter 13.20 of this code.
- E. All money collected through stormwater fees and charges will be deposited in the stormwater utility account as established and maintained by the City's Finance Director.
- F. Funds collected under this chapter will be used for the purpose of designing, acquiring, developing, constructing, maintaining, improving, and operating both manmade and nature-based stormwater systems.

(Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.055. PUBLIC INVESTMENT OF STORMWATER FUNDS.

Funds collected under this chapter will not be used for maintaining, operating, or improving a stormwater system on private property, or to provide direct financial assistance for private tree removal except when:

- A. Providing non-federal grant match funding to projects that reduce or eliminate the risk of repetitive flood damage to buildings on private property insured by the National Flood Insurance Program; or
- B. The stormwater system is (or component thereof) demonstrated to the satisfaction of the City Engineer/Manager to provide a stormwater benefit that extends beyond the boundaries of the private property; or
- C. It can be demonstrated to the satisfaction of the City Engineer/Manager in consultation with the Urban Forester that a private tree provides a stormwater benefit that extends beyond the boundaries of the private property; or
- D. The stormwater system has been dedicated to the City and is within a public easement.
(Ord. 2223 § 1, 2022)

§ 13.14.060. STORMWATER CHARGES—WHEN DELINQUENT.

- A. The City will prepare and mail billings for stormwater fees and charges on the last business day of each month. Payment is due on the 15th of the month following the billing date. Accounts are delinquent if the City does not receive full payment by 5:00 p.m. on the last business day of the month immediately following the billing date.
- B. A delinquent fee, in an amount established by resolution of the City Council, will be added to all delinquent accounts.
- C. The Finance Director or designee is authorized to determine what constitutes a de minimis account balance and to waive the penalties in subsections B and D of this section in de minimis or extenuating circumstances.
- D. In addition to other lawful remedies, the Finance Director may enforce the collection of charges authorized by this chapter by withholding delivery of water to any premises where the stormwater service fees and charges are delinquent or unpaid, following the procedures and standards for shutting off water service for nonpayment of water bills as provided in

Chapter 13.04. However, the Finance Director may not deny or shut off water service to any subsequent tenant based upon an unpaid claim for services furnished to a previous tenant who has vacated the premises.

(Ord. 1755 § 6, 1994; Ord. 1895 § 4, 2001; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.070. DELINQUENT CHARGES—LIEN.

If the property owner elects pursuant to Section 13.14.050.B to authorize the use of a lien on real property to secure stormwater charge payment in lieu of a security deposit, all stormwater charges will be a lien against the premises served from and after the date of billing and entry on the ledger or other records of the City pertaining to its municipal stormwater system, and such ledger record or other record must be made accessible for inspection by anyone interested in ascertaining the amount of such charges against the property. Whenever a bill for stormwater service remains unpaid 60 days after it has been rendered, the lien thereby created may be foreclosed in the manner provided for by ORS 223.610 or in any other manner provided by law or City ordinance.

(Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.080. APPEAL.

Any customer aggrieved by any decision made with regard to the customer's account or a decision on charge reduction or avoidance may appeal to the Manager by filing with the City a written request for review no later than 10 days after receiving the decision. The Manager's decision will be subject to review by the City Council upon filing of an appeal within 15 days of the notice of decision.

(Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.090. RIGHT OF ACCESS.

Employees of the City must be provided access during regular business hours to all parts of the premises that include portions of the City's stormwater drainage system for the purpose of inspecting the condition of the pipes and fixtures and the manner in which the system is used. Should there be no one available on the premises, notice will be provided to the owner, tenant, occupant, or their agent that arrangements must be made to allow the inspection.

(Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.100. TAMPERING WITH SYSTEM.

- A. No unauthorized person may damage, destroy, uncover, deface, or tamper with any conduit, structure, appurtenance, or equipment that is a part of the stormwater system.
- B. The Manager may adopt such rules and regulations as are necessary to protect the stormwater system and the public health, safety, and welfare. Violation of said rules or regulations is deemed a violation of this chapter and will be punished accordingly.
- C. Portions of Johnson Creek, Kellogg Creek, and their natural tributaries are within the boundaries of the city and are considered waters of the United States pursuant to the CWA.

In order to protect the waters the City has a comprehensive enforcement program to comply with:

1. The 1987 Amendments to the CWA, as implemented by the Environmental Protection Agency (EPA) NPDES regulations adopted November 16, 1990, make necessary the adoption of plans and programs for stormwater management meeting specified criteria.
 2. Section 402(p) of the CWA (33 U.S.C. 1251 et seq.), as amended by the Water Quality Act of 1987, requires that municipalities must:
 - a. Prohibit nonstormwater discharge into the public stormwater system; and
 - b. Require controls to reduce the discharge of pollutants from stormwater to the maximum extent practicable.
 3. Section 303(d) of the CWA requiring states and the EPA to identify certain substandard waters and to set total maximum daily loads (TMDLs). The Oregon Department of Environmental Quality has and will continue to establish TMDLs for some water bodies within the city. The City seeks to comply with all TMDL requirements.
 4. The Endangered Species Act (ESA) and associated 4(d) rules covering protection of West Coast salmon and steelhead.
 5. All provisions of the federal law by implementing a stormwater management plan, in conjunction with other co-permittees.
 6. The Safe Drinking Water Act and Divisions 40 and 44 of Chapter 340 of the Oregon Administrative Rules pertaining to UIC facilities.
- (Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.105. DISCHARGE REGULATIONS.

A. Discharge of Pollutants

The commencement, conduct, or continuance of any nonstormwater discharge to the public stormwater system is prohibited and is a violation of this chapter, except as described below.

1. The prohibition does not apply to any nonstormwater discharge permitted or approved under an Industrial or Municipal NPDES permit, waiver, or discharge order issued to the discharger and administered by the DEQ, provided that the discharger is in full compliance with all requirements of the permit, waiver, or discharge order and other applicable laws or regulations and provided that written approval has been granted by the City for any discharge to the municipal separate storm wastewater system (MS4).
2. Except as provided in subsection A.3, the prohibition does not apply to the following non-stormwater discharges to the public stormwater system: municipal-uncontaminated water line flushing; landscape irrigation; diverted stream flows; rising-groundwater; uncontaminated groundwater infiltration (as defined in 40 CFR 35.2005(20)) to the municipal-separate-storm-sewer-system (MS4)separate storm sewers; rising groundwaters; uncontaminated pumped groundwater; discharges from potable water sources (including potable groundwater monitoring wells and drainage and flushing of municipal potable water storage reservoirs), startup flushing of groundwater wells, foundation, footing and crawlspace drains (where flows are not contaminated)-drains, uncontaminated air conditioning or compressor condensationcondensate; irrigation water, springs, water from crawl-space pumps, footing drains, lawn watering, individual residential car washing, charity car washing (provided that steam and heat are not used,

washing is restricted to the outside of the vehicle with no rinsing or washing of engines, transmissions, or undercarriages, and only phosphate-free soaps/detergents are used); flows from riparian habitats and wetlands, dechlorinated swimming pool discharges, including hot tubs (heated water must cool for at least 12 hours prior to discharge and swimming pool and hot tub discharges with other pollutants such as bromine and copper may not be discharged to the MS4); street and pavement wash-waters, including for bridges or pedestrian bridges (provided that chemicals, soaps, detergents, steam, or heated water are not used); routine external building wash-down (provided that chemicals, soaps, detergents, steam, or heated water are not used); and water associated with dye testing activity; and flows from fire fighting activities.

3. The Manager may require best management practices to reduce pollutants, or may prohibit a specific discharger from engaging in a specific activity identified in subsection A.2, if at any time the Manager determines that the discharge is, was, or will be a significant source of pollution.

B. Discharge in Violation of Permit

Any discharge that would result in or contribute to a violation of an existing or future Municipal NPDES permit and any amendments, revisions, or reissuance thereof, either separately considered or when combined with other discharges, is a violation of this chapter and is prohibited. Liability for any such discharge is the responsibility of the person(s) causing or responsible for the discharge, and such persons must defend, indemnify, and hold harmless the City in any administrative or judicial enforcement action against the permit holder relating to such discharge.

C. Illicit Connections, ~~and Illicit Discharges~~, and Chronic Illicit Discharge

It is prohibited to establish, use, maintain, or continue illicit connections to the public stormwater system, or to commence or continue any illicit discharges to the public stormwater system.

D. Waste Disposal Prohibitions

1. No person may throw, deposit, leave, maintain, keep, or permit to be thrown, deposited, left, or maintained, in or upon any public or private property, driveway, parking area, street, alley, sidewalk, catch basin, inlet, or other component of the public stormwater system, materials that may cause or contribute to pollution, including, but not limited to, any refuse, rubbish, garbage, litter, yard debris, landscape materials, compost, topsoil, bark, gravel, sand, dirt, sod, sediment or sediment-laden runoff from construction or landscaping activities, hazardous materials, or other discarded or abandoned objects, articles, and accumulations.
2. Runoff from commercial or industrial operations or businesses that wash or detail vehicles, engines, transmissions, equipment, interior floors, or parking lots, may not discharge directly to a private or public stormwater system; this includes, but is not limited to, outdoor commercial, industrial, or business activities that create airborne particulate matter, process by-products or wastes, hazardous materials or fluids from stored vehicles, where runoff from these activities discharges directly or indirectly to a private or public stormwater system.

E. General Discharge Prohibitions

1. Discharge to Sanitary Sewer System

No person may discharge or contribute to the discharge of any stormwater or other unpolluted water into the City's sanitary sewer system.

2. Discharge to Public Storm Sewer System

It is unlawful to discharge or cause to be discharged directly or indirectly into the public stormwater system any of the following:

- a. Any discharge having a visible sheen, or containing floating solids or discoloration (including, but not limited to, dyes and inks);
- b. Any discharge having a pH of less than 6.5 or greater than 8.5 or that contains toxic substances;
- c. Any discharge that causes or may cause damage, interference, nuisance, or hazard to the public stormwater system or the City personnel;
- d. Any discharge containing human sanitary waste or animal feces.

(Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.110. COMPLIANCE REQUIRED.

The provisions of this chapter must be strictly complied with in every instance, and service must be paid for by all premises supplied, according to the rates established by the City Council. Exceptions to these provisions may be made only upon the written authorization of the Manager. (Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.115. INSPECTION AND ENFORCEMENT.

A. Authority to Inspect

1. Whenever necessary to make an inspection to enforce any of the provisions of this chapter, or whenever the Manager has reasonable cause to believe that there exists in any building or upon any premises any condition that may constitute a violation of the provisions of this chapter, the Manager may enter such building or premises at all reasonable times to inspect the same or perform any duty imposed upon the Manager by this chapter; provided that: (a) if such building or premises is occupied, he or she first must present proper credentials and request entry; and (b) if such building or premises is unoccupied, he or she must first make a reasonable effort to locate the owner or other persons having charge or control of the building or premises and request entry.
2. The property owner or occupant has the right to refuse entry but, in the event such entry is refused, the Manager is hereby empowered to seek assistance from any court of competent jurisdiction in obtaining such entry and performing such inspection.
3. As used in this section, inspection includes, but is not limited to, the physical inspection of a facility, and the review and copying of records relating to compliance with Sections 13.14.025 to 13.14.130.

B. Authority to Sample, Establish Sampling Devices, and Test

With the consent of the owner or occupant, or with court consent, the Manager may establish on any property such devices as are necessary to conduct sampling or metering operations. During all inspections as provided herein, the Manager may take any samples deemed necessary to aid in the pursuit of the inquiry or to record the on-site activities.

C. Enforcement Procedures

For any violation of MMC Chapter 13.14, the following enforcement procedures apply:

1. Notice of Violation

If the Manager determines that an applicant, other responsible party, or other person has failed to comply with MMC Chapter 13.14, the Manager must issue a written notice of violation to such person. The notice of violation must be served in person or by certified or registered mail, return receipt requested. The notice of violation must include:

- a. The name and address of the applicant or the responsible person;
- b. The address or other description of the site where the violation is occurring;
- c. A statement specifying the nature of the violation;
- d. A summary of potential remedial measures that may be necessary to bring the act or failure to act into compliance with Chapter 13.14;
- e. The date by which compliance is required, which must be within 10 days of issuance; or, if compliance is anticipated to take longer than 10 days due to technical, logistical, or other reasonable issues, require the applicant or other responsible party, within 10 days, to provide a written action plan for how compliance will be achieved and a timeline for compliance, which may not exceed 6 months without approval by the Department of Environmental Quality. The amount and type of pollution discharged will inform the date by which compliance is required;
- f. A statement of the penalties that may be assessed; and
- g. A statement of other enforcement action that may occur.

2. Stop Work Order

The Manager may order work to be stopped for any violation of Chapter 13.14 that arises from the work authorized under a permit. The stop work order must be posted on the property where the violation has occurred and will remain in effect until the remedial measures set forth in the Notice of Violation have been completed, or the violations have been otherwise cured. The stop work order may be withdrawn or modified by the Manager to enable the necessary remedial measures.

3. Chronic Illicit Discharge

Notwithstanding other provisions in this Section 13.14.115, the Manager may impose a civil penalty and pursue enforcement without having issued a notice of violation or making attempts to secure voluntary correction where the Manager determines that the violation was knowing, intentional, or a repeat of a similar violation.

4. Failure to Comply

In the event the applicant, responsible party, or other person fails to take the remedial measures set forth in the notice of violation, the Manager may issue a citation for each day the violation remains unremedied after the date set forth in the notice of violation, consistent with the procedures set forth in Chapter 1.08, Short-Form Uniform Complaint and Citation Method and Code Enforcement Procedures.

5. Rights, remedies, and penalties set forth in this Chapter 13.14 are cumulative, not mutually exclusive, and in addition to any other rights, remedies, and penalties available to the City under any other provision of law.

6. Additional Requirements

a. Requirement to Eliminate Illicit Connections

For an illicit connection to the public stormwater system, compliance requires eliminating the connection. Once the connection is eliminated, if the responsible person can demonstrate that an illicit discharge will no longer occur, that person may request approval to reconnect as provided in Section 13.14.030. The reconnection or reinstallation of the connection will be at the responsible person's expense.

b. Requirement to Monitor and Analyze

Whenever the Manager determines that any person is engaged in any activity, and/or owns or operates any facility, which may cause or contribute to stormwater pollution, illicit discharge, or chronic illicit discharge to the public stormwater system, the Manager may, by written notice, order that such person undertake such monitoring activities and/or analyses, and furnish such reports, as the Manager may deem necessary to demonstrate compliance with this chapter. The written notice must be served either in person or by certified or registered mail, return receipt requested, and must set forth the basis for such order and particularly describe the monitoring activities and/or analyses and reports required. The burden to be borne by the owner or operator; including costs of these activities, analyses, and reports; must bear a reasonable relationship to the need for the monitoring, analyses, and/or reports and the benefits to be obtained. The recipient of such order must undertake and provide the monitoring, analyses, and/or reports within the time frames set forth in the order.

~~C. Continuing Violation~~

~~Unless otherwise provided, a person shall be deemed guilty of a separate offense for each and every day during any portion of which a violation of this chapter is committed, continued, or permitted by the person.~~

~~D. Concealment~~

~~Causing, permitting, aiding, abetting, or concealing a violation of any provision of this chapter shall constitute a violation of the chapter.~~

~~E. Acts Resulting in Violation of Federal Law~~

~~Any person who violates any provision of this chapter, or any provision of any stormwater-related permit issued by DEQ, or who discharges waste or wastewater which causes pollution, or who violates any cease and desist order, prohibition, or effluent limitation, also may be in violation of the CWA, Safe Drinking Water Act, or the ESA and may be subject to the sanctions of these Acts including civil and criminal penalties.~~

~~F. Violations Deemed a Nuisance~~

~~Any condition caused or permitted to exist in violation of any provision of this chapter is a threat to public health and safety. Any such condition is unlawful and constitutes a nuisance. In addition to any other remedies, the Manager may enforce this chapter by compliance order, stop work order, abatement proceedings, or civil action as provided in MMC 8.04.070, or as otherwise authorized by law.~~

(Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.120. VIOLATIONS—and PENALTY.

A. Continuing Violation

Unless otherwise provided, a person must be deemed guilty of a separate offense for each and every day during any portion of which a violation of this chapter is committed, continued, or permitted by the person.

B. Concealment

Causing, permitting, aiding, abetting, or concealing a violation of any provision of this chapter constitutes a violation of the chapter.

C. Acts Resulting in Violation of Federal Law

Any person who violates any provision of this chapter, or any provision of any stormwater-related permit issued by Department of Environmental Quality, or who discharges waste or wastewater that causes pollution, or who violates any cease and desist order, prohibition, or effluent limitation, also may be in violation of the Clean Water Act, Safe Drinking Water Act, or the Endangered Species Act and may be subject to the sanctions of these Acts including civil and criminal penalties.

D. Violations Deemed a Nuisance

Any condition caused or permitted to exist in violation of any provision of this chapter is a threat to public health and safety. Any such condition is unlawful and constitutes a nuisance, subject to the enforcement provisions in MMC 8.04.

E. Penalty

Violation of any provision of this chapter by any person, firm, or corporation is punishable by a fine of not more than \$1,000. Factors for determining the penalty amount may include, but are not limited to, the type, scale, and duration of the violation and whether the responsible party has been issued a notice of violation, citation, or otherwise held responsible for prior violations. Each day on which a violation occurs or continues is a separate offense.

(Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.130. DISCLAIMER OF LIABILITY.

The degree of protection required by this chapter is considered reasonable for regulatory purposes and is based on scientific, engineering, and other relevant technical considerations. The standards set forth herein are minimum standards and the chapter does not imply that compliance will insure that there will be no unauthorized discharge of pollutants into the public stormwater system. This chapter will not create liability on the part of the City, or any agent or employee thereof, for any damages that result from reliance on this chapter or any administrative decision lawfully made hereunder.

(Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

CHAPTER 16.28 (strikethrough)
EROSION CONTROL

Note: Prior ordinance history; Ord. 1718

§ 16.28.010. GENERAL POLICY.

- A. The policies of this chapter will apply during construction and until permanent measures are in place following construction as described herein, unless otherwise noted.
- B. Temporary and permanent measures for all construction projects will be required to lessen the adverse effects of erosion and sedimentation. The owner or his or her/her agent, contractor, or employee, must properly install, operate, and maintain both temporary and permanent works as provided in this section or in an approved plan, to protect the environment during the useful life of the project. These erosion control rules apply to all lands within the City of Milwaukie.
- C. Nothing in this chapter will relieve any person from the obligation to comply with the regulations or permits of any federal, State, or local authority.
- D. Maintenance and repair of existing facilities is the responsibility of the owner of record.
- E. Erosion, sedimentation, and other pollutants reaching the public storm and/or surface water system resulting from development, construction, grading, filling, excavating, clearing, and any other activity that accelerates erosion must be prevented.
- F. No visible or measurable erosion will leave the property during construction or during activity described in subsection E above. The owner of the property, together with any person who causes such action from which the visible or measurable erosion occurs, is responsible for clean up, fines, and damages. Clean up responsibilities include clean up of creeks, drainage ways, or wetlands impacted by a project. For the purposes of this chapter "visible and measurable erosion" includes, but is not limited to:
 - 1. Deposits of mud, dirt, sediment, or similar material exceeding one-half cubic foot in volume on public or private streets, adjacent property, or into the storm and surface water system, either by direct deposit, dropping, discharge, or as a result of the action of erosion;
 - 2. Evidence of concentrated flows of water over bare soils; turbid or sediment-laden flows; or evidence of on-site erosion such as rivulets or bare soil slopes, where the flow of water is not filtered or captured on the site, and/or;
 - 3. Earth slides, mud flows, earth sloughing, or other earth movement that results in material leaving the property.
- G. Dust and other particulate matters containing pollutants can settle on property and be carried to waters of the state though rainfall or other means. Dust must be minimized to the extent practicable, utilizing all measures necessary, including, but not limited to:

1. Sprinkling haul and access roads and other exposed dust-producing areas with water;
 2. Establishing temporary vegetative cover;
 3. Placing wood chips or other effective mulches on vehicle and pedestrian use areas;
 4. Use of covered haul equipment; and/or
 5. Prewetting cut and borrow area surfaces.
- (Ord. 1899 § 1, 2002)

§ 16.28.020. EROSION CONTROL PERMIT AND EROSION CONTROL PLANS—APPLICABILITY—CONFORMANCE.

A. Definitions.

"Erosion control permit" means the official approval issued by the City that demonstrates compliance with this chapter for activities described in the application form, erosion control plan, and related materials submitted pursuant to this chapter.

"Erosion control plan" means all documents, maps, plans and other information specified in Section 16.28.030 and submitted in association with an application for an erosion control permit.

- B.** An erosion control plan that meets the requirements of Section 16.28.030 is required prior to any approval of an erosion control permit.
- C.** An erosion control permit is required as follows:
1. Prior to placement of fill, site clearing, or land disturbances, including but not limited to grubbing, clearing or removal of ground vegetation, grading, excavation, or other activities, any of which results in the disturbance or exposure of soils exceeding 500 square feet.
 2. For disturbed areas or exposed soils less than 500 square feet, where the City has determined that site conditions may result in visible and measurable erosion and where the City has provided written notice of the requirement to obtain an erosion control permit to the property owner. Upon notice by the City, all work must cease pending approval of an erosion control permit and installation of approved erosion control measures.
 3. For any lot that includes natural resources regulated by Milwaukie Zoning Ordinance Section 19.402 Natural Resources, an erosion control permit will be required prior to placement of fill, site clearing, or land disturbances, including but not limited to grubbing, clearing or removal of ground vegetation, grading, excavation, or other activities, any of which has the potential for, or results in visible and measurable erosion, regardless of the area of disturbance.
- D.** An erosion control permit will not be issued for activities on lots that include natural resources regulated by Section 19.402, where the site activity has not been authorized, or is not exempt under the provisions of Milwaukie Zoning Ordinance Section 19.402 Natural

Resources as determined by the Planning Director. This provision does not apply where the erosion control permit is associated with correction of a violation of the City Code or as necessary for public safety, or the protection of property or water quality.

E. Timing

Approval of the erosion control permit is required prior to the following, whichever comes first:

1. Issuance of grading permits, building permits, and approval of construction plans for subdivision; or
2. Placement of fill, site clearing, land disturbances, including but not limited to grubbing, clearing or removal of ground vegetation, grading, excavation, or other activities, any of which disturbs or exposes soil.

F. Erosion control measures set forth in any approved erosion control plan must be implemented and maintained on the site until the date set forth in the plan, or the amended date as necessary for the establishment of final landscaping. The City may allow for the removal of erosion control measures at an earlier date if erosion control is assured by established landscaping.

(Ord. 1899 § 1, 2002; Ord. 2036 § 3, 2011)

§ 16.28.030. CONTENTS OF EROSION CONTROL PLAN AND GENERAL REQUIREMENTS.

A. Erosion control plans must include a description of erosion control methods that are adequate to ensure that runoff siltation and pollutants from the grading, site clearing, or construction are contained onsite during the period of activity on the site until the final landscaping is sufficiently established to control erosion. Each plan must contain a date that is the estimated ending date for maintaining erosion control measures. That date may be extended if final landscaping has not been sufficiently established to control erosion. Plan submittal requirements, and recommended erosion control measures, are included in the Clackamas County/City of Milwaukie Technical Guidance Handbook for Erosion/ Sedimentation Control Plans (August 1991) (Guidance Handbook), which is hereby adopted in total as part of this chapter. Copies of the Guidance Handbook are available for a fee at the City Public Works Department.

B. At a minimum the Erosion Control Plan must include:

1. [Identification of potential sources of stormwater pollution at the construction site](#)
2. The [stormwater controls methods and/or facilities to be used](#) to prevent erosion and pollution created from the development both during and after construction (site-specific considerations must be incorporated);
3. Limits of clearing by flagging boundaries in the field before starting site grading or construction (staging areas must be included);
4. An analysis of source controls such as detention and storage techniques during construction showing existing contours as an alternative method to control erosion from stormwater runoff;

5. A drainage plan during construction;
 6. Existing contours as well as all sensitive areas, creeks, streams, wetlands, open areas, and areas of natural riparian vegetation pursuant to Chapter 322; and
 7. A description of historic localized flooding problems resulting from surface water runoff, FEMA, or flooding problems known to the community or the local jurisdiction.
- C. A site plan prepared by an Oregon registered engineer is required for sites with disturbed area of 5 acres or greater.
- D. The Erosion Control Plan must be kept on site and made available during site inspections or upon request.
- E. Erosion Control Plans must be maintained and updated as site conditions change or as directed by the City.
- F. Additional measures required by subsection C above may include 1 or more of the following:
1. Limited area cleared at any one time;
 2. Additional drainage requirements during construction;
 3. Filtering or treatment of runoff;
 4. Additional water quality measures;
 5. Additional erosion control to cover portions of the site;
 6. Maintaining some existing vegetation adjacent to water features, such as creeks, streams, and wetlands or areas of natural riparian vegetation pursuant to Chapter 322;
 7. Additional facilities to reduce volume and velocity of water runoff;
 8. If there are no workable alternatives, limit clearing, and grading in some areas between November 1st and April 30th; and
 9. Additional measures required by the Guidance Handbook.
- G. All construction activities disturbing 5 or more acres must obtain an NPDES erosion control permit for construction activities issued by the City of Milwaukie.
(Ord. 1899 § 1, 2002)

§ 16.28.040. APPROVAL PROCESS—FEES.

Fees to cover the cost of erosion control plan review, site inspections, and the Clackamas County/City of Milwaukie Technical Guidance Handbook for Erosion/Sedimentation Control Plans (August 1991) will be set by City Council resolution.
(Ord. 1899 § 1, 2002)

§ 16.28.050. MAINTENANCE AND AMENDMENT OF INADEQUATE MEASURES.

The applicant must maintain all facilities required by an approved erosion control plan so as to assure their continued effectiveness during construction or other permitted activity. If the facilities and techniques approved in an erosion control plan are not effective or sufficient as determined by

the City's Site Inspector, the permittee must submit a revised plan within 3 working days of written notification by the City. In cases where erosion is occurring, the City may require the applicant to implement interim control measures prior to submittal of a revised erosion control plan and without limiting the City's right to undertake enforcement measures. Upon approval of the revised plan by the City, the permittee must immediately implement the revised plan.

(Ord. 1899 § 1, 2002)

§ 16.28.060. WORK IN PROGRESS.

Permittees or property owners for any site activities that were underway on the effective date of the ordinance codified in this chapter, may be required to prepare an erosion control plan for approval pursuant to this chapter. If the City determines that an erosion control problem exists, and requests an erosion control plan, ground work on the site must cease pending approval of the plan and installation of approved erosion control measures. The provisions of this section apply only until final landscaping on the site is sufficiently established to control erosion.

(Ord. 1899 § 1, 2002)

§ 16.28.070. PERFORMANCE.

The City may require the applicant to submit a bond, cashier's check, or irrevocable letter of credit from an acceptable financial institution to secure performance of the requirements of this chapter. Upon default, the City may perform work or remedy violations and draw upon the bond or fund. If the City does not require a bond and the developer does not perform the erosion control plan in whole or in part, the City may, but is not obligated to, perform or cause to be performed corrective work and charge the developer. Such amount will bear interest at 9% per annum and be a lien upon the property foreclosable in accordance with ORS Chapter 88.

(Ord. 1899 § 1, 2002)

§ 16.28.080. EROSION CONTROL CERTIFICATION.

A. Developers/contractors of building activities requiring erosion control permits who have a certified individual on staff with authority over erosion control and who is responsible for erosion control of the site, are eligible for a discount of their erosion control fees in accordance with the City fee schedule. On large or complex sites, the City may require an individual certified in erosion control to be on site at all times. Violations of this title that result in enforcement procedures described in Section 16.28.110, will result in revocation of the certification and require payment of the full erosion control fee. Recertification is required following erosion control violations resulting in enforcement actions. If certification is revoked, there may be additional inspection fees.

B. Certification must involve training in erosion control techniques, issues, and implementation strategies. A minimum of 4 hours of classroom instruction is required every 2 years.

(Ord. 1899 § 1, 2002)

§ 16.28.090. INSPECTION.

The erosion control measures must be installed by the owner or his or her representative and must be inspected by the City prior to the start of any excavation work.

(Ord. 1899 § 1, 2002)

§ 16.28.100. DEPOSIT OF SEDIMENT.

No person will drag, drop, track, or otherwise place or deposit, or permit to be deposited, mud, dirt, rock, or other such debris upon a public street or into any part of the public storm and surface water system, including natural drainage systems, or any part of a private storm and surface water system that drains or connects to the public storm and surface water system, with the exception of sanding for ice and snow and maintenance such as crack or chip sealing. Any such deposit of material must be immediately removed using hand labor or mechanical means. No material will be washed or flushed into the road/street or any part of the storm or surface water system without erosion control measures installed to the satisfaction of the City, and any such action will be an additional violation.

(Ord. 1899 § 1, 2002)

§ 16.28.110. ENFORCEMENT—VIOLATION—PENALTY.

A. Enforcement Procedures

For any violation of MMC Chapter 16.28, the following enforcement procedures apply:

1. Notice of Violation

If the Manager determines that an applicant, other responsible party, or other person has failed to comply with MMC Chapter 16.28, the Manager must issue a written notice of violation to such person. The notice of violation must be served in person or by certified or registered mail, return receipt requested. The notice of violation must include:

- a. The name and address of the applicant or the responsible person;
- b. The address or other description of the site where the violation is occurring;
- c. A statement specifying the nature of the violation;
- d. A summary of potential remedial measures that may be necessary to bring the act or failure to act into compliance with Chapter 16.28;
- e. The date by which compliance is required, which must be within 10 days of issuance; or, if compliance is anticipated to take longer than 10 days due to technical, logistical, or other reasonable issues, require the applicant or other responsible party, within 10 days, to provide a written action plan for how compliance will be achieved and a timeline for compliance, which may not exceed 6 months without approval by the Department of Environmental Quality. The type and severity of pollution discharged will inform the date by which compliance is required;
- f. A statement of the penalties that may be assessed; and
- g. A statement of other enforcement action that may occur.

2. Stop Work Order

The Manager may order work to be stopped for any violation of Chapter 16.28 that arises from the work authorized under a permit. The stop work order must be posted on the property where the violation has occurred and will remain in effect until the remedial measures set forth in the Notice of Violation have been completed, or the violations have been otherwise cured. The stop work order may be withdrawn or modified by the Manager to enable the necessary remedial measures.

3. Repeat or Ongoing Violations

Notwithstanding other provisions in this Section 16.28.110, the Manager may impose a civil penalty and pursue enforcement without having issued a notice of violation or making attempts to secure voluntary correction where the Manager determines that the violation was knowing, intentional, or a repeat of a similar violation.

4. Failure to Comply

In the event the applicant, responsible party, or other person fails to take the remedial measures set forth in the notice of violation, the Manager may issue a citation for each day the violation remains unremedied after the date set forth in the notice of violation, consistent with the procedures set forth in Chapter 1.08, Short-Form Uniform Complaint and Citation Method and Code Enforcement Procedures.

5. Rights, remedies, and penalties set forth in this Chapter 16.28 are cumulative, not mutually exclusive, and in addition to any other rights, remedies, and penalties available to the City under any other provision of law.

~~A. The Engineering Director or designee shall enforce the provisions of this chapter.~~

~~B. Beginning or continuing site clearing, grading or construction activities without an approved erosion control plan required by this chapter constitutes a violation of this chapter. Failure to implement the erosion control measures set forth in the approved erosion control plan constitutes a violation of this chapter. No building shall be certified for occupancy if the property is deemed to be in violation of this chapter. Any person convicted of violating this chapter shall be punished by a fine of not more than \$300.00. Each day that such violation exists shall be deemed a separate violation of this chapter.~~

(Ord. 1899 § 1, 2002)

16.28.120 Violations and Penalty

A. Continuing Violation

Unless otherwise provided, a person must be deemed guilty of a separate offense for each and every day during any portion of which a violation of this chapter is committed, continued, or permitted by the person.

B. Violations Deemed a Nuisance

Any condition caused or permitted to exist in violation of any provision of this chapter is a threat to public health and safety. Any such condition is unlawful and constitutes a nuisance, subject to the enforcement provisions in MMC 8.04.070.

C. Penalty

Violation of any provision of this chapter by any person, firm, or corporation is punishable by a fine of not more than \$1,000. Factors for determining the penalty amount may include, but are not limited to, the type, scale, and duration of the violation and whether the responsible party has been issued a notice of violation, citation, or otherwise held responsible for prior violations. Each day on which a violation occurs or continues is a separate offense.

Exhibit B
CHAPTER 13.14 (clean)
STORMWATER MANAGEMENT

§ 13.14.010. PURPOSE.

The City finds and declares that absent effective maintenance, operation, regulation, and control, existing stormwater drainage conditions in all drainage basins and subbasins within the City constitute a potential hazard to the health, safety, and general welfare of the City. The City Council further finds that nature-based and manmade stormwater facilities and conveyances together constitute a stormwater system and that the effective regulation and control of stormwater can best be accomplished through formation, by the City, of a stormwater utility.

(Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.020. DEFINITIONS.

“Best Management Practices (BMPs)” means schedules of activities, prohibition of practices, maintenance procedures, and other management practices to prevent or reduce the pollution of waters of the state. BMPs are also treatment requirements, operating procedures, and practices to control runoff, spillage, or leaks, sludge, or waste disposal, or drainage from raw material storages.

“Chronic Illicit Discharges” means continuous or repeated illicit discharges to a Municipal Separate Storm Sewer System (MS4), potentially resulting from sanitary/wastewater connections to an MS4, sanitary/wastewater inflows into an

MS4, unpermitted industrial wastewater discharges to the MS4, or other types of illegal dumping or poor housekeeping practices upstream from an outfall where irregular flows, color, smell, or other monitoring parameters indicate an issue that may need repeat investigations over time to ensure cross connections or illegal dumping are remedied. Chronic illicit discharges may not be long-term and ongoing as in the case of illicit connections that can be stopped easily. Chronic illicit discharges may be defined by inconclusive findings of outfall investigations indicating pollutant discharge or repeated reports by members of the public that have not been traced back to a definite source.

"City" means the City of Milwaukie, a municipality, and its authorized employees.

"City council" means the City Council of Milwaukie.

"Customer" means a person in whose name service is rendered as evidenced by the signature on the application/contract for stormwater, sanitary sewer, or water service or, in the absence of a signed instrument, by the receipt and payment of bills regularly issued in their name.

"Developed" means an area that has been altered by grading or filling of the ground surface, or by construction of any improvement or other impervious surface area, which affects the hydraulic properties of the location.

“Discharge” means any addition of any pollutant or combination of pollutants to waters of the state from any point source, or any addition of any pollutant or combination of pollutants to the waters of the contiguous zone or the ocean from any point source other than a vessel or other floating craft that is being used as a means of transportation. This definition includes additions of pollutants into waters of the state from surface runoff, which is collected or channeled by humans; discharges through pipes, sewers, or other conveyances owned by a State, municipality, or other person, which do not lead to a treatment works; and discharges through pipes, sewers, or other conveyances, leading into privately owned treatment works.

"Equivalent service unit (ESU)" means a configuration of development or impervious surface estimated to contribute an amount of runoff to the City's stormwater system that is approximately equal to that created by the average developed single-family residence within Milwaukee. One ESU is equal to 2,706 square feet of impervious surface area.

"Illicit Discharge" means any discharge to the City's storm sewer system that is not composed entirely of stormwater, except discharges permitted by a National Pollutant Discharge Elimination System (NPDES) permit or other state or federal permit, or otherwise authorized.

"Impervious surface" means any surface resulting from activities that prevents the infiltration of water or results in more runoff than in undeveloped conditions. Common impervious surfaces may include, but are not limited to, building roofs, traditional concrete or asphalt paving on walkways, patios, driveways, parking lots, gravel lots and roads, and packed earthen material..

"Improved premises" means any area that the Manager determines has been altered such that the runoff from the site is greater than that which could historically have been expected. Improved premises do not include public roads under the jurisdiction of the City, County, State or federal government.

"Manager" means the City Manager or designee.

Municipal Separate Storm Sewer System (MS4) means a conveyance or system of conveyance, including roads with drainage systems, municipal streets, catch basins, curbs, gutters, ditches, man-made channels, or storm drains that are (i) owned or operated by a State, city, town, county, , or other public body having jurisdiction over disposal of sewage, industrial wastes, storm water, or other wastes, that is (ii) designed or used for collecting or conveying stormwater (iii) that is not a combined sewer; and (iv) that is not part of a Publicly Owned Treatment Works as defined at 40 CFR §122.2.

"National Pollutant Discharge Elimination System (NPDES)" means the national program for issuing, modifying, revoking and reissuing, terminating, monitoring, and enforcing permits, and imposing and enforcing pretreatment requirements, under sections 307, 402, 318, and 405 of Clean Water Act [40 CFR §122.2].

"One- or two-family residential" means an area that is improved with one or two attached single-family dwelling units for occupancy each by a single family or a similar group of people, provided each dwelling has a separate billing within the City's utility billing system.

"On-site mitigation control system" means a stormwater drainage facility that prevents the discharge, or substantially reduces the discharge, of stormwater or nonpoint source pollution into a receiving water or public stormwater system facility.

"Person responsible" means the occupant, lessee, tenant, contract purchaser, owner, agent, or other person having possession of property, or if no person is in possession, then the person in control of the use of the property, or in control of the supervision of development on the property.

"Point Source" means a discernible, confined, and discrete conveyance including, but not limited to, a pipe, ditch, channel, tunnel, conduit, well, discrete fissure, container, rolling stock, concentrated animal feeding operation, vessel or other floating craft, or leachate collection system from which pollutants are or may be discharged. Point source does not include agricultural storm water discharges and return flows from irrigated agriculture. "Pollutant" means dredged spoil; solid waste; incinerator residue; sewage; garbage; sewerage sludge; munitions; chemical wastes; biological materials; radioactive materials; heat; wrecked or discarded equipment; rock; sand; cellar dirt; and industrial, municipal, and agricultural waste discharged into water.

"Public works standards" mean the City of Milwaukie Public Works Standards that the City requires be complied with for the design and construction of on-site mitigation facilities including stormwater detention, retention, and water quality treatment facilities.

"Stormwater" means that portion of precipitation that does not naturally percolate into the ground or evaporate, but flows via overland flow, interflow, channels, or pipes into a defined surface water channel or a constructed stormwater control infiltration facility.

"Stormwater service" means the operations of the City's stormwater utility in providing programs and facilities for maintaining, improving, regulating, collecting, and managing stormwater quantity and quality within the City's service area.

"Stormwater system" means any manmade or nature-based structure or configuration of ground that is used or by its location becomes a place where stormwater flows or is accumulated, including, but not limited to, pipes, sewers, curbs, gutters, manholes, catch basins, ponds, creeks, underground injection control (UIC) facilities, open drainageways, rain gardens, vegetated swales, permeable pavement, green roofs, urban forest canopy, tree trenches, rainwater harvesting, green streets and their appurtenances. Stormwater system does not include the Willamette River.

"Street wash water" means water that originates from publicly financed street cleaning activities consistent with the City's National Pollutant Discharge Elimination System (NPDES) municipal stormwater permit.

"Toxic substances" mean any chemical listed as toxic under Section 307(a)(1) of the Federal Clean Water Act (CWA) or Section 313 of Title III of Superfund Amendments and Reauthorization Act (SARA).

"Undeveloped" means any area that has not been altered by grading or filling of the ground surface, or by construction of any improvements or other impervious surface area, which affects the hydraulic properties of the location.

"Waters of the state" means lakes, bays, ponds, impounding reservoirs, springs, wells, rivers, streams, creeks, estuaries, marshes, inlets, canals, the Pacific Ocean within the territorial limits of the State of Oregon, and all other bodies of surface or underground waters, natural or artificial, inland or coastal, fresh or salt, public or private (except those private waters that do not combine or effect a junction with natural surface or underground waters) that are located wholly or partially within or bordering the state or within its jurisdiction.

(Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.025. REGULATIONS AND REQUIREMENTS.

A. Compliance with NPDES Stormwater Permits

Any person or entity responsible for any discharge subject to any NPDES permit issued by the Oregon DEQ, from which pollutants may enter the public or private stormwater system, must comply with all provisions of such permits, including notification to and cooperation with local entities as required by federal regulations. Proof of compliance with said permits may be required in a form acceptable to the Manager prior to issuance of any grading, building, or occupancy permits or business license.

B. Compliance with State, Local, and Federal Regulations

All users of the public stormwater system, and any person or entity whose actions may affect the system, must comply with all applicable federal, State, and local laws, including Section 19.402 Natural Resources. Compliance with the requirements of this chapter in no way substitutes for, or eliminates the necessity for compliance with, applicable federal, State, and local laws.

C. Stormwater Management Document

The Manager will administer this Chapter 13.14 and may furnish additional policy, criteria, and information, including specifications and procedures for implementing the requirements of this chapter. In the event of a discrepancy between the requirements of any stormwater management document and the code, the requirement that is most protective of water quality overrides all other requirements.

D. Conflicts with Existing and Future Regulatory Requirements of Other Agencies

Any provisions or limitations of this chapter, and any rules adopted pursuant hereto, are superseded and supplemented by any applicable federal, State, or local requirements existing or adopted subsequent hereto that are more stringent than the provisions and limitations contained herein. Any provision of this chapter and rules adopted pursuant hereto that are more stringent than any such applicable federal, State, or local requirement will prevail and be the standard for compliance by the connectors to and the discharges to the public stormwater system.

E. Accidental Spill Prevention and Control

Dischargers who are not required to obtain an NPDES permit; but who handle, store, or use hazardous or toxic substances or discharges prohibited under Section 13.14.105.E General Discharge Prohibitions, on their sites; must prepare and submit to the Manager, at the Manager's request, an Accidental Spill Prevention Plan within 60 days of notification by the City. If other laws or regulations require an Accidental Spill Prevention and Control Plan, a plan that meets the requirement of those other laws and regulations will satisfy the requirement of this section.

F. Notification of Spills

As soon as any person in charge of a facility, or responsible for emergency response for a facility, becomes aware of any suspected, confirmed, or unconfirmed release of material, pollutants, or waste creating a risk of discharge to the public stormwater system, such persons must:

1. Begin containment procedures;
2. Notify proper emergency personnel in case of an emergency;
3. Notify appropriate City and/or State officials regarding the nature of spill;
4. Follow up with the City regarding compliance and modified practices to minimize future spills, as appropriate.

The notification requirements of this section are in addition to any other notification requirements set forth in federal, State, or local regulations and laws. The notification

requirements do not relieve the person of necessary remediation or enforcement action set forth in Section 13.14.115.

G. Stormwater Treatment

The quality of stormwater leaving the site after development must be equal to or better than the quality of stormwater leaving the site before development, based on the following criteria:

1. On-site mitigation facilities for water quality required for development must be designed, installed, and maintained in accordance with the Public Works Standards.
2. Land use activities of particular concern as pollution sources must implement additional best management practices for pollution control including, but not limited to, those best management practices specified in the Public Works Standards.
3. Development in a watershed that drains to streams with established total maximum daily load (TMDL) limitations; as provided under the Clean Water Act, Oregon Law, Administrative Rules, and other legal mechanisms; must assure that on-site mitigation facilities for water quality control meet the requirements for pollutants of concern.

H. Design and Performance Criteria for Stormwater Detention and Water Quality Treatment Facilities Constructed on Private Property

1. All on-site mitigation facilities; including stormwater detention, retention, and water quality treatment facilities required by the City; must be designed and constructed to meet the Public Works Standards.
2. Except as permitted by the Manager, as provided by the Public Works Standards, on-site mitigation facilities must be located on private property and may not be located on property that will become a public right-of-way, public stormwater easement, or future street plan.
3. Except as permitted by the Manager, as provided by the Public Works Standards, once constructed, the on-site mitigation facilities must be privately owned, operated, and maintained. Maintenance responsibility must include all elements of the stormwater detention and water quality treatment system up to the point of connection with a drainage structure or waterway of the public stormwater system. Such connection is subject to City approval.
4. Maintenance as required by the Public Works Standards must be specified in an

operation and maintenance plan submitted to and approved by the Manager prior to issuance of a notice to proceed with public improvements. Prior to the time of project acceptance, the developer or applicant must enter into an agreement with the City to ensure the implementation of the operation and maintenance plan, and a memorandum of agreement must be recorded with Clackamas County. Private stormwater detention and water quality treatment facilities are subject to periodic inspection by the City to ensure proper maintenance and performance.

5. Failure to properly operate or maintain on-site mitigation facilities for stormwater detention, retention, and water quality treatment according to the operation and maintenance plan of the adopted City of Portland Stormwater Management Manual in effect on the date of the ordinance codified in this chapter is a violation.

(Ord. 2013 § 1, 2010; Ord. 2025 § 3, 2011; Ord. 2036 § 3, 2011; Ord. 2223 § 1, 2022)

§ 13.14.030. REQUEST FOR SERVICE, INITIATION OF BILLING.

A request for water service constitutes a request for stormwater service and will initiate appropriate billing for stormwater services as established in this chapter. If development of a parcel does not require initiating water service, the creation of an improved premises from which stormwater may be discharged into the public stormwater system will constitute a request for service and initiate the obligation to pay the fees and charges authorized in this chapter.

(Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.040. CHARGES FOR STORMWATER SERVICE.

- A. Except as the charges may be reduced under subsection C of this section, the obligation to pay stormwater service charges arises whenever there is a request for stormwater service for an improved premises. Unless another person responsible has agreed in writing to pay and a copy of that writing is filed with the City, the person receiving the City's water utility charge bill must pay the stormwater charges as set by City Council resolution. If there is no water service to the property or if water service is discontinued and the property is an improved premises, the stormwater charges must be paid by the person responsible for the property.

The person required to pay the charge is hereafter referred to as the customer.

- B. The City Council may by resolution establish fees and charges necessary to provide and operate a stormwater system and service.
- C. Upon completion of the on-site mitigation credit application package available from the City's Public Works Department, a customer of the utility may request a reduction of the stormwater service charge. The service charge will be reduced in relation to the customer's ability to demonstrate that on-site stormwater facilities meet or exceed the City's standards for stormwater quantity and quality control at that site.

Any reduction given will continue until the condition of the property is changed or until the Manager determines the property no longer qualifies for the credit given. Upon change in the condition of the property, another application may be made by a person responsible.

- D. Service charge avoidance may be requested through the application package available from the Public Works Department. The criteria for waiver of the service charge as it applies to a specific customer includes total retention of stormwater with no effective discharge to the City's stormwater system; the petitioner's ability to demonstrate through hydrologic/hydraulic analysis that the site receives no stormwater service from the City's stormwater system; and proof that stormwater facilities are constructed and maintained to City standards.
- E. For the purposes of this chapter, dry wells are not an on-site mitigation control system eligible for service charge reduction or service charge avoidance because of the potential water quality impact that dry wells may have on the City's groundwater resources.

(Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.050. STORMWATER CHARGES—BILLING.

- A. Charges for stormwater service supplied by the City to any customer will be charged for and billed to each such customer in accordance with rates established by the City Council. Prior to the establishment of stormwater service fees and charges by the City Council, the Milwaukie Citizens Utility Advisory Board will prepare and deliver a report and recommendation on rates to the City Council. The Committee must prepare and deliver its recommendation to City Council on an annual basis, according to the rules established by City Council. Stormwater service fees and charges as established by the City Council will be added to and made a part of the billings for water and sewer service.
- B. The customer is responsible for all stormwater service fees and charges, except as allowed by Section 13.14.040. The City may require deposits prior to providing stormwater service or in lieu of a deposit, obtain a signed agreement from the property owner, whether the customer or not, that they will be ultimately liable for the charges and that the City may use a lien as one method to secure payment if the charges are not paid. However, the City may not require a property owner to sign such an agreement.
- C. Billings may be prorated. The proration will be a daily rate determined by dividing the annual minimum billing by 365 days times the number of days of occupancy from last meter reading and/or billing date.
- D. A reduced stormwater service charge may be charged for customers who qualify as low income utility customers under the provisions of Chapter 13.20 of this code.
- E. All money collected through stormwater fees and charges will be deposited in the stormwater utility account as established and maintained by the City's Finance Director.
- F. Funds collected under this chapter will be used for the purpose of designing, acquiring, developing, constructing, maintaining, improving, and operating both manmade and nature-based stormwater systems.

(Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.055. PUBLIC INVESTMENT OF STORMWATER FUNDS.

Funds collected under this chapter will not be used for maintaining, operating, or improving a stormwater system on private property, or to provide direct financial assistance for private tree removal except when:

- A. Providing non-federal grant match funding to projects that reduce or eliminate the risk of repetitive flood damage to buildings on private property insured by the National Flood Insurance Program; or
- B. The stormwater system is (or component thereof) demonstrated to the satisfaction of the Manager to provide a stormwater benefit that extends beyond the boundaries of the private property; or
- C. It can be demonstrated to the satisfaction of the Manager in consultation with the Urban Forester that a private tree provides a stormwater benefit that extends beyond the boundaries of the private property; or
- D. The stormwater system has been dedicated to the City and is within a public easement.
(Ord. 2223 § 1, 2022)

§ 13.14.060. STORMWATER CHARGES—WHEN DELINQUENT.

- A. The City will prepare and mail billings for stormwater fees and charges on the last business day of each month. Payment is due on the 15th of the month following the billing date. Accounts are delinquent if the City does not receive full payment by 5:00 p.m. on the last business day of the month immediately following the billing date.
- B. A delinquent fee, in an amount established by resolution of the City Council, will be added to all delinquent accounts.
- C. The Finance Director or designee is authorized to determine what constitutes a de minimis account balance and to waive the penalties in subsections B and D of this section in de minimis or extenuating circumstances.
- D. In addition to other lawful remedies, the Finance Director may enforce the collection of charges authorized by this chapter by withholding delivery of water to any premises where the stormwater service fees and charges are delinquent or unpaid, following the procedures and standards for shutting off water service for nonpayment of water bills as provided in

Chapter 13.04. However, the Finance Director may not deny or shut off water service to any subsequent tenant based upon an unpaid claim for services furnished to a previous tenant who has vacated the premises.

(Ord. 1755 § 6, 1994; Ord. 1895 § 4, 2001; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.070. DELINQUENT CHARGES—LIEN.

If the property owner elects pursuant to Section 13.14.050.B to authorize the use of a lien on real property to secure stormwater charge payment in lieu of a security deposit, all stormwater charges will be a lien against the premises served from and after the date of billing and entry on the ledger or other records of the City pertaining to its municipal stormwater system, and such ledger record or other record must be made accessible for inspection by anyone interested in ascertaining the amount of such charges against the property. Whenever a bill for stormwater service remains unpaid 60 days after it has been rendered, the lien thereby created may be foreclosed in the manner provided for by ORS 223.610 or in any other manner provided by law or City ordinance.

(Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.080. APPEAL.

Any customer aggrieved by any decision made with regard to the customer's account or a decision on charge reduction or avoidance may appeal to the Manager by filing with the City a written request for review no later than 10 days after receiving the decision. The Manager's decision will be subject to review by the City Council upon filing of an appeal within 15 days of the notice of decision.

(Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.090. RIGHT OF ACCESS.

Employees of the City must be provided access during regular business hours to all parts of the premises that include portions of the City's stormwater drainage system for the purpose of inspecting the condition of the pipes and fixtures and the manner in which the system is used. Should there be no one available on the premises, notice will be provided to the owner, tenant, occupant, or their agent that arrangements must be made to allow the inspection.

(Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.100. TAMPERING WITH SYSTEM.

- A. No unauthorized person may damage, destroy, uncover, deface, or tamper with any conduit, structure, appurtenance, or equipment that is a part of the stormwater system.
- B. The Manager may adopt such rules and regulations as are necessary to protect the stormwater system and the public health, safety, and welfare. Violation of said rules or regulations is deemed a violation of this chapter and will be punished accordingly.
- C. Portions of Johnson Creek, Kellogg Creek, and their natural tributaries are within the boundaries of the city and are considered waters of the United States pursuant to the CWA.

In order to protect the waters the City has a comprehensive enforcement program to comply with:

1. The 1987 Amendments to the CWA, as implemented by the Environmental Protection Agency (EPA) NPDES regulations adopted November 16, 1990, make necessary the adoption of plans and programs for stormwater management meeting specified criteria.
 2. Section 402(p) of the CWA (33 U.S.C. 1251 et seq.), as amended by the Water Quality Act of 1987, requires that municipalities must:
 - a. Prohibit nonstormwater discharge into the public stormwater system; and
 - b. Require controls to reduce the discharge of pollutants from stormwater to the maximum extent practicable.
 3. Section 303(d) of the CWA requiring states and the EPA to identify certain substandard waters and to set total maximum daily loads (TMDLs). The Oregon Department of Environmental Quality has and will continue to establish TMDLs for some water bodies within the city. The City seeks to comply with all TMDL requirements.
 4. The Endangered Species Act (ESA) and associated 4(d) rules covering protection of West Coast salmon and steelhead.
 5. All provisions of the federal law by implementing a stormwater management plan, in conjunction with other co-permittees.
 6. The Safe Drinking Water Act and Divisions 40 and 44 of Chapter 340 of the Oregon Administrative Rules pertaining to UIC facilities.
- (Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.105. DISCHARGE REGULATIONS.

A. Discharge of Pollutants

The commencement, conduct, or continuance of any nonstormwater discharge to the public stormwater system is prohibited and is a violation of this chapter, except as described below.

1. The prohibition does not apply to any nonstormwater discharge permitted or approved under an Industrial or Municipal NPDES permit, waiver, or discharge order issued to the discharger and administered by the DEQ, provided that the discharger is in full compliance with all requirements of the permit, waiver, or discharge order and other applicable laws or regulations and provided that written approval has been granted by the City for any discharge to the municipal separate storm wastewater system (MS4).
2. Except as provided in subsection A.3, the prohibition does not apply to the following non-stormwater discharges to the public stormwater system: uncontaminated water line flushing; landscape irrigation; diverted stream flows; uncontaminated groundwater infiltration (as defined in 40 CFR 35.2005(20)) to separate storm sewers; rising groundwaters; uncontaminated pumped groundwater; discharges from potable water sources (including potable groundwater monitoring wells and drainage and flushing of municipal potable water storage reservoirs), startup flushing of groundwater wells, foundation, footing and crawlspace drains (where flows are not contaminated), uncontaminated air conditioning or compressor condensate; irrigation water, springs, lawn watering, individual residential car washing, charity car washing (provided that steam and heat are not used, washing is restricted to the outside of the vehicle with no rinsing or washing of engines, transmissions, or undercarriages, and only phosphate-free

soaps/detergents are used); flows from riparian habitats and wetlands, dechlorinated swimming pool discharges, including hot tubs (heated water must cool for at least 12 hours prior to discharge and swimming pool and hot tub discharges with other pollutants such as bromine and copper may not be discharged to the MS4); street and pavement washwaters, including for bridges or pedestrian bridges (provided that chemicals, soaps, detergents, steam, or heated water are not used); routine external building wash-down (provided that chemicals, soaps, detergents, steam, or heated water are not used); and water associated with dye testing activity; .

3. The Manager may require best management practices to reduce pollutants, or may prohibit a specific discharger from engaging in a specific activity identified in subsection A.2, if at any time the Manager determines that the discharge is, was, or will be a significant source of pollution.

B. Discharge in Violation of Permit

Any discharge that would result in or contribute to a violation of an existing or future Municipal NPDES permit and any amendments, revisions, or reissuance thereof, either separately considered or when combined with other discharges, is a violation of this chapter and is prohibited. Liability for any such discharge is the responsibility of the person(s) causing or responsible for the discharge, and such persons must defend, indemnify, and hold harmless the City in any administrative or judicial enforcement action against the permit holder relating to such discharge.

C. Illicit Connections, Discharges, and Chronic Illicit Discharge

It is prohibited to establish, use, maintain, or continue illicit connections to the public stormwater system, or to commence or continue any illicit discharges to the public stormwater system.

D. Waste Disposal Prohibitions

1. No person may throw, deposit, leave, maintain, keep, or permit to be thrown, deposited, left, or maintained, in or upon any public or private property, driveway, parking area, street, alley, sidewalk, catch basin, inlet, or other component of the public stormwater system, materials that may cause or contribute to pollution, including, but not limited to, any refuse, rubbish, garbage, litter, yard debris, landscape materials, compost, topsoil, bark, gravel, sand, dirt, sod, sediment or sediment-laden runoff from construction or landscaping activities, hazardous materials, or other discarded or abandoned objects, articles, and accumulations.
2. Runoff from commercial or industrial operations or businesses that wash or detail vehicles, engines, transmissions, equipment, interior floors, or parking lots, may not discharge directly to a private or public stormwater system; this includes, but is not limited to, outdoor commercial, industrial, or business activities that create airborne particulate matter, process by-products or wastes, hazardous materials or fluids from stored vehicles, where runoff from these activities discharges directly or indirectly to a private or public stormwater system.

E. General Discharge Prohibitions

1. Discharge to Sanitary Sewer System

No person may discharge or contribute to the discharge of any stormwater or other unpolluted water into the City's sanitary sewer system.

2. Discharge to Public Storm Sewer System

It is unlawful to discharge or cause to be discharged directly or indirectly into the public stormwater system any of the following:

- a. Any discharge having a visible sheen, or containing floating solids or discoloration (including, but not limited to, dyes and inks);
- b. Any discharge having a pH of less than 6.5 or greater than 8.5 or that contains toxic substances;
- c. Any discharge that causes or may cause damage, interference, nuisance, or hazard to the public stormwater system or the City personnel;
- d. Any discharge containing human sanitary waste or animal feces.

(Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.110. COMPLIANCE REQUIRED.

The provisions of this chapter must be strictly complied with in every instance, and service must be paid for by all premises supplied, according to the rates established by the City Council. Exceptions to these provisions may be made only upon the written authorization of the Manager. (Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.115. INSPECTION AND ENFORCEMENT.

A. Authority to Inspect

1. Whenever necessary to make an inspection to enforce any of the provisions of this chapter, or whenever the Manager has reasonable cause to believe that there exists in any building or upon any premises any condition that may constitute a violation of the provisions of this chapter, the Manager may enter such building or premises at all reasonable times to inspect the same or perform any duty imposed upon the Manager by this chapter; provided that: (a) if such building or premises is occupied, he or she first must present proper credentials and request entry; and (b) if such building or premises is unoccupied, he or she must first make a reasonable effort to locate the owner or other persons having charge or control of the building or premises and request entry.
2. The property owner or occupant has the right to refuse entry but, in the event such entry is refused, the Manager is hereby empowered to seek assistance from any court of competent jurisdiction in obtaining such entry and performing such inspection.
3. As used in this section, inspection includes, but is not limited to, the physical inspection of a facility, and the review and copying of records relating to compliance with Sections 13.14.025 to 13.14.130.

B. Authority to Sample, Establish Sampling Devices, and Test

With the consent of the owner or occupant, or with court consent, the Manager may establish on any property such devices as are necessary to conduct sampling or metering operations. During all inspections as provided herein, the Manager may take any samples deemed necessary to aid in the pursuit of the inquiry or to record the on-site activities.

C. Enforcement Procedures

For any violation of MMC Chapter 13.14, the following enforcement procedures apply:

1. Notice of Violation

If the Manager determines that an applicant, other responsible party, or other person has failed to comply with MMC Chapter 13.14, the Manager must issue a written notice of violation to such person. The notice of violation must be served in person or by certified or registered mail, return receipt requested. The notice of violation must include:

- a. The name and address of the applicant or the responsible person;
- b. The address or other description of the site where the violation is occurring;
- c. A statement specifying the nature of the violation;
- d. A summary of potential remedial measures that may be necessary to bring the act or failure to act into compliance with Chapter 13.14;
- e. The date by which compliance is required, which must be within 10 days of issuance; or, if compliance is anticipated to take longer than 10 days due to technical, logistical, or other reasonable issues, require the applicant or other responsible party, within 10 days, to provide a written action plan for how compliance will be achieved and a timeline for compliance, which may not exceed 6 months without approval by the Department of Environmental Quality. The amount and type of pollution discharged will inform the date by which compliance is required;
- f. A statement of the penalties that may be assessed; and
- g. A statement of other enforcement action that may occur.

2. Stop Work Order

The Manager may order work to be stopped for any violation of Chapter 13.14 that arises from the work authorized under a permit. The stop work order must be posted on the property where the violation has occurred and will remain in effect until the remedial measures set forth in the Notice of Violation have been completed, or the violations have been otherwise cured. The stop work order may be withdrawn or modified by the Manager to enable the necessary remedial measures.

3. Chronic Illicit Discharge

Notwithstanding other provisions in this Section 13.14.115, the Manager may impose a civil penalty and pursue enforcement without having issued a notice of violation or making attempts to secure voluntary correction where the Manager determines that the violation was knowing, intentional, or a repeat of a similar violation.

4. Failure to Comply

In the event the applicant, responsible party, or other person fails to take the remedial measures set forth in the notice of violation, the Manager may issue a citation for each day the violation remains unremedied after the date set forth in the notice of violation, consistent with the procedures set forth in Chapter 1.08, Short-Form Uniform Complaint and Citation Method and Code Enforcement Procedures.

5. Rights, remedies, and penalties set forth in this Chapter 13.14 are cumulative, not mutually exclusive, and in addition to any other rights, remedies, and penalties available to the City under any other provision of law.

6. Additional Requirements

a. Requirement to Eliminate Illicit Connections

For an illicit connection to the public stormwater system, compliance requires eliminating the connection. Once the connection is eliminated, if the responsible person can demonstrate that an illicit discharge will no longer occur, that person may request approval to reconnect as provided in Section 13.14.030. The reconnection or reinstallation of the connection will be at the responsible person's expense.

b. Requirement to Monitor and Analyze

Whenever the Manager determines that any person is engaged in any activity, and/or owns or operates any facility, which may cause or contribute to stormwater pollution, illicit discharge, or chronic illicit discharge to the public stormwater system, the Manager may, by written notice, order that such person undertake such monitoring activities and/or analyses, and furnish such reports, as the Manager may deem necessary to demonstrate compliance with this chapter. The written notice must be served either in person or by certified or registered mail, return receipt requested, and must set forth the basis for such order and particularly describe the monitoring activities and/or analyses and reports required. The burden to be borne by the owner or operator; including costs of these activities, analyses, and reports; must bear a reasonable relationship to the need for the monitoring, analyses, and/or reports and the benefits to be obtained. The recipient of such order must undertake and provide the monitoring, analyses, and/or reports within the time frames set forth in the order.

(Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.120. VIOLATIONS and PENALTY.

A. Continuing Violation

Unless otherwise provided, a person must be deemed guilty of a separate offense for each and every day during any portion of which a violation of this chapter is committed, continued, or permitted by the person.

B. Concealment

Causing, permitting, aiding, abetting, or concealing a violation of any provision of this chapter constitutes a violation of the chapter.

C. Acts Resulting in Violation of Federal Law

Any person who violates any provision of this chapter, or any provision of any stormwater-related permit issued by Department of Environmental Quality, or who discharges waste or wastewater that causes pollution, or who violates any cease and desist order, prohibition, or effluent limitation, also may be in violation of the Clean Water Act, Safe Drinking Water Act, or the Endangered Species Act and may be subject to the sanctions of these Acts including civil and criminal penalties.

D. Violations Deemed a Nuisance

Any condition caused or permitted to exist in violation of any provision of this chapter is a threat to public health and safety. Any such condition is unlawful and constitutes a nuisance, subject to the enforcement provisions in MMC 8.04.

E. Penalty

Violation of any provision of this chapter by any person, firm, or corporation is punishable by a fine of not more than \$1,000. Factors for determining the penalty amount may include, but are not limited to, the type, scale, and duration of the violation and whether the responsible party has been issued a notice of violation, citation, or otherwise held responsible for prior violations. Each day on which a violation occurs or continues is a separate offense.

(Ord. 1755 § 6, 1994; Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

§ 13.14.130. DISCLAIMER OF LIABILITY.

The degree of protection required by this chapter is considered reasonable for regulatory purposes and is based on scientific, engineering, and other relevant technical considerations. The standards set forth herein are minimum standards and the chapter does not imply that compliance will insure that there will be no unauthorized discharge of pollutants into the public stormwater system. This chapter will not create liability on the part of the City, or any agent or employee thereof, for any damages that result from reliance on this chapter or any administrative decision lawfully made hereunder.

(Ord. 2013 § 1, 2010; Ord. 2223 § 1, 2022)

CHAPTER 16.28 (clean)
EROSION CONTROL

Note: Prior ordinance history; Ord. 1718

§ 16.28.010. GENERAL POLICY.

- A. The policies of this chapter will apply during construction and until permanent measures are in place following construction as described herein, unless otherwise noted.
- B. Temporary and permanent measures for all construction projects will be required to lessen the adverse effects of erosion and sedimentation. The owner or his or her/her agent, contractor, or employee, must properly install, operate, and maintain both temporary and permanent works as provided in this section or in an approved plan, to protect the environment during the useful life of the project. These erosion control rules apply to all lands within the City of Milwaukie.
- C. Nothing in this chapter will relieve any person from the obligation to comply with the regulations or permits of any federal, State, or local authority.
- D. Maintenance and repair of existing facilities is the responsibility of the owner of record.
- E. Erosion, sedimentation, and other pollutants reaching the public storm and/or surface water system resulting from development, construction, grading, filling, excavating, clearing, and any other activity that accelerates erosion must be prevented.
- F. No visible or measurable erosion will leave the property during construction or during activity described in subsection E above. The owner of the property, together with any person who causes such action from which the visible or measurable erosion occurs, is responsible for clean up, fines, and damages. Clean up responsibilities include clean up of creeks, drainage ways, or wetlands impacted by a project. For the purposes of this chapter "visible and measurable erosion" includes, but is not limited to:
 - 1. Deposits of mud, dirt, sediment, or similar material exceeding one-half cubic foot in volume on public or private streets, adjacent property, or into the storm and surface water system, either by direct deposit, dropping, discharge, or as a result of the action of erosion;
 - 2. Evidence of concentrated flows of water over bare soils; turbid or sediment-laden flows; or evidence of on-site erosion such as rivulets or bare soil slopes, where the flow of water is not filtered or captured on the site, and/or;
 - 3. Earth slides, mud flows, earth sloughing, or other earth movement that results in material leaving the property.
- G. Dust and other particulate matters containing pollutants can settle on property and be carried to waters of the state though rainfall or other means. Dust must be minimized to the extent practicable, utilizing all measures necessary, including, but not limited to:

1. Sprinkling haul and access roads and other exposed dust-producing areas with water;
 2. Establishing temporary vegetative cover;
 3. Placing wood chips or other effective mulches on vehicle and pedestrian use areas;
 4. Use of covered haul equipment; and/or
 5. Prewetting cut and borrow area surfaces.
- (Ord. 1899 § 1, 2002)

§ 16.28.020. EROSION CONTROL PERMIT AND EROSION CONTROL PLANS—APPLICABILITY—CONFORMANCE.

A. Definitions.

"Erosion control permit" means the official approval issued by the City that demonstrates compliance with this chapter for activities described in the application form, erosion control plan, and related materials submitted pursuant to this chapter.

"Erosion control plan" means all documents, maps, plans and other information specified in Section 16.28.030 and submitted in association with an application for an erosion control permit.

- B.** An erosion control plan that meets the requirements of Section 16.28.030 is required prior to any approval of an erosion control permit.
- C.** An erosion control permit is required as follows:
1. Prior to placement of fill, site clearing, or land disturbances, including but not limited to grubbing, clearing or removal of ground vegetation, grading, excavation, or other activities, any of which results in the disturbance or exposure of soils exceeding 500 square feet.
 2. For disturbed areas or exposed soils less than 500 square feet, where the City has determined that site conditions may result in visible and measurable erosion and where the City has provided written notice of the requirement to obtain an erosion control permit to the property owner. Upon notice by the City, all work must cease pending approval of an erosion control permit and installation of approved erosion control measures.
 3. For any lot that includes natural resources regulated by Milwaukie Zoning Ordinance Section 19.402 Natural Resources, an erosion control permit will be required prior to placement of fill, site clearing, or land disturbances, including but not limited to grubbing, clearing or removal of ground vegetation, grading, excavation, or other activities, any of which has the potential for, or results in visible and measurable erosion, regardless of the area of disturbance.
- D.** An erosion control permit will not be issued for activities on lots that include natural resources regulated by Section 19.402, where the site activity has not been authorized, or is not exempt under the provisions of Milwaukie Zoning Ordinance Section 19.402 Natural

Resources as determined by the Planning Director. This provision does not apply where the erosion control permit is associated with correction of a violation of the City Code or as necessary for public safety, or the protection of property or water quality.

E. Timing

Approval of the erosion control permit is required prior to the following, whichever comes first:

1. Issuance of grading permits, building permits, and approval of construction plans for subdivision; or
2. Placement of fill, site clearing, land disturbances, including but not limited to grubbing, clearing or removal of ground vegetation, grading, excavation, or other activities, any of which disturbs or exposes soil.

F. Erosion control measures set forth in any approved erosion control plan must be implemented and maintained on the site until the date set forth in the plan, or the amended date as necessary for the establishment of final landscaping. The City may allow for the removal of erosion control measures at an earlier date if erosion control is assured by established landscaping.

(Ord. 1899 § 1, 2002; Ord. 2036 § 3, 2011)

§ 16.28.030. CONTENTS OF EROSION CONTROL PLAN AND GENERAL REQUIREMENTS.

A. Erosion control plans ~~shall~~ must include a description of erosion control methods that are adequate to ensure that runoff siltation and pollutants from the grading, site clearing, or construction are contained onsite during the period of activity on the site until the final landscaping is sufficiently established to control erosion. Each plan ~~shall~~ must contain a date that is the estimated ending date for maintaining erosion control measures. That date may be extended if final landscaping has not been sufficiently established to control erosion. Plan submittal requirements, and recommended erosion control measures, are included in the Clackamas County/City of Milwaukie Technical Guidance Handbook for Erosion/Sedimentation Control Plans (August 1991) (Guidance Handbook), which is hereby adopted in total as part of this chapter. Copies of the Guidance Handbook are available for a fee at the City Public Works Department.

B. At a minimum the Erosion Control Plan must include:

1. Identification of potential sources of stormwater pollution at the construction site
2. The stormwater controls to prevent erosion and pollution created from the development both during and after construction (site-specific considerations must be incorporated);
3. Limits of clearing by flagging boundaries in the field before starting site grading or construction (staging areas must be included);
4. An analysis of source controls such as detention and storage techniques during construction showing existing contours as an alternative method to control erosion from stormwater runoff;

5. A drainage plan during construction;
 6. Existing contours as well as all sensitive areas, creeks, streams, wetlands, open areas, and areas of natural riparian vegetation pursuant to Chapter 322; and
 7. A description of historic localized flooding problems resulting from surface water runoff, FEMA, or flooding problems known to the community or the local jurisdiction.
- C. A site plan prepared by an Oregon registered engineer is required for sites with disturbed area of 5 acres or greater.
- D. The Erosion Control Plan must be kept on site and made available during site inspections or upon request.
- E. Erosion Control Plans must be maintained and updated as site conditions change or as directed by the City.
- F. Additional measures required by subsection C above may include 1 or more of the following:
1. Limited area cleared at any one time;
 2. Additional drainage requirements during construction;
 3. Filtering or treatment of runoff;
 4. Additional water quality measures;
 5. Additional erosion control to cover portions of the site;
 6. Maintaining some existing vegetation adjacent to water features, such as creeks, streams, and wetlands or areas of natural riparian vegetation pursuant to Chapter 322;
 7. Additional facilities to reduce volume and velocity of water runoff;
 8. If there are no workable alternatives, limit clearing, and grading in some areas between November 1st and April 30th; and
 9. Additional measures required by the Guidance Handbook.
- G. All construction activities disturbing 5 or more acres must obtain an NPDES erosion control permit for construction activities issued by the City of Milwaukie.
(Ord. 1899 § 1, 2002)

§ 16.28.040. APPROVAL PROCESS—FEES.

Fees to cover the cost of erosion control plan review, site inspections, and the Clackamas County/City of Milwaukie Technical Guidance Handbook for Erosion/Sedimentation Control Plans (August 1991) will be set by City Council resolution.
(Ord. 1899 § 1, 2002)

§ 16.28.050. MAINTENANCE AND AMENDMENT OF INADEQUATE MEASURES.

The applicant must maintain all facilities required by an approved erosion control plan so as to assure their continued effectiveness during construction or other permitted activity. If the facilities and techniques approved in an erosion control plan are not effective or sufficient as determined by

the City's Site Inspector, the permittee must submit a revised plan within 3 working days of written notification by the City. In cases where erosion is occurring, the City may require the applicant to implement interim control measures prior to submittal of a revised erosion control plan and without limiting the City's right to undertake enforcement measures. Upon approval of the revised plan by the City, the permittee must immediately implement the revised plan.

(Ord. 1899 § 1, 2002)

§ 16.28.060. WORK IN PROGRESS.

Permittees or property owners for any site activities that were underway on the effective date of the ordinance codified in this chapter, may be required to prepare an erosion control plan for approval pursuant to this chapter. If the City determines that an erosion control problem exists, and requests an erosion control plan, ground work on the site must cease pending approval of the plan and installation of approved erosion control measures. The provisions of this section apply only until final landscaping on the site is sufficiently established to control erosion.

(Ord. 1899 § 1, 2002)

§ 16.28.070. PERFORMANCE.

The City may require the applicant to submit a bond, cashier's check, or irrevocable letter of credit from an acceptable financial institution to secure performance of the requirements of this chapter. Upon default, the City may perform work or remedy violations and draw upon the bond or fund. If the City does not require a bond and the developer does not perform the erosion control plan in whole or in part, the City may, but is not obligated to, perform or cause to be performed corrective work and charge the developer. Such amount will bear interest at 9% per annum and be a lien upon the property foreclosable in accordance with ORS Chapter 88.

(Ord. 1899 § 1, 2002)

§ 16.28.080. EROSION CONTROL CERTIFICATION.

A. Developers/contractors of building activities requiring erosion control permits who have a certified individual on staff with authority over erosion control and who is responsible for erosion control of the site, are eligible for a discount of their erosion control fees in accordance with the City fee schedule. On large or complex sites, the City may require an individual certified in erosion control to be on site at all times. Violations of this title that result in enforcement procedures described in Section 16.28.110, will result in revocation of the certification and require payment of the full erosion control fee. Recertification is required following erosion control violations resulting in enforcement actions. If certification is revoked, there may be additional inspection fees.

B. Certification must involve training in erosion control techniques, issues, and implementation strategies. A minimum of 4 hours of classroom instruction is required every 2 years.

(Ord. 1899 § 1, 2002)

§ 16.28.090. INSPECTION.

The erosion control measures must be installed by the owner or his or her representative and must be inspected by the City prior to the start of any excavation work.

(Ord. 1899 § 1, 2002)

§ 16.28.100. DEPOSIT OF SEDIMENT.

No person will drag, drop, track, or otherwise place or deposit, or permit to be deposited, mud, dirt, rock, or other such debris upon a public street or into any part of the public storm and surface water system, including natural drainage systems, or any part of a private storm and surface water system that drains or connects to the public storm and surface water system, with the exception of sanding for ice and snow and maintenance such as crack or chip sealing. Any such deposit of material must be immediately removed using hand labor or mechanical means. No material will be washed or flushed into the road/street or any part of the storm or surface water system without erosion control measures installed to the satisfaction of the City, and any such action will be an additional violation.

(Ord. 1899 § 1, 2002)

§ 16.28.110. ENFORCEMENT—VIOLATION—PENALTY.

A. Enforcement Procedures

For any violation of MMC Chapter 16.28, the following enforcement procedures apply:

1. Notice of Violation

If the Manager determines that an applicant, other responsible party, or other person has failed to comply with MMC Chapter 16.28, the Manager must issue a written notice of violation to such person. The notice of violation must be served in person or by certified or registered mail, return receipt requested. The notice of violation must include:

- a. The name and address of the applicant or the responsible person;
- b. The address or other description of the site where the violation is occurring;
- c. A statement specifying the nature of the violation;
- d. A summary of potential remedial measures that may be necessary to bring the act or failure to act into compliance with Chapter 16.28;
- e. The date by which compliance is required, which must be within 10 days of issuance; or, if compliance is anticipated to take longer than 10 days due to technical, logistical, or other reasonable issues, require the applicant or other responsible party, within 10 days, to provide a written action plan for how compliance will be achieved and a timeline for compliance, which may not exceed 6 months without approval by the Department of Environmental Quality. The type and severity of pollution discharged will inform the date by which compliance is required;
- f. A statement of the penalties that may be assessed; and
- g. A statement of other enforcement action that may occur.

2. Stop Work Order

The Manager may order work to be stopped for any violation of Chapter 16.28 that arises from the work authorized under a permit. The stop work order must be posted on the property where the violation has occurred and will remain in effect until the remedial measures set forth in the Notice of Violation have been completed, or the violations have been otherwise cured. The stop work order may be withdrawn or modified by the Manager to enable the necessary remedial measures.

3. Repeat or Ongoing Violations

Notwithstanding other provisions in this Section 16.28.110, the Manager may impose a civil penalty and pursue enforcement without having issued a notice of violation or making attempts to secure voluntary correction where the Manager determines that the violation was knowing, intentional, or a repeat of a similar violation.

4. Failure to Comply

In the event the applicant, responsible party, or other person fails to take the remedial measures set forth in the notice of violation, the Manager may issue a citation for each day the violation remains unremedied after the date set forth in the notice of violation, consistent with the procedures set forth in Chapter 1.08, Short-Form Uniform Complaint and Citation Method and Code Enforcement Procedures.

5. Rights, remedies, and penalties set forth in this Chapter 16.28 are cumulative, not mutually exclusive, and in addition to any other rights, remedies, and penalties available to the City under any other provision of law.

(Ord. 1899 § 1, 2002)

16.28.120 Violations and Penalty

A. Continuing Violation

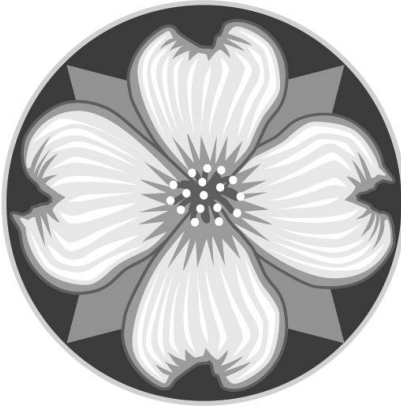
Unless otherwise provided, a person must be deemed guilty of a separate offense for each and every day during any portion of which a violation of this chapter is committed, continued, or permitted by the person.

B. Violations Deemed a Nuisance

Any condition caused or permitted to exist in violation of any provision of this chapter is a threat to public health and safety. Any such condition is unlawful and constitutes a nuisance, subject to the enforcement provisions in MMC 8.04.070.

C. Penalty

Violation of any provision of this chapter by any person, firm, or corporation is punishable by a fine of not more than \$1,000. Factors for determining the penalty amount may include, but are not limited to, the type, scale, and duration of the violation and whether the responsible party has been issued a notice of violation, citation, or otherwise held responsible for prior violations. Each day on which a violation occurs or continues is a separate offense.



RS Agenda Item

8

Public Hearings

COUNCIL STAFF REPORT

To: Mayor and City Council
Emma Sagor, City Manager

Date Written: Oct. 11, 2024

Reviewed: Jennifer Garbely, City Engineer

From: Hector Gomez-Barrios, Associate Engineer

Subject: **Capital Improvement Program (CIP) Projects Best Value Contracting**

ACTION REQUESTED

Staff is requesting that Council approve a resolution adopting best value construction as the alternative contracting method for the following SAFE projects: King Road Improvements, Harvey Street Improvements, and Milwaukie Downtown Sidewalk and Storm Improvements.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

The above-listed projects are included in the fiscal years (FYs) 2025 to 2030 Capital Improvement Plan (CIP) and the 2025-2026 Biennium Budget adopted by Council on June 4, 2024.

ANALYSIS

Best Value Construction (“BVC”) is a unique bid method that uses the traditional low-bid competitive process with an added qualification element. There are advantages to using the BVC process as it affords staff the ability to evaluate the bidder’s prior experience with projects of similar size and complexity. This is particularly important when the project requires specialized expertise because it allows for the consideration of additional value a contractor may offer in concert with their price to determine the bid package that delivers the best value and long-term public benefits.

To use the BVC method, the city must conform to Oregon Revised Statute (ORS) 279C.335 (1) and (2) and the city’s Public Contracting Rule (PCR) 10.105C, which allow City Council, acting as the local contract review board, to exempt certain contracts from traditional competitive bidding. To exempt a project, a local contract review board must show through findings that an alternative contracting process is unlikely to encourage favoritism or diminish competition resulting in cost savings.

The BVC method still requires contractors to submit a bid that will count for 65% of the points. The remaining 35% of the points will be based on qualifications in a proposal the contractor submits with their bid. The BVC method also allows the city to include diversity, equity, and inclusion (DEI) objectives that are not available in the regular low bid process.

BUDGET IMPACT

The projects that we are proposing using BVC on are in the adopted 2025–2026 Biennium Budget.

EQUITY IMPACT

One of the scoring criteria in the BVC method will award points to disadvantaged businesses.

CLIMATE IMPACT

Construction activity has a significant impact on the environment due to emissions from transport of materials, heavy equipment uses, and the manufacturing of materials such as asphalt concrete pavement and underground utility pipes.

WORKLOAD

Staffing levels have already been taken into consideration and accounted for within the adopted FY2024 CIP; no additional impacts are anticipated.

COORDINATION, CONCURRENCE, OR DISSENT

Engineering and finance staff have coordinated to ensure the projects meet procurement rules.

STAFF RECOMMENDATION

Staff have evaluated the project and determined that the provisions of ORS 279C.335 (1) and (2) and PCR 10.105C can be met. Staff is requesting that Council adopt the findings in support of BVC as the alternative contracting method for the King Road Improvements project, Harvey Street Improvements project, and Milwaukie Downtown Sidewalk and Storm Improvements project.

ALTERNATIVES

Council could decide to not adopt the proposed findings, which means staff will use a low bid process.

ATTACHMENTS

1. Resolution with Findings

COUNCIL RESOLUTION No.**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, ACTING AS THE LOCAL CONTRACT REVIEW BOARD, ADOPTING FINDINGS AND ALLOWING THE USE OF THE BEST VALUE CONSTRUCTION CONTRACTING FOR CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS.**

WHEREAS the Best Value Construction (“BVC”) method of alternative bidding is allowed under the city’s Public Contracting Rule (PCR) 10.105.C; and

WHEREAS the use of a BVC bid process for the CIP projects including King Road Improvements, Harvey Street Improvements, and Milwaukie Downtown Sidewalk and Storm Improvements, would comply with PCR 10.105.C.

WHEREAS findings were documented in exhibit A for the recommendation for the use of BVC.

Now, Therefore, be it Resolved by the City Council of the City of Milwaukie, Oregon, acting as the local contract review board, that the Findings in the attached Exhibit A are adopted pursuant to the authority granted to the board by Milwaukie Municipal Code (MMC) Chapter 3.05.030, to allow the use of the Best Value Construction bid process for the King Road Improvements project, Harvey Street Improvements project, and Milwaukie Downtown Sidewalk and Storm Improvements project.

Introduced and adopted by the City Council on **November 5, 2024**.

This resolution is effective immediately.

Lisa M. Batey, Mayor

ATTEST:

APPROVED AS TO FORM:

Scott S. Stauffer, City Recorder

Justin D. Gericke, City Attorney

EXHIBIT A

FINDINGS IN SUPPORT OF ALTERNATIVE CONTRACTING METHOD FOR THE KING ROAD IMPROVEMENTS PROJECT, HARVEY STREET IMPROVEMENTS PROJECT, AND MILWAUKIE DOWNTOWN SIDEWALK & STORM IMPROVEMENTS PROJECT.

Introduction

Use of Alternative Contracting methods, such as Best Value Construction, is made possible under ORS Chapter 279C, which permits certain contracts or classes of contracts to be exempt from competitive public bidding under strict procedural safeguards. Like other alternative contracting methods, Best Value Construction has significantly different legal requirements than a typical lowest bid method.

Pursuant to ORS 279C.335, a local contract review board may exempt specific contracts from traditional, competitive bidding by showing that an alternative contracting process is unlikely to encourage favoritism or diminish competition and will result in cost savings and other substantial benefits to the public agency. The Oregon Attorney General's Model Public Contract Rules provide for public notice and opportunity for public comment on draft findings in favor of an exemption before final adoption.

Under ORS 279C.330, "findings" means the justification for a contracting agency conclusion that includes, but is not limited to, information regarding:

- Operational, budget, and financial data;
- Public benefits;
- Value engineering;
- Specialized expertise required;
- Public safety;
- Market conditions;
- Technical complexity; and
- Funding sources.

Findings

Operational, Budget, and Financial Data

Best Value Construction procurement method allows the city to request a bid schedule to provide unit cost and then a proposal to identify contractor's qualifications to meet the requirements of the project. In addition to bid item price, this process considers the long-term

costs and benefits and can include criteria with qualitative, technical, and sustainable aspects in determining an award decision. These criteria could be the reasonableness of the bid, estimated construction timeline, the contractor's history of work and their business relationships.

Milwaukie Downtown Sidewalks & Storm Improvements project has elements of construction that are budgeted by Transportation and Stormwater funds. King Road Improvements has elements of construction that are identified in the Safe Access for Everyone (SAFE) Program, the Street Surface Maintenance Program (SSMP), Water, and Stormwater funds. Harvey Street Improvements project has elements of construction that are budgeted by stormwater, SAFE, SSMP, Wastewater, and Water funds.

Public Benefit

The project will be built with a qualified contractor that has prior experience with projects of similar size and complexity. This allows for a better final product to benefit the public. The procurement process still requires contractors to submit a bid that will count for 65% of the points. Then the other 35% of the points will be based on qualifications. The Best Value method allows for a competitive bid and qualification based. In addition, this process in the qualification section will allow the city to include diversity, equity, and inclusion (DEI) objectives that are not available in the low bid process.

Value Engineering

The Best Value Construction process looks at past performance and experience to minimize risk. The contractor in their qualification's proposal can submit ideas, value engineering options, and construction methods that provide cost savings which could be incorporated into the construction contract. The benefits of value engineering are not available with only the low bid process.

Specialized Expertise Required

In the Milwaukie Downtown Streets and Sidewalk improvement project, soil cells (Silva Cell or approved equivalent) will be installed to infiltrated stormwater while letting tree roots grow without making the sidewalk panel lift. Along with the installation of pervious cement concrete at Main Street and Monroe Street, the contractor selected will have prior experience installing soil cells and pervious cement concrete.

In the King Road Improvement project, the scope of work includes grind and pervious pave from 43rd Ave to Linwood Ave., installation of side path on each side of King Road., and water improvement (i.e. transfer service lines to existing mainline and fire flow hydrant work). King Road is an arterial road which will make maintain traffic control and maintain access for transit difficult. The contractor selected will be well qualified in maintaining traffic control in busy corridors and qualified water construction.

In the Harvey Street Improvements project, the scope of work includes installation of new water pipe along Harvey St, 33rd Ave, 36th Ave and Sherry Ln. Installation of Milwaukie's first storm water pump station at 42nd Avenue and Harvey Street. Installation of rapid flash beacon at Roswell Street and 42nd Avenue. Cement sidewalk work will occur along Harvey Street in the existing right of way corridor. The contractor selected will be well qualified in maintaining traffic control, installing stormwater pumps, installing rapid flash beacons, and water construction.

The Best Value Construction selection process is based on price and qualifications. The City will benefit by acquiring a Best Value Construction, that allows qualifications to be part of the process to selecting a contractor with established experience and specialized expertise to manage this project. A low bid process does not provide an opportunity to evaluate qualified contractors with the specialized expertise needed for the project.

Public Safety

The Best Value Construction process will allow the contractor to provide qualifications on how they have demonstrated a safe construction site throughout the project and maintained public safety. A low bid process does not give this option.

Market Conditions

The Best Value Construction contracting process is a modern construction delivery method used by both public and private organizations. The Best Value Construction allows for the consideration of additional value a contractor may offer in concert with their bid price to determine the bid which delivers the best value that includes the long-term benefits of the project.

Technical Complexity

In the Milwaukie Downtown Streets and Sidewalk improvement project, is technically complex due to the city has not installed Silva Cells on a project yet. Staff want to ensure a qualified contractor will be available to conduct the project in our downtown area while businesses are open.

Class of Work: Earthwork and Drainage, Asphalt Concrete Paving and Oiling, Portland Cement, Concrete Paving, Pavement Markings, Signing, Landscaping

Estimated Cost: \$555,620.00

In the King Road Improvement project, is technically complex due to the contractor will need to maintain two way traffic on the arterial roadway during construction to maintain access to businesses, residents, transit services, and children walking to school.

Class of Work: Earthwork and Drainage, Water, Asphalt Concrete Paving and Oiling, Portland Cement, Concrete Paving, Pavement Markings, Signing, Landscaping

Estimated Cost: \$8,199,000.00

In the Harvey Street Improvements project, project technically complex is due to installation of new water pipe, reconnection of service water lines, and installation of stormwater pump. Harvey is also classified as a collector road and traffic will need to be detoured around the site when road closure is required for the work.

Class of Work: Temporary Features and Appurtenances, Roadwork, Drainage and Sewers, Bases, Wearing Surfaces, Permanent Traffic Safety and Guidance Devices, Permanent Traffic Control and Illumination Systems, Right of Way Development and Control, and Water Supply Systems

Estimated Cost: \$5,084,700.00

Funding Sources

Funding for this project will come from the 2025 to 2030 Capital Improvement Plan (CIP) and the 2025-2026 Biennium Budget adopted by City Council on June 4, 2024. Best Value Construction process uses competitive bid process with a qualification element.

Summary

After careful consideration, the City has found the Alternative Contracting Method Best Value Construction more appropriate than a traditional low bid process to meet the overall project objectives for the King Road Improvements project, Harvey Street Improvements project, and Milwaukie Downtown Sidewalk & Storm Improvements project.



PUBLIC HEARING ATTENDANCE SIGN-UP SHEET

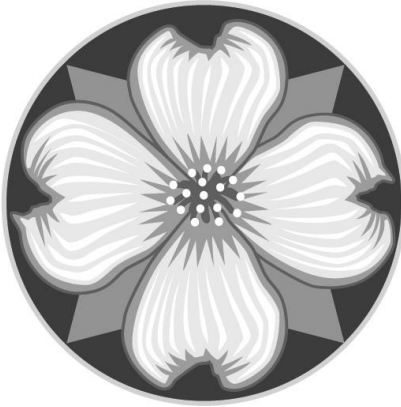
If you wish to have appeal standing and/or to be on the mailing list for Council information from tonight's hearing, please sign-in below.

11/5/2024

RS 8. A. Capital Improvement Plan (CIP) Projects Best Value Contracting (BVC) Resolution

Land Use File No. (none)

NAME	ADDRESS	PHONE	EMAIL



RS Agenda Item

9

Council Reports

RS 9. 11/5/24
Council Notes -
Mayor Batey

From: [Lisa Batey](#)
To: [Scott Stauffer](#)
Cc: [Emma Sagor](#); [Robert Massey](#); [Joseph Briglio](#)
Subject: FW: notes on conversation this morning with Daniel Newberry and staff from Johnson Creek Watershed Council
Date: Thursday, October 31, 2024 11:31:37 AM

Scott – please add this to the packet for Nov 5.

From: Lisa Batey
Sent: Wednesday, October 23, 2024 1:10 PM
To: Emma Sagor <SagorE@milwaukieoregon.gov>; Robert Massey <MasseyR@milwaukieoregon.gov>; Joseph Briglio <BriglioJ@milwaukieoregon.gov>; Laura Weigel <WeigelL@milwaukieoregon.gov>; Brett Kelter <KelterB@milwaukieoregon.gov>; Vera Kolias <KoliasV@milwaukieoregon.gov>; Peter Passarelli <PassarelliP@milwaukieoregon.gov>; Jennifer Garbely <GarbelyJ@milwaukieoregon.gov>
Subject: notes on conversation this morning with Daniel Newberry and staff from Johnson Creek Watershed Council

All:

I had a zoom call this morning with Daniel – it's his last week as Executive Director of JCWC and I wanted to pick his brain on a couple of things. I am copying the Council President because of his role with NCWC as well as the stabilization center. Daniel had two people join in the call – Holly Etherton, who will be overseeing the project to place large woody structures in Milwaukie Bay and the mouth of the creek next summer, and Deb Merchant, who is acting ED while the JCWC board conducts a search for Daniel's replacement.

On the large wood project (for lack of a better name!), they got the last of the required permits this week. The project will be done in August or September next year, and they will need to close the boat ramp for a week. They are in conversations with the Oregon State Marine Board for how to sign and give notice of this, and I told them the City would be happy to use the Pilot and social media channels to help get out the word. I also told them that I would like them to come give a presentation to Council in late spring/early summer, 2-3 months ahead of the work. [FYI, NCWC is apparently wrapping up its large wood project in the mouth of River Forest Creek right now.]

I then turned the conversation to parking lots and restoration work in the NMIA, and that led to a few different points that I thought were relevant for work on our stormwater systems plan as well as the natural resources code:

- In terms of incentivizing the removal of underutilized parking lots, Daniel noted that Gresham provides for a reduction on stormwater fees for businesses that treat stormwater on site. This is something we should consider as an incentive to get some depaving and stormwater facilities built. I note this issue came up recently in Robert's Council Report on NCWC and 6-PPD, the chemical in tires that kills salmon.

- A number of the lots are owned by Dietrich, who has been unwilling to allow any depaving or revegetation. But Daniel called out both Americold and OLCC as owning wide swaths of Creekside property. Daniel noted (and I had observed this as well) that OLCC has a whole double-lane of parking along the creek that does not get used. And, moreover, that it floods in high water events. He thought there might be some opportunities to approach them to go out jointly for a grant to depave and build a large raingarden or stormwater detention pond. But JCWC has not actively pursued this because of the lack of clarity around how long OLCC will be on that property. Emma and I have separately spoken about trying to meet with OLCC, so that will be an opportunity to touch base on both depaving and the project noted below.

JCWC expressed interest earlier this year in trying to get Metro to purchase the Americold property east of the creek (between the creek and McBrod). Apparently Daniel and Vera have looked at the maps and determined that 75% of those areas cannot be developed. Metro wants a public entity to take responsibility for properties they buy with public funds, and we didn't jump at that opportunity. I do wonder if the forthcoming requirements under the FEMA BiOp (biological opinion) will actually make the whole area undevelopable, as it applies 170' buffers around floodplains. In any event, Americold has allowed for removal of blackberry and revegetation along that segment of the creek, which has been in place for five or so years now.

JCWC is interested in doing another large wood project in that segment of the creek between Milport and Ochoco. There is grant funding available from the same pot that is funding their project in the mouth of the creek, but any application would have to be submitted by March. There are three landowners – OLCC, Americold, and now the CCSO (stabilization center site). Daniel spoke to Adam Brown after our recent Council conversation about the stabilization center, and Adam apparently told him the County would be supportive of such a project. I mentioned that Emma and I were hoping to meet with OLCC and I would bring it up there and get a POC for Holly, who would oversee any grant application. That leaves Americold. They had denied a previous project that JCWC pitched to them, but Daniel seemed optimistic that they might support this large wood project, which wouldn't involve any lasting changes to their property. And that it would be easier if the other two properties were already on board. The manager of the site is apparently named Troy (I didn't get his last name).

Daniel also mentioned that there is a small railroad bridge over the creek near the property line between OLCC and Americold. He is not certain if Americold still uses that railroad section, but noted that the bridge has its abutments in the creek and that any large log or other thing coming down the creek in high water could knock it out. If still used, it might be something Americold want to consider bolstering/rebuilding if other work comes to pass in/around the creek.

Thanks,
Lisa

Lisa M. Batey, Mayor (she/her)
City of Milwaukie
E-mail: bateyl@milwaukieoregon.gov

Message line: 503-786-7512

From: [Lisa Batey](#)
To: [Scott Stauffer](#)
Cc: [Justin Gericke](#); [Emma Sagor](#)
Subject: notes from November MMC meeting: SHS funding extension/changes; TriMet and 2025 Transportation work; Metro solid waste plan
Date: Thursday, October 31, 2024 12:32:33 PM
Attachments: [MMC October Meeting Follow-up Materials.pdf](#)
[Resolution_no_24-543.pdf](#)

Scott, please include this email, including the attached materials, in the Nov 5 packet. I'll defer to Emma to determine which staff should see them.

All:

These are notes from the Oct 24th MMC meeting, which was jam-packed with relatively big issues. I would have sent them earlier so that people had more time to review and consider them ahead of our meeting – and ahead of the deadline for comments on Metro's solid waste facilities plan – but for Justin's guidance that notes be shared this way.

The MMC subcommittees on economic development and emergency preparedness (I sit on the former) reported out on their revisions to the legislative agenda for 2025. The full legislative agenda will be reviewed in November and I will share a copy of that when received.

The group received an update from the Executive Committee on their discussions with Metro on the SHS housing measure. In mid-October, the Metro Council unanimously adopted the attached resolution (three+ pages of Whereas clauses!) laying out their plans for the SHS/affordable housing topic – some things that Metro can do on its own, and other things that they anticipate putting forward on the ballot next May. They direct staff to come back to Council in December. At the bottom of page 5, they lay out some core pieces, including extending the measure past 2030, some reduction in the tax rate, some sort of allocation to cities, and creation of a “regional housing and homelessness oversight structure.”

There was consensus among mayors that the devil is in the details when it comes to a plan to fund cities, and there aren't enough details on that. There was also a lot of concern about creating a new level of oversight that will likely slow down projects. There was some consensus to push back. The counties are reportedly all in opposition to the creation of a new oversight structure, and four of the five Clackamas County Commissioners testified against these changes at the Metro meeting. Since the MMC meeting I have heard that Clackamas County sent Metro some sort of notice of breach of contract in follow up to the attached resolution. Also, I will note that Christine Lewis has asked to come to a Council meeting on this topic, and Scott and Emma are working to schedule that before end of the year.

* * * * *

The MMC next turned to a presentation from TriMet – Miles Pengilly, Lindsay Tenes (who until this summer was LOC’s lobbyist on tax/finance issues) and John Serra. TriMet opened by saying they support maintaining the traditional 50/30/20 split of transportation funding, and JPACT also reportedly recently voted to support that going forward into the 2025 legislative session. Their powerpoint slides are in the “follow-up materials” attachment.

The main reason TriMet was there was to try to garner support for asking the legislature to increase STIF (Statewide Transportation Improvement Fund) funding. For background on the STIF, see: [Oregon Department of Transportation : STIF Program Overview : Public Transportation : State of Oregon](#) TriMet said it has used STIF funding to fund its reduced fare program, to purchase electric busses and necessary infrastructure, and to expand service. They say each new line of bus service costs, on average, \$3mil. They said an increase in the STIF was needed to help them meet these costs:

- \$250mil for maintenance
- \$29mil for safety and security on transite
- Additional service expansion
- \$2BIL for fleet transition to electric vehicles
- \$31mil for a program of free fares for youth under 18

They went on to discuss their recent service expansions, which include a new of 19 additional miles of service in Clackamas and Multnomah counties, and 25 additional miles in Washington County. They are working on what they call the Future Network 2.0 plan, which would be the wish list for new routes if additional funding can be found.

There was a lot of resistance to the idea of supporting a STIF increase. Criticism of TriMet included that their routes don’t really serve to connect people to employment areas. On this point, I called out the fact that I had recently asked that TriMet survey employers in the International Way area as to their needs, and was told they don’t really do that. There was some wavering on TriMet’s part about that, so maybe we will see some more flexibility on that front.

The other complaint shared by a number of cities is that TriMet serves the Portland school system with passes and routes, allowing them to have far smaller fleets of school buses, but does not offer that kind of service for suburban school districts.

* * * * *

Finally, there was a presentation by Chris Bell on the Metro solid waste rates. He was more frank and more critical there than he was in our Council meeting. His slides are also in the “follow-up materials” attachment. I would note that Metro has extended the public comment period to November 6, the day after our meeting.

Bell pointed out that Metro tipping fee increases averaged under 3% per year from 2001 to 2021. In the years since 2021, the increases have averaged 11.25% per year. That graph is on page 10 of the “follow-up materials” document. Bell noted that Metro’s solid waste payroll has many more people

on it now than pre-pandemic, and that the experienced folks who really understood the intricacies of the system have largely retired or quit. The presentation materials include a lot of other tables of cost data, which show that we pay a much higher tipping fee already than nearby counties (one mayor from the far west side acknowledged that he drives loads to the dump in another county). I didn't entirely capture Bell's point, but I think he was saying that Metro doesn't really recoup the cost of service from self-haulers, thus that the tipping fee is higher for those using traditional waste collection providers. But that certainly didn't explain all the recent increases. There is also a slide near the end of the attachment detailing some of the problems found in Metro's own audits, and it was implied that these haven't really been addressed. The group did not decide to take any collective position, but it was clear some cities would be submitting comments in opposition to the new plan due to lack of transparency about escalating costs.

If anyone wants to submit comments to Metro by Wednesday, please be prepared with a draft for consideration on Tuesday.

Thanks,
Lisa

Lisa M. Batey, Mayor (she/her)
City of Milwaukie
E-mail: bateyl@milwaukieoregon.gov
Message line: 503-786-7512



Maximizing Statewide Transportation Investment Funds: TriMet's investment in safe, equitable and greener public transportation

TriMet provides bus, light rail, commuter rail and paratransit service—connecting people with opportunity in the Portland metro region while easing traffic congestion and reducing air pollution. The money TriMet has received from the Statewide Transportation Investment Fund (STIF) has allowed us to expand bus service in areas with lower-income residents and high demand for service, with more service improvements still to come.

STIF

- Provide fare assistance to youth and people struggling financially.
- Support TriMet's work in making our transit system safe and welcoming while connecting people with social services.
- Advance our transition to zero-emission buses, which improve air quality for our riders and the communities we serve.

Investing in Our Community Today

ACCESS TO OPPORTUNITY

Public transit is access to opportunity. TriMet's Honored Citizen reduced fare gives riders unlimited access to our bus and train services for \$28 per month, with an annual savings of 72% when compared to our base fare.

People qualify based on low income, military service, participation in other government assistance programs, age, or mental or physical disability. We also partner with nonprofits and community-based organizations to get free fares to people in need.

STIF enabled our income-based fare reductions, with more than 64,000 Oregonians signing up since 2018, resulting in \$14.5 million in fare savings.

In 2022, TriMet launched our Summer Youth Pass program, with \$6 million in STIF used to provide 30,000 free transit passes to students each year who rely on transit during the summer months.

IMPROVED BUS SERVICE

We worked with our community to develop Forward Together, the most in-depth and comprehensive restructuring of our bus service in our 50+ year history to help more people get to more jobs and places, and ensure TriMet is meeting current and future riders' needs.

We're adding more buses along routes where we see high demand and expanding night and weekend service, with a focus on improving service in disadvantaged communities. These improvements are bringing bus service to 50,000 more people and weekend service to 100,000 more.



DECREASED GREENHOUSE GAS EMISSIONS

TriMet's goal is to have a zero-emissions bus fleet by 2040, and STIF has enabled the purchase of 24 new battery-electric buses arriving in 2024. These zero-emissions buses will be deployed in areas with poor air quality and historically marginalized populations.

TriMet buses and trains replace the equivalent of 348,091 cars every year, saving more than 3.2 billion pounds of CO2 emissions.

ENHANCED COMMUNITY SAFETY

STIF has assisted TriMet in our safety and security efforts, supporting our Safety Response Team. Team members connect people on and around our transit system with social services for housing, mental health and addiction services, while helping discourage inappropriate and illegal behavior.

Taking Transit into the Future with STIF

TriMet's income-based reduced and free fare programs are dependent on funding from STIF. We will also rely on STIF to continue expanding bus service, including adding our second bus-rapid transit line that will serve the culturally diverse and low-income communities along SE 82nd Avenue. TriMet is dedicated to the needs of our region and

connecting more people to opportunities, including jobs, education and services.

Additional state investment in the STIF program is critical to our ongoing efforts to expand service and support low-income Oregonians while keeping our transit system in a state of good repair and continuing our transition to a zero-emissions bus fleet.

About TriMet

TriMet serves a 533-square mile district across Multnomah, Washington and Clackamas counties, which is home to 1.65 million people—approximately 90% of the population of the tri-county Portland metro area and 39% of Oregon's population.

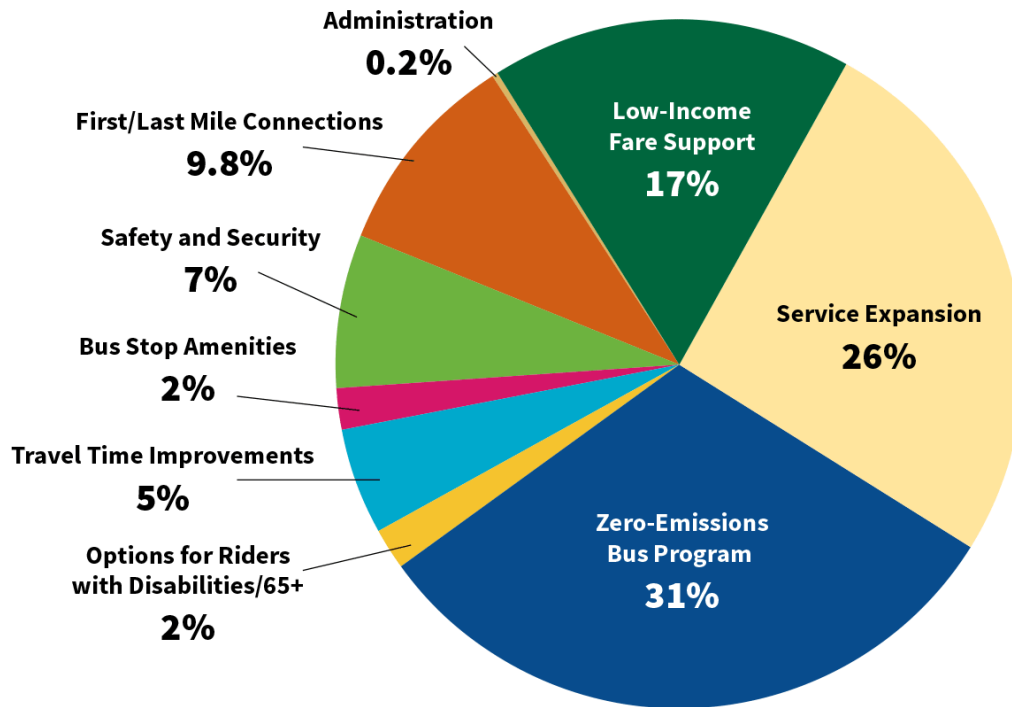
The Portland metro area is the 23rd largest metro area in the country but has the 13th highest transit ridership in the country, ranking 10th among the 60 largest metro areas in the United States in transit boardings per capita.

Transit ridership continues to increase as the region recovers from the COVID-19 pandemic, with TriMet providing 62,081,213 transit trips in 2023.

Stay in touch

For more information, please contact Miles Pengilly at (971) 288-6959 or pengillm@trimet.org.

TriMet's FY24-25 STIF Plan



Low-Income Fare Support

FY24
\$15.3 million

FY25
\$16.2 million

Service Expansion

FY24
\$24.4 million

FY25
\$23 million

Zero-Emissions Bus Program

FY24
\$47.6 million

FY25
\$7.2 million

Riders with Disabilities/Age 65+

FY24
\$2 million

FY25
\$2 million

Travel Time Improvements

FY24
\$4.2 million

FY25
\$4.2 million

Bus Stop Improvements

FY24
\$1.5 million

FY25
\$1.4 million

Safety and Security

FY24
\$7 million

FY25
\$5.9 million

First/Last Mile Options

FY24
\$9.4 million

FY25
\$7.9 million

Program Compliance

FY24
\$210,000

FY25
\$220,000



Statewide Transportation Improvement Fund

The Statewide Transportation Improvement Fund (STIF), created by House Bill 2017 during the 2017 Legislative Session, strategically transformed the public transit landscape through investments in new services, capital, equipment, technology, and infrastructure. **It is the only consistent state funding source for transit operations.**

Investments from the STIF Program make transportation in Oregon more equitable and affordable by supporting reduced-fare programs, expanding service coverage, and increasing service frequency to low-income communities.

The program has advanced greenhouse gas emission reduction efforts by funding the transition to low-emission vehicles, with 80 new low- or no-emission vehicles. The STIF Program has also assisted transit providers in responding to multiple natural disasters and public health crises. STIF-supported transit providers have delivered meals to older adults; provided free rides to vaccination sites; enabled evacuations during the wildfires; and have acted as mobile cooling centers during the heatwaves for low-income communities.



STIF is primarily funded by proceeds from a payroll tax in addition to identification card fees, non-highway gas taxes, and cigarette taxes. From 2019 to 2023, STIF has invested over \$435 million into new services, capital, equipment, technology, and infrastructure. STIF has also leveraged \$158.9 million in local and federal funds.

STIF Provides Accessible & Equitable Public Transit



Transit providers take people to and from work, get students to school on time and assist older adults, persons with disabilities and veterans make it to doctor appointments, sometimes in cities away from where they live. They help urban riders get to Trail Blazer games and rural riders to reach shopping centers in the next town. They make it affordable to commute from Gresham to downtown Portland or from Hermiston to Umatilla. They make college campuses more accessible for students in cities throughout the state. They enable older adults to connect with families and friends to avoid isolation.

Transit providers and drivers are heroes. They jumped in to evacuate people from approaching wildfires and distributed food during the pandemic.

Transit providers are innovators. They make it easier for rural residents to travel between communities, not just to the local market or clinic. Transit providers are in the fight to combat climate change. They are investing in hybrid and electric vehicles that will cut carbon emissions. They monitor their routes for efficiency and maximum ridership. They work with developers and businesses to provide service that doesn't require driving a car.

Transit providers promote equity. With free or reduced fares, they make ridership more affordable and accessible. With frequent route reviews, they provide enhanced services for underserved communities, including veterans and people with disabilities.

What STIF Has Accomplished from 2019 to 2023



ADDING ROUTES

Rogue Valley Transportation District in Medford expanded routes and service allowing more seniors, people with disabilities, and veterans to get to vital services and healthcare.

**38.9 MILLION NEW RIDES
ACROSS THE STATE**



IMPROVING EQUITABLE ACCESS

Ride Connection in Multnomah, Washington, and Clackamas Counties provides door-to-door services for adults and people with disabilities as well as low-income individuals. Their Community Connector Shuttles run in outlying areas underserved by traditional public transit.

**STIF IMPROVES TRANSIT FOR
LOW-INCOME HOUSEHOLDS,
SENIORS, & PEOPLE WITH
DISABILITIES**



EXPANDING ACCESS

Students in **Lincoln County** receive hands-on rider training and free student passes. This helped reduce absenteeism and improved student access to after school activities, internships, and jobs.

**79,881 STUDENTS HAVE ACCESS
TO FREE OR REDUCED FARES**



EXPANDING SERVICE HOURS

The addition of later evening and weekend service by **Cherriots in Marion and Polk Counties** has allowed its 3.2 million annual riders access to jobs, necessary services like groceries and prescriptions, and school at Chemeketa Community College.

**3.07 MILLION ADDITIONAL
HOURS OF BUS SERVICE**



REDUCING EMISSIONS

TriMet in Multnomah, Washington, and Clackamas Counties has purchased 24 electric buses with funding from the Statewide Transportation Improvement Fund — and these first zero-emission buses are running in predominately low-income and minority communities.

**309 NEW TRANSIT VEHICLES
INCLUDING 80 LOW OR NO
EMISSION VEHICLES**



FILLING SERVICE GAPS

The Statewide Transportation Improvement Fund has invested \$29.7 million in extending intercommunity services to new communities, expanding schedules, and enhancing travel frequency.

**THROUGH STIF, LOCAL
PROVIDERS FUNDED \$14.6
MILLION TO STABILIZE
INTERCOMMUNITY ROUTES**

Additional Investments in STIF Will Move More People Across Oregon

Long-term investments require long-term financial commitments. Just as the cost of maintaining our roads has increased due to inflation in recent years, so too has the cost of providing transit service. Oregon's transit providers need additional funding to maintain and expand service in our communities.

Additional investments in the STIF will:

- **Make transportation more equitable and affordable** by supporting reduced-fare program, expanding service coverage, and increasing service frequency to low-income communities.
- **Produce Climate Friendly Outcomes** with the investment of zero-emission electric vehicles and busses, and partnerships that strengthen pedestrian and bike transportation.
- **Ensure improved transportation access** for Oregonians living in newly constructed housing on the edges of urban areas, and it allows people to age in place with independence and dignity.
- **Maximizing transit's contribution to economic growth** while achieving the state's climate, safety and equity targets.
- **Allow Transit to support affordable housing, economic development, and other essential state priorities.**

Metro Disposal Fee Discussion

- Presenter
- Metro Wasteshed Responsibilities (ORS 268)
- Disposal Fee
 - Disposal Fee Composition
 - Rate Impact of the Disposal Fee
- Regional System Facilities Plan / Rate Impact
- Accountability
- Questions

Chris Bell, CPA



- Owner of Bell & Associates – Consulting Firm specializing in Solid Waste & Recycling Finance and Operations
 - Company Founded in 2003
 - Over 500 projects
 - Waste Management of Oregon / Asst. Controller
- Completed SW&R projects with most every jurisdiction in the Portland Metropolitan Area

Metro Wasteshed Responsibilities

ORS 268 - Established Metro / Defines its authority over solid waste

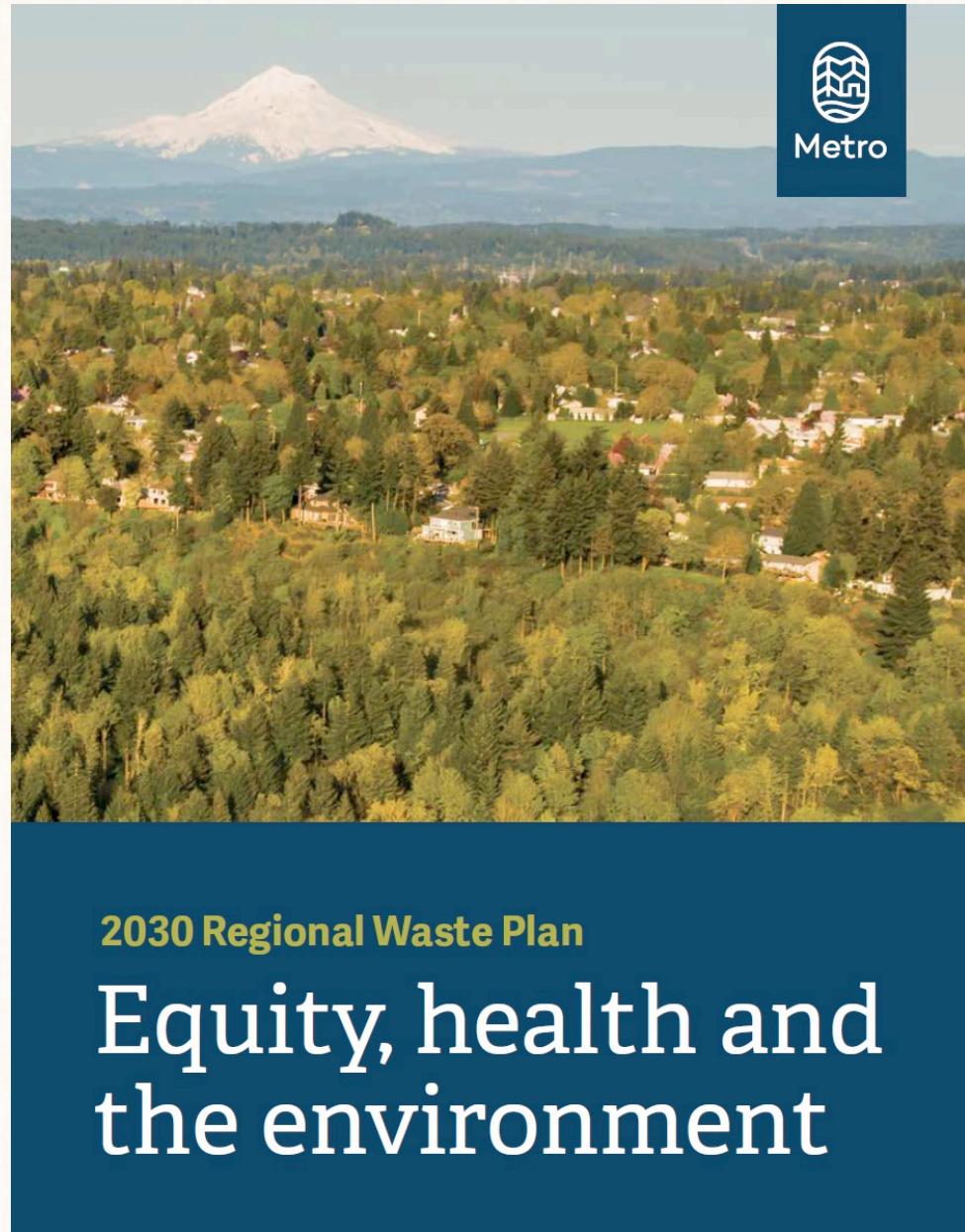
- 268.040 Exemption from public utility regulation
- 268.310 Powers of district
- 268.313 Acquisition or construction of major facility; conditions
- 268.315 Authority of district to levy ad valorem tax
- 268.317 Solid and liquid waste disposal powers
- 268.318 District approval required for disposal, transfer or resource recovery site or facility

Metro's Regional
Waste Plan was
adopted on
March 7, 2019

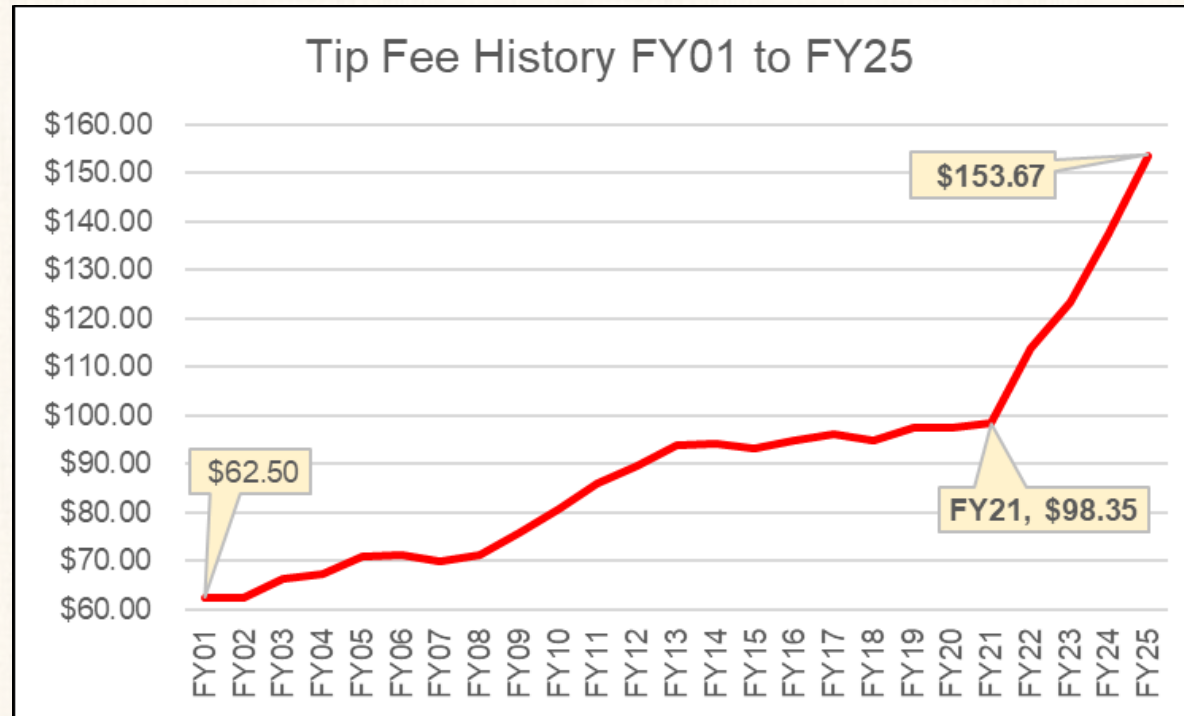
Plan areas of focus

1. Equity
2. Life Cycle of Products
3. Climate Change

ORS 459.017 SW Planning Requirement



Metro Disposal Fee History FY01 to FY25



- 2.87% - 20 year average rate increase (FY01 to FY21)
 - 2.13 average CPI
- 11.25% - 5 year average rate increase (FY21 to FY25)
 - 4.13% average CPI

Metro FY25 MSW Disposal Fee Composition

Component	Purpose	\$ per Ton
Tonnage Fee	Cost of Transfer, Transport, and Disposal	\$ 104.37
Regional System Fee	Metro Wasteshed Management	\$ 31.72
Metro Excise Tax	Metro General Fund	\$ 14.69
DEQ Fees	DEQ	\$ 1.89
Enhancement Fee	Host Fee	\$ 1.00
Total Disposal Fee		\$ 153.67

Regional Disposal Costs

Rate Year	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Metro	\$97.52	\$97.45	\$98.35	\$113.82	\$123.45	\$137.30	\$153.67
Clark County	\$95.77	\$95.86	\$97.39	\$99.88	\$105.83	\$111.94	\$115.97*
Marion County	\$87.45	\$87.45	\$87.45	\$87.45	\$87.45	\$87.45	\$87.45
Lane County	\$78.76	\$78.38	\$80.73	\$82.42	\$85.34	\$91.31	\$101.35

Composition of the Tonnage Fee

Tonnage Fee	Contract	MSW Tons	\$ per ton	Rate
Recology TS Ops	\$ 20,697,762	575,459	\$ 35.97	
Metro TS Ops	\$ 9,121,021	575,459	\$ 15.85	\$ 51.82
Walsh Trucking	\$ 13,846,346	575,459	\$ 24.06	
Transport Fuel	\$ 4,195,121	575,459	\$ 7.29	\$ 31.35
WM Disposal	\$ 12,198,322	575,459	\$ 21.20	\$ 21.20
Total Cost	\$ 60,058,571		\$ 104.37	\$ 104.37

Contracts are adjusted by CPI

Metro Revenue from SW Disposal

Revenue Source	SW Tons	Revenue	%
Regional System Fee (\$31.72)	1,575,573	\$ 49,977,185	
Metro Transfer Stations	575,459	\$ 18,253,551	36.5%
Private Transfer Stations	1,000,115	\$ 31,723,633	63.5%
Metro Excise Tax (\$14.69)	1,575,573	\$ 23,145,172	
Total Metro Revenue		\$ 73,122,356	

The Regional System Fee is a Department Revenue

The Excise Tax is a General Fund Revenue

Recovery Performance and RSF Costs

Year	2016	2018	2020	2021	2022
Oregon Recovery Rate	42.1%	41.2%	42.0%	37.7%	39.4%
Metro Recovery Rate	46.9%	45.4%	46.5%	44.2%	43.9%
Total Waste Tons	2,384,714	2,438,749	2,538,449	2,569,819	2,597,289
Metro SW Tons	1,266,283	1,331,557	1,358,070	1,433,959	1,457,079
Recovered Tons	1,118,431	1,107,192	1,180,379	1,135,860	1,140,210
RSF Cost per Ton	\$ 20.92	\$ 21.42	\$ 21.38	\$ 32.38	\$ 37.53

Recovery Source: 2022 Oregon Material Recovery and Waste Generation Rates Report

Disposal Cost Per Customer – FY20 to FY25

Year	FY20	FY21	FY22	FY23	FY24	FY25
Tip Fee	\$97.45	\$98.35	\$113.82	\$123.45	\$137.30	\$153.67
Av. Residential Cost	\$7.14	\$7.20	\$8.33	\$9.04	\$10.05	\$11.25
Com 4yd Weekly Cost	\$99.28	\$100.20	\$115.96	\$125.77	\$139.88	\$156.56

- Average residential set out weight is 124.48 pounds
- Average commercial weight is 100 pounds per yard

Regional System Facilities Plan

- Strategy for investing in reuse, recycling and garbage facilities and infrastructure across the region.
- The plan aims to reduce waste sent to landfills, increase access to facilities and services, and keep costs affordable.
- People need convenient and affordable ways to get rid of large items and hazardous waste.
- Ensure that everyone, no matter where they live, has equal access to reuse, recycling and garbage services.

Regional System Facilities Plan Cost

Site	Capital	20 yr. cap \$	Op Cost	Total	\$ per Ton
Cornelius Drop Off Depot	\$ 29,000,000	\$ 2,229,408	\$ 7,300,000	\$ 9,529,408	\$ 6.05
SE Portland Drop Off Depot	\$ 300,000	\$ 23,063	\$ 1,400,000	\$ 1,423,063	\$ 0.90
N Portland Drop Off Depot	\$ 35,000,000	\$ 2,690,665	\$ 7,300,000	\$ 9,990,665	\$ 6.34
Metro South Drop Off Depot	\$ 60,000,000	\$ 4,612,569	\$ 10,000,000	\$ 14,612,569	\$ 9.27
Wash County Drop Off Depot	\$ 35,000,000	\$ 2,690,665	\$ 7,300,000	\$ 9,990,665	\$ 6.34
Gresham Drop Off Depot	\$ 35,000,000	\$ 2,690,665	\$ 7,300,000	\$ 9,990,665	\$ 6.34
Reuse Warehouse	\$ 16,000,000	\$ 1,230,018	\$ 400,000	\$ 1,630,018	\$ 1.03
Reuse Mall	\$ 21,000,000	\$ 1,614,399	\$ 400,000	\$ 2,014,399	\$ 1.28
Organics Hub	\$ 30,000,000	\$ 2,306,284	\$ 200,000	\$ 2,506,284	\$ 1.59
Clackamas T/S Subsidy	\$ 12,000,000	\$ 922,514		\$ 922,514	\$ 0.59
Totals	\$ 273,300,000	\$ 21,010,250	\$ 41,600,000	\$ 62,610,250	\$ 39.74

Capital Cost @ 4.5% for 20 years / Annual SW Tons 1,575,573 (FY 25)

Regional System Facilities Cost per User

Vehicle Type	Tons	Visits
Car	13,079	71,816
Car w 2 Axle Trlr	1,140	1,561
Car w/1 Axle Trailer	5,481	15,776
Misc. (util/step van)	34,967	42,933
Pickup & 1 Axle Trlr	16,952	36,177
SPECIAL TYPE	758	335
Standard Pickup	38,998	164,096
Van w Trlr	1,723	2,676
Annual Totals	113,098	335,370
Average Weight per Visit: 674 pounds		

	Annual Cost	Cost per Visit	Cost per Ton
		335,370 visits	113,098 tons
Fixed Facility	\$ 21,010,250	\$ 62.65	\$ 185.77
Operations	\$ 41,600,000	\$ 124.04	\$ 367.82
Total Cost	\$ 62,610,250	\$186.69	\$ 553.59

Residential Rate Impact of the Disposal Fee with Facilities Plan Cost

Cost	FY25 Cost	Disposal	Margin 10% & Fran. Fee 5%	Residential Rate Impact
Tonnage Fee	\$ 104.37	\$ 6.50	\$ 1.15	\$ 7.64
New Facilities	\$ 39.74	\$ 2.47	\$ 0.44	\$ 2.91
Regional System Fee	\$ 31.72	\$ 1.97	\$ 0.35	\$ 2.32
Metro Excise Tax	\$ 14.69	\$ 0.91	\$ 0.16	\$ 1.08
DEQ Fees	\$ 1.89	\$ 0.12	\$ 0.02	\$ 0.14
Enhancement Fee	\$ 1.00	\$ 0.06	\$ 0.01	\$ 0.07
Total Fee	\$ 193.41	\$ 12.04	\$ 2.12	\$ 14.16

Metro Accountability – Metro Audit Reports

Transfer Station Operations

- Transfer Station Operating Controls Audit - September 2023
 - The audit found there were gaps in roles and responsibilities for transfer station operations that increased health and safety, and financial risks.
- Renewal and Replacement Audit – May 2024
 - Several best practices were in place to manage renewal and replacement, but an agency wide asset management strategy was not finalized.

Metro Leadership / Organization

- Span of Control: Develop a framework to monitor organizational structure – September 2024
 - The audit found that greater analysis of span of control would provide a more objective and consistent method for managing organizational change.
- Performance Measures audit – September 2024
 - Metro's approach to performance measures was fragmented. Several strategic frameworks and associated performance measures were created in the past, but they were not sustained.

Metro Accountability – ORS 459

- ORS 459.320 Regional disposal site advisory committee; membership; terms
- ORS 459.325 Duties of regional disposal site advisory committee
- ORS 459.330 Notification of advisory committee by regional disposal site permittee
- ORS 459.335 Use of fees collected by the metropolitan service district
- ORS 459.340 Implementation of the waste reduction program
- ORS 459.345 Metropolitan service district report to commission
- ORS 459.350 Commission review of metropolitan service district report



Questions

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ESTABLISHING THE)	RESOLUTION NO. 24-5436
METRO COUNCIL’S PRIORITIES FOR AN)	
INTEGRATED AND EXPANDED REGIONAL)	Introduced by Metro Council President
SUPPORTIVE HOUSING SERVICES AND		Peterson
AFFORDABLE HOUSING PROGRAM		

WHEREAS, rising costs, insufficient housing supply and stagnant wages have contributed to a persistent and pervasive housing and homelessness crisis in the Metro region; and

WHEREAS, in November 2018 Metro District voters approved Measure 26-199, also known as the Metro Affordable Housing Bond, establishing affordable housing as a matter of metropolitan concern and approving \$652.8 million in general obligation bonds to create affordable housing across Clackamas, Multnomah and Washington counties; and

WHEREAS, in May 2020 Metro District voters approved Measure 26-210, establishing homeless and housing services as a matter of metropolitan concern, and creating the regional Supportive Housing Services program (“SHS”) to fund supportive services, housing placements, temporary housing, rent assistance and other services to help households avoid and exit homelessness across Clackamas, Multnomah and Washington counties; and

WHEREAS, through the hard work of multiple jurisdictional partners, community organizations and housing providers, the Metro Affordable Housing bond is on track to create more than 4,600 affordable housing units providing homes for between 9,000 and 15,000 people and exceeding its production goals by approximately 20 percent; and

WHEREAS, despite this notable progress, the State of Oregon, Metro and an array of community members and stakeholders have recognized that the greater Portland region is still well short of needed affordable housing and permanent supportive housing units to meet current and future need; and

WHEREAS, the Metro Affordable Housing Bond will soon be fully allocated, leaving the region facing a looming cliff in funding to create affordable housing to continue meeting this need; and

WHEREAS, Measure 26-210 established new regional high-earner personal income and business income taxes, making available unprecedented revenue for supportive housing services in the region, including in counties and communities that historically had had very little local resources to address homelessness; and

WHEREAS, unless an extension is approved by voters, Measure 26-210 stipulated that these taxes will end in 2030, which would remove this resource for investments in supportive housing services; and

WHEREAS, through the hard work of Metro’s county implementation partners and service providers around the region, the regional SHS program has in its first three years of implementation helped thousands of households avoid or escape homelessness, including funding more than 6,200 housing placements, more than 15,000 eviction preventions through regional rent assistance, and the creation or sustaining of more than 1,800 temporary shelter units; and

WHEREAS, despite these initial successes, the launch of the regional SHS program occurred during a time of profound trials and upheaval in the region and nation, including the impacts of the global COVID-19 pandemic on economic opportunity, public health, addiction and public safety, which together exacerbated longstanding racial and economic inequality and lack of opportunity in the region; and

WHEREAS, these factors contributed to a tripling of unsheltered homelessness in the Portland region between 2020 and 2023 according to the annual Point-in-Time count, deepening public concern and further complicating and compounding challenges in investments to address this need; and

WHEREAS, Measure 26-210 required the regional SHS program include regional oversight and coordination, and also stipulated that the program is subject to performance and finance reviews, to ensure that local implementation plans and spending by the region's three counties meaningfully address challenges at a regional scale; and

WHEREAS, owing to a variety of factors, the high-earner personal and business income taxes that fund the regional SHS program have collected revenue in their initial years of collection beyond what was anticipated when Measure 26-210 was approved by voters, creating the potential to apply some of these funds to address urgent affordable housing needs as the Metro Affordable Housing bond funds are spent down; and

WHEREAS, addressing homelessness requires funding for dedicated supportive services, rental assistance, and ample affordable housing for people experiencing or at risk of homelessness; and

WHEREAS, the Metro Council, implementation partners, stakeholders and the public have identified a number of challenges, limitations and needed improvements for oversight, implementation and accountability during the implementation of the regional SHS program and Metro Affordable Housing Bond; and

WHEREAS, particularly with regard to the regional SHS program these concerns are discussed in a Metro Auditor report in 2024 that identified multiple, conflicting layers of oversight, implementation and accountability, as well as "uneven preparedness to use funding among the three counties", and "definitions, reports, and calculations that made it difficult to understand how the program has progressed"; and the Auditor recommended "stronger oversight... to ensure counties are making progress"; and

WHEREAS, the Metro Council takes seriously its duty to provide accountability and to be good stewards of taxes it collects at the direction of voters to address community priorities; and

WHEREAS, in January 2024 the Metro Council directed the Metro Chief Operating Officer to begin a multipronged process of stakeholder and community input to develop recommendations for the future of regional affordable housing and homeless services funding, particularly in light of the looming financial cliff for regional affordable housing funding; and

WHEREAS, during this process the Metro Chief Operating Officer heard widespread agreement among stakeholders, partners and the public that resources for affordable housing and supportive housing services will be needed well into the future, particularly for people with very low incomes and those at greatest risk of homelessness; and

WHEREAS, during this process the Metro Chief Operating Officer also heard widespread calls for improving accountability, regional alignment and stronger corrective mechanisms in the region's oversight and delivery of supportive housing services and affordable housing investments; and

WHEREAS, the Metro Council received the Chief Operating Officer Recommendation for the Future of Regional Housing Funding ("COO Recommendation") on July 9, 2024, attached hereto as Exhibit A; and

WHEREAS, the Metro Council accepts the spirit and intentions of the COO Recommendation, recognizes the time and commitment of many individuals, community organizations and jurisdictional partners in the process that informed it, and shares many of the concerns and hopes described therein; and

WHEREAS, the Metro Council has continued engagement with county leadership and key stakeholders since receiving the COO Recommendation, and has heard continuing calls for reforms to make regional affordable housing and services funding and investments more accountable, effective and sustainable; and

WHEREAS, homelessness and affordable housing need are inherently regional, intertwined issues whose causes, impacts and experiences are not contained within city and county boundaries, are best addressed through a truly regional and integrated program; and

WHEREAS, an integrated regional program to address homelessness and affordable housing need is best equipped to apply system-level thinking for proactive approaches that are more effective and less costly in the long run; and

WHEREAS, an integrated regional program to address homelessness and affordable housing need is best equipped to bring together multiple government, business, community, advocacy and philanthropic partners to collaborate on solutions, level the playing field between needs and jurisdictions, and provide accountability and transparency in a learning environment; and

WHEREAS, an integrated regional program is best equipped create and sustain adequate funding for homelessness and affordable housing investments with lasting impacts on intergenerational well-being; and

WHEREAS, the Metro Council has discussed its priorities for developing an integrated and expanded regional supportive housing services and affordable housing investment program in the context of stakeholder, public and partner input reflected in the COO Recommendation and in the months since its release; and

WHEREAS, the Metro Council is committed to meeting its State mandate to assess regional housing need and to coordinate and support the work of the region's cities and counties in fulfilling state-mandated housing production targets; and

WHEREAS, in seeking long-term funding for an integrated regional supportive housing services and affordable housing program, the Metro Council wishes to strike an appropriate balance between the longevity and rate of regional taxpayers' contributions to addressing these needs, and the necessity of securing greater contributions from State and Federal partners;

WHEREAS, the greater Portland region must work together across jurisdictional boundaries, and as governments and non-governmental organizations, to advocate for greater State and Federal funding to address a full range of housing and services needs; and

WHEREAS, the Metro Council fundamentally recognizes that fulfilling the region's duties and commitments to address homelessness and affordable housing need will require a transition to a more fully integrated regional supportive housing services and affordable housing investment program that is built to address need well into the future; and

WHEREAS, the Metro Council wishes to build on the collaborative successes of Metro Affordable Housing Bond and Supportive Housing Services programs and the many individuals and organizations working to advance investments from these programs, while also addressing challenges and lessons learned in their implementation, and

WHEREAS, the Metro Council seeks to act with responsiveness, accountability and collaboration to ensure that homelessness in the greater Portland region is as rare, brief and nonrecurring as possible, and that the region continues to create affordable housing to meet communities' needs well into the future; now therefore,

BE IT RESOLVED:

1. The Metro Council establishes the following principles for an integrated and expanded regional supportive housing services and affordable housing program.
 - a. That the program be founded on a truly regional plan that builds toward regional outcomes – including ensuring homelessness is rare, brief and nonrecurring, and that affordable housing need continues to be met, with a clear commitment to prioritize the populations described as Populations A and B in the current Supportive Housing Services program, including families and individuals experiencing chronic homelessness or who are at greatest risk of experiencing homelessness.
 - b. That the program include flexibility and predictability to address a full range of supportive housing services and affordable housing needs, for the long term.
 - c. That the program connect to and leverage the full regional context of systems, funding, partnerships and solutions working to address homelessness and affordable housing need.
 - d. That the program consider homelessness and affordable housing need in broader regional context, including but not limited to regional livability, racial equity, economic development, the environment and climate resilient communities.
 - e. That the program ensure accountability in oversight, transparency in investments, and effective communication with the public.
 - f. That the program support a culture of continuous learning and is responsive to challenges that need to be addressed.

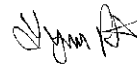
- g. That the program be explicit about how the people of the region can expect to be served, wherever and however they experience the homelessness and affordable housing crisis – for example, a person experiencing homelessness or housing instability, a concerned community member, a housing or service provider, a business owner, or a visitor to the region.
 - h. That the program solicits and incorporates technical and practical input from a broad variety of stakeholders that manage and/or are impacted by homelessness and affordable housing needs, to include but not be limited to service providers, financial and business interests, people with relevant lived experience, and community and neighborhood leaders throughout the region.
2. The Metro Council directs staff to prepare for Council discussion in December 2024 a package of policy proposals to establish an integrated and expanded regional supportive housing services and affordable housing program. This package should include:
- a. Expanding allowable uses of supportive housing services personal and business income taxes to include affordable housing and permanent supportive housing units, with expectations for how these funds will be used by counties and other partners, as well as continuing investments in supportive housing services.
 - b. Extending the expiration of supportive housing services taxes beyond 2030, long enough to ensure predictable funding for supportive housing services to meet continued need, and to support ongoing investments to address the region’s affordable housing shortfall.
 - c. Creating a program by which the region’s cities will receive funding for investments in supportive housing services and/or affordable housing, expanding allowable uses as necessary with a focus on those experiencing or at most risk of chronic homelessness.
 - d. The establishment of a new regional housing and homelessness oversight structure that improves coordination and collaboration in investments to address homelessness and affordable housing needs across the region.
 - e. Enacting a SHS personal income tax rate decrease that ensures adequate resources for services and affordable housing, while building support for the broader integration and extension of these investments. This tax rate decrease may be phased.
 - f. A conservative funding allocation approach to budgeting revenues generated through SHS personal and business income taxes, with the intent to reduce the impacts of revenue volatility on programs and create predictability for implementing partners, while providing stable resources to meaningfully address the looming regional funding cliff for affordable housing, and to fund investments by cities described in Action 2(c) above.

- g. A transparent process for ensuring that regional outcomes are advanced, that successes are acknowledged, and that timely improvements are made when progress is insufficient.
3. The Metro Council establishes the following specific desires for oversight, subject to further clarification and discussion as part of the above package:
- a. A single Housing and Homelessness Policy Advisory Committee should oversee an integrated and expanded regional supportive housing services and affordable housing program. This committee will be chaired by a Metro Councilor with representation from elected county and city officials, state agencies, community and business leaders, providers and community members from across the region.
 - b. The Housing and Homelessness Policy Advisory Committee will approve, and submit to the Metro Council for adoption, policies, plans and programmatic allocations to meet its responsibilities below.
 - c. The Housing and Homelessness Policy Advisory Committee will have the following responsibilities:
 - i. developing, approving and recommending to the Metro Council a Regional Housing and Homelessness Action Plan, with characteristics described in action 3(d) below;
 - ii. reviewing local implementation plans for alignment with the regional action plan;
 - iii. recommending approval of local plans before regional funds are disbursed;
 - iv. identifying key performance metrics or indicators to track progress and aligning these with the regional action plan. The Metro Council will establish interim key performance indicators based on work completed to date by the Tri-County Planning Body;
 - v. advancing an outcomes-based, proactive budgeting process;
 - vi. coordinating the integration of regional housing need analyses and local housing production targets mandated by the State of Oregon, including the identification of barriers and potential solutions to fulfilling these mandates and to creating affordable housing;
 - vii. advancing and implementing regional standards for data, procurement, contracting and other issues as identified through engagement and deliberation; and
 - viii. other responsibilities as necessary to address regional homelessness and affordable housing need over the life of the program.

- d. The Regional Housing and Homelessness Action Plan must reflect the following characteristics:
 - i. coordination and incorporation of the full regional context of inputs to and impacts of homelessness and affordable housing need, as well as available funding and programs already at work in the region;
 - ii. incorporation of regionalization efforts and successes to date in the current regional SHS program and Metro Affordable Housing Bond;
 - iii. identification, prioritization and alignment of supportive housing services and affordable housing investment strategies, within a focused time period, to serve communities with the deepest housing needs; and
 - iv. updates on a regular cycle, to adapt to changing needs and successes over the full life of the program; and
 - v. other characteristics and requirements as directed by the Metro Council or recommended by the Housing and Homelessness Policy Advisory Committee.
- e. To inform and support its work and recommendations, the Housing and Homelessness Policy Advisory Committee will:
 - i. be advised by a technical advisory committee of people with knowledge and experience in the many facets of regional homelessness and housing need;
 - ii. incorporate meaningful processes and/or structures for input from housing service providers and people with lived experience of homelessness;
 - iii. be advised, through its technical advisory committee, by a transitional subcommittee of current non-elected members of the Supportive Housing Services Tri-County Planning Body, for up to two years, to aid in the transition of existing regionalization efforts to the new structure;
 - iv. be supported in committee work, technical analysis and policy development by Metro staff; and
 - v. be supplemented by regular independent financial reviews.
- f. The role of the current Supportive Housing Services Oversight Committee and Tri-County Planning Body will be transitioned to the Housing and Homelessness Policy Advisory Committee. Staff will provide recommendations for this transition as well as recommended next steps for the current Metro Affordable Housing Bond Oversight Committee.
- g. This oversight and governance structure will be composed in a way that creates flexibility for the Metro Council and the Housing and Homelessness Policy Advisory Committee to adapt to changing conditions, needs and lessons learned over the life of the program.

4. The Metro Council recognizes that some elements of an expanded and integrated regional supportive housing services and affordable housing program, as described above, may need approval by the region's voters. As part of the proposals described above, the Metro Council directs staff recommend the composition and timing of a potential ballot measure that is likely to attain the support of a majority of the region's voters and that will advance community and stakeholder desires.
5. The Metro Council directs staff to continue working with federal, state, tribal, local, and nongovernmental partners to identify resources and advance strategies that address the broader regional challenge of insufficient housing supply at all levels of affordability, and the social and economic conditions that contribute to homelessness in the greater Portland region.

ADOPTED by the Metro Council this 17th day of October, 2024.



Lynn Peterson, Council President

Approved as to Form:



Carrie MacLaren, Metro Attorney



Chief Operating Officer Recommendation

Future of regional housing funding

Updated July 30, 2024

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FRONT COVER

Built with funds from Metro’s affordable housing bond, Nueva Esperanza in Hillsboro provides homes for 150 households with an emphasis on meeting the needs of farmworkers and immigrant families, among others.

The new apartment community, located in Washington County, brings a mix of housing for households with an income at or below 30% and 60% of the area medium income.

Matthew is a case manager at Do Good Multnomah’s Findley Commons, a 35-apartment permanent supportive housing complex in Northeast Portland for veterans who have experienced chronic homelessness and have a disability.

This document update represents the addition of several appendices not included in the July 9, 2024 version.



If you picnic at Blue Lake or take your kids to the Oregon Zoo, enjoy symphonies at the Schnitz or auto shows at the convention center, put out your trash or drive your car – we’ve already crossed paths.

In a metropolitan area as big as Portland, we can do a lot of things better together. Join us to help the region prepare for a happy, healthy future.

- Metro Council President**
Lynn Peterson
- Metro Councilors**
Ashton Simpson, District 1
Christine Lewis, District 2
Gerritt Rosenthal, District 3
Juan Carlos González, District 4
Mary Nolan, District 5
Duncan Hwang, District 6

Auditor
Brian Evans

COO Recommendation on regional housing funding

Council President Peterson and Metro Councilors,

Thank you for the opportunity to issue this recommendation to you today. I am grateful to have been able to apply myself and the collective expertise of our community to topics that are deeply personal and meaningful to so many of us – affordable housing and homelessness.

Over the last six months, Metro conducted a process that was at times highly technical and in the policy weeds. At the end of the day, however, my recommendation to you is given in service to people: the people experiencing chronic homelessness in our community today, those who are on the verge of becoming chronically homeless, and those suffering from skyrocketing rent and housing instability. My recommendation includes a suggested path to fund deeply affordable housing, and addresses the future of the Supportive Housing Services program through improvements to its governance and oversight. I look forward to receiving your guidance on next steps.



Marissa Madrigal
Metro Chief Operating Officer

In January, at your direction, Metro staff began a process with stakeholders, community members and the public, with a straightforward question: How should Metro address a looming gap in affordable housing funding in the region? However, the conversation quickly evolved into so much more. Finding agreement on how to fund affordable housing turned out to be the easy part – most agreed that expanding the uses of the existing Supportive Housing Services tax to allow investment in affordable housing (with some key parameters) was a good and urgently-needed idea.

The harder conversations were about the region's seemingly shaky future, the lack of accountability in our systems, and plummeting trust that government can accomplish what it promises.

To be clear – people in our community are not suffering from a lack of compassion. They still believe in the values that have made this region so uniquely special. They recognize the challenges we face as a society are complex and there are some things that are outside of government's control. They don't expect government to perform miracles, but they do expect transparency, logical thinking, clear outcomes and clear progress from their public institutions. They want their compassion, and the sense of urgency they feel when they see someone suffering on the street or their favorite local shop struggling to get by, to be very obviously reflected in government's approach and actions. They want government to show compassion for and understanding of their frustrations. And they want to see results.

Today the region stands at an inflection point because of these sentiments. For decades, greater Portland was booming, attracting new people and businesses who wanted to enjoy our high quality of life, world-class recreation, top-notch food scene and progressive politics. Residents new and old around the region were willing to approve leading-edge policies and new investments to support ambitious regional social goals, especially for the most vulnerable among us. From parks to affordable housing to investments in climate resilience, voters in the region have trusted government with a portion of their incomes and asked businesses to pay more to support healthy, thriving communities. But the social compact between the public and the government – in which the public chooses to pay somewhat higher taxes to benefit everyone – has been tested by post-pandemic inflation and the perception that government is not doing enough.

The results of some regional tax measures have been strong and tangible. Metro's Parks and Nature bonds have protected almost 19,000 acres of precious habitat. Metro's 2018 Affordable Housing Bond is on track to exceed its goals, with nearly 5,000 new affordable housing units open, under construction or in the development pipeline. Since 2021, the Supportive Housing Services program has placed nearly 5,400 households into housing and prevented more than 14,000 households from being evicted.

However, the Supportive Housing Services program has considerable room for improvement. Like other new local single-purpose taxes, SHS has suffered from a trust-busting combination of slow-to-start programs and higher than anticipated revenues. The public has watched hundreds of millions of dollars accrue to government bank accounts, while perceiving little change on the ground to show for it.

As a result, voter willingness to support new taxes is softening, while parts of the region are signaling a need for government investment and action. Decreasing housing affordability, continuing reputational damage to the region, a perceived lack of progress on reducing the number of people living outside, and what appears to be a hyper-local recession are driving individuals and families from the region. Population loss and stagnation negatively impact the local economy and also threaten the very tax revenues that every government in the region needs to put greater Portland back on the right track.

Fortunately, our region still has many strengths on which to build. Our focus on bringing people back to our downtowns and main streets is helping small businesses of all kinds. We've increased awareness of the importance of cultural and sports events and are exploring how to invest in those for the benefit of our communities. We've made huge strides in being conscious about the impacts of growth and change on communities of color as we work to more equitably manage those impacts. But the success of all this work, and other work on behalf of our communities' overall well-being, still comes down to how well we support those experiencing homelessness.

Major findings

A majority of stakeholders, community members and voters in the region:

- Support continued investment in homeless services and affordable housing.
- Believe local government is off track and should do better with its existing resources.
- Prefer expanding Supportive Housing Services investments, instead of a new property tax, to allow the acquisition, construction and preservation of deeply affordable housing – that is, housing for those experiencing or at greatest risk of homelessness.

- Believe the focus of all SHS investments should be for people experiencing or at risk of chronic homelessness, regardless of whether those funds are spent for services or housing.
- Believe the current SHS oversight and accountability structure is not sufficient to provide transparency and ensure the desired outcomes of the measure are met, which undermines support for SHS as a whole.
- Believe the SHS tax sunset in 2030 should be significantly extended or eliminated to create greater long-term certainty for communities and providers.

Some voters and stakeholders also support:

- A modest rate cut to the SHS personal income tax to address the reality that revenues are far higher than anticipated, so long as program outcomes can still be achieved.
- Adjusting the SHS personal income tax thresholds for inflation, so that the tax continues to be applied to high-income earners.

A minority of stakeholders and the public do not support any changes to the SHS tax, believing that Metro and the counties have more work to do to prove the efficacy of the existing program. These stakeholders have also expressed fear that changes now would undermine the hard work that has gone into building the program.

Details and supporting documentation for these findings are provided in the full report.

Recommendation overview

My recommendations to you are informed by this larger understanding of the moment and the areas of greatest alignment among our diverse community. They are supported by a broad coalition of subject matter

experts, community members and business leaders who have worked closely with Metro to develop these recommendations. The heart of my recommendation is three-fold:

- Renegotiate the Intergovernmental Agreements between Metro and the three counties to immediately address transparency and accountability challenges, with the goal of finalizing amendments by December 2024.
- Consider referring a measure to the May 2025 ballot to further strengthen accountability of the SHS program, expand its uses to include creation, acquisition and preservation of deeply affordable housing for those experiencing or at greatest risk of homelessness, and extend the sunset long enough to create efficiencies and leverage rent assistance to finance affordable housing projects.
- Reduce the SHS personal income tax rate as part of the above measure.

Public opinion surveys demonstrated a referral of this nature to the November 2024 ballot was likely viable. However, public opinion surveys also documented a worsening view of local government from previous surveys. Part of restoring trust is demonstrating that we are being thoughtful, careful and sober with the public's top priority. While there is broad stakeholder support for the recommendation as a whole, there remain a handful of details that need further discussion with stakeholders, advocates and subject matter experts. I believe Metro should measure twice and cut once, before asking voters to make changes to the SHS program. A misstep would not only foreclose our only real near-term path to avoiding a gap in affordable housing funding – it would undermine the ability to reform and extend the SHS program in the future.

Recommendation

Metro Council should consider the following actions:

1. Support regional, statewide and national efforts to reduce the cost of housing overall, the cost of affordable housing, identify infrastructure funds to support cities in developing land for affordable housing, etc.
2. Initiate a re-negotiation of the Supportive Housing Services Intergovernmental Agreements between Metro and each of the three counties to improve transparency, increase accountability and strengthen oversight of existing SHS programs to the extent possible within existing framework. Complete by December 2024.
3. Index the SHS personal income tax thresholds to inflation, starting in tax year 2024.
4. Consider referring a measure to voters for the May 2025 election to amend SHS in the following ways:
 - a. Expand the use of SHS funds to allow acquisition, construction and preservation of affordable rental housing and permanent supportive housing, with sufficient flexibility to complement county SHS investments.
 - b. Strengthen SHS commitment to serving those experiencing or at risk of chronic homelessness.
 - c. Establish clearer, more independent oversight of the program by creating a single, independent Investment Board appointed by the Metro Council and representing subject matter expertise in key areas of the system including but not limited to: lived experience, homeless services, healthcare, behavioral health care, substance use disorder and treatment services, affordable housing development, finance, the justice system, data and performance. This Investment Board would be responsible for making recommendations to the Metro Council regarding program goals, outcomes, affordable housing targets and data-driven key performance metrics as components of a new Regional Investment Strategy, to ensure homelessness is as rare, brief and non-recurring across the region as possible.
 - d. Implement a direct feedback channel to the independent oversight body for direct service providers and those with lived experience with homelessness and housing instability to inform the development of the Regional Investment Strategy.
 - e. Require counties to submit new Local Implementation Plans that conform with the Regional Investment Strategy and demonstrate feasible workplans to meet key performance metrics established by the Investment Board.
 - f. Require Metro to set regional reporting frameworks, standards and definitions for service types and delivery; prepare monitoring plans, accountability mechanisms; approve housing projects, fund regional investments to improve system alignment, coordination and standardization within existing 5% administrative cap.
 - g. Dedicate a minimum percentage of funds to capital investments in affordable housing and permanent supportive housing. A portion of existing carryover would be used for immediate investment opportunities, and future capital funding allocations would be driven by the Regional Investment Strategy and Local Implementation Plans.

- h. Extend the SHS sunset enough years to leverage rent assistance for affordable housing development and ensure long-term stability of services for people experiencing chronic homelessness.
- i. Address cities' needs for better support and coordination from SHS partners.
- j. Reduce the personal income tax rate.

Should the Metro Council choose to pursue a ballot measure, I recommend that the Council convene an elected-to-elected workgroup led by the Metro Council President or her designee, to finalize remaining details including length of extension, degree of personal income tax rate reduction, and the need for stronger partnership and alignment with the region's cities. Staff also recommends deeper engagement with those who have lived experience and those who serve those with lived experience to ensure that the reforms contemplated do not have unintended consequences.

While this is a formal recommendation of the Metro COO to the Metro Council, it is important for transparency to emphasize that it is not the opinion of one person, but rather the synthesis of feedback and advice from countless subject matter experts, community members, advocates, practitioners, stakeholder coalitions and Metro staff, who have worked diligently to apply the values Metro Council originally set forth for this process, including ensuring the stability of existing investments, pragmatism, urgency, equity and inclusion, and transparency and accountability. If approved by voters, a ballot measure of this nature would not only continue funding for deeply affordable housing. It would also provide a stable bedrock of funding for outreach, shelter and wrap-around services for a generation or more. Reformed governance would ensure that regional outcomes and key performance metrics are established in advance, while still allowing counties the

flexibility to design customized approaches for their communities. This recommendation represents an opportunity to demonstrate that our government is willing to listen, self-reflect, and consider different approaches in pursuit of better service to our community.

Metro is fortunate that the counties, recognize the need for all of us to build on the program's early successes, demonstrate tangible outcomes and increase trust with the public. Since the end of the Regional Housing Stakeholder Advisory Table in May, Metro has had productive discussions with staff from Clackamas, Multnomah and Washington counties. Our conversations have sought shared agreement addressing opportunities and risks presented by stakeholder and community feedback which called for increased accountability, funding for housing and an extension of the SHS tax. Those conversations continue, but Metro and county staff have begun to establish a framework at the staff level that could provide our respective elected bodies a number of reforms to consider either via changes to existing IGAs and/or a referral to voters. Metro Council may also wish to consider legislatively enacting improved oversight and accountability provisions.

Staff and I stand ready to receive your direction, including providing additional information, support the Metro Council in implementing this recommendation, refine the recommendation or pause work. Once again, thank you for the opportunity to share this recommendation with you today.

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Greater Portland faces a persistent, widespread housing and homelessness crisis.

The housing and homelessness crisis is deeply impactful to communities across our region because a safe and stable home is part of a person's basic, fundamental needs. On a broader scale, housing insecurity strains local resources and impacts community safety, public health, education, employment and more.

On January 11, 2024, the Metro Council directed Metro Chief Operating Officer Marissa Madrigal to engage in a formal process of technical work, research and broad stakeholder engagement. This work was intended to continue to identify solutions to address the need for regional affordable housing and opportunities to integrate affordable housing with supportive services investments that address homelessness.

This section provides an overview of the challenges that prompted this direction – and why now is the time to double down on our commitments and seek comprehensive, collaboratively-sourced and pragmatic policy solutions.

The region's housing and homelessness crisis is affecting everyone – especially our neighbors with low incomes, renters, and those who are Black, Indigenous and People of Color.

Housing cost burdens in the region affect renters and homeowners across the spectrum – particularly in a time of inflation, high interest rates and low housing supply. A Joint Center for Housing Studies of Harvard University found that Oregon has some of the highest percentages of cost-burdened renters in the United States, with 50 to 58 percent of renters identified as cost-burdened, spending more than 30 percent of their income on rent and utilities.

Renters with low and very low incomes experience those burdens more severely. Due to historic and ongoing practices and policies that have barred many people of color from full access to the economic benefits of a growing regional economy, we know that rent-burdened households are disproportionately include people who identify as Black, Indigenous and People of Color.



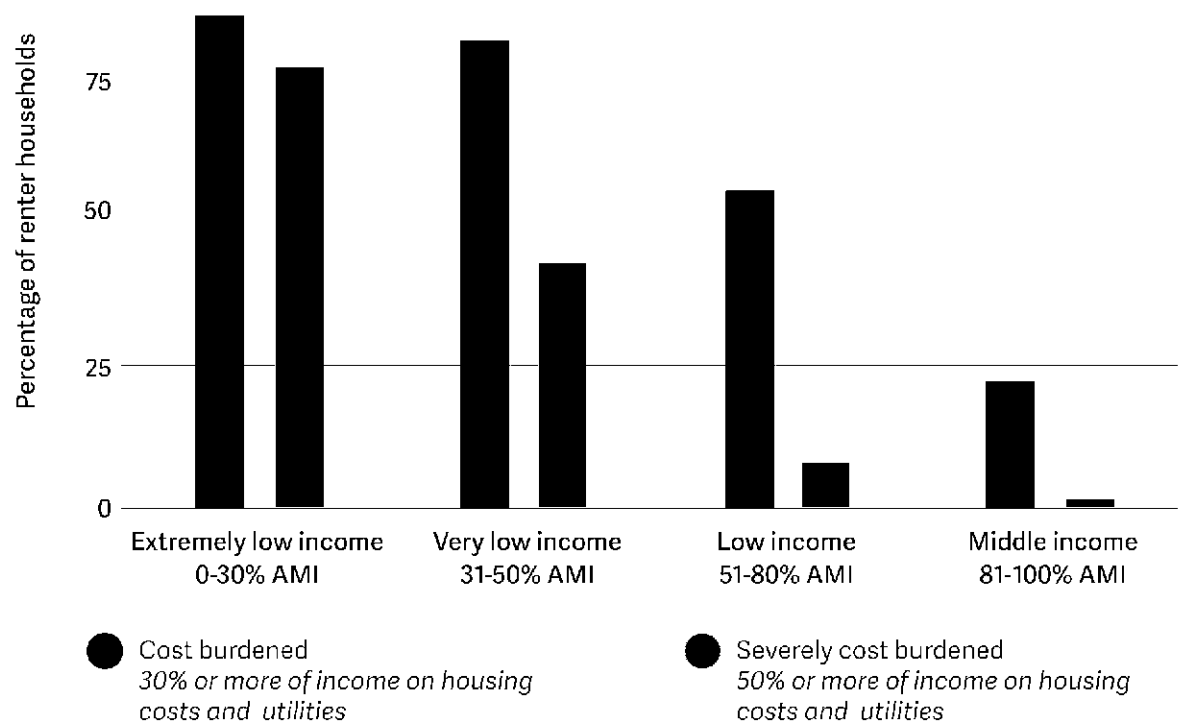
People need both affordable homes and supportive services

"You think it's never going to happen to you," Betsy said, but "I became homeless." After losing her husband and home, Betsy and her dog Vlad ended up sleeping in her car. She found hope when an agent at 211 connected her with Human Solutions (now Our Just Future). There, Betsy found a supportive environment and took a RentWell class, preparing her for successful rental housing.

Eventually, she secured an affordable apartment through Cascadia Health. At her new home, housing program coordinators continued to assist Betsy with navigation and referral support and financial resources, including rent assistance funded by Metro's Supportive Housing Services program. This combination of affordable housing, and supportive services has helped Betsy maintain stability and enjoy her home for several years.

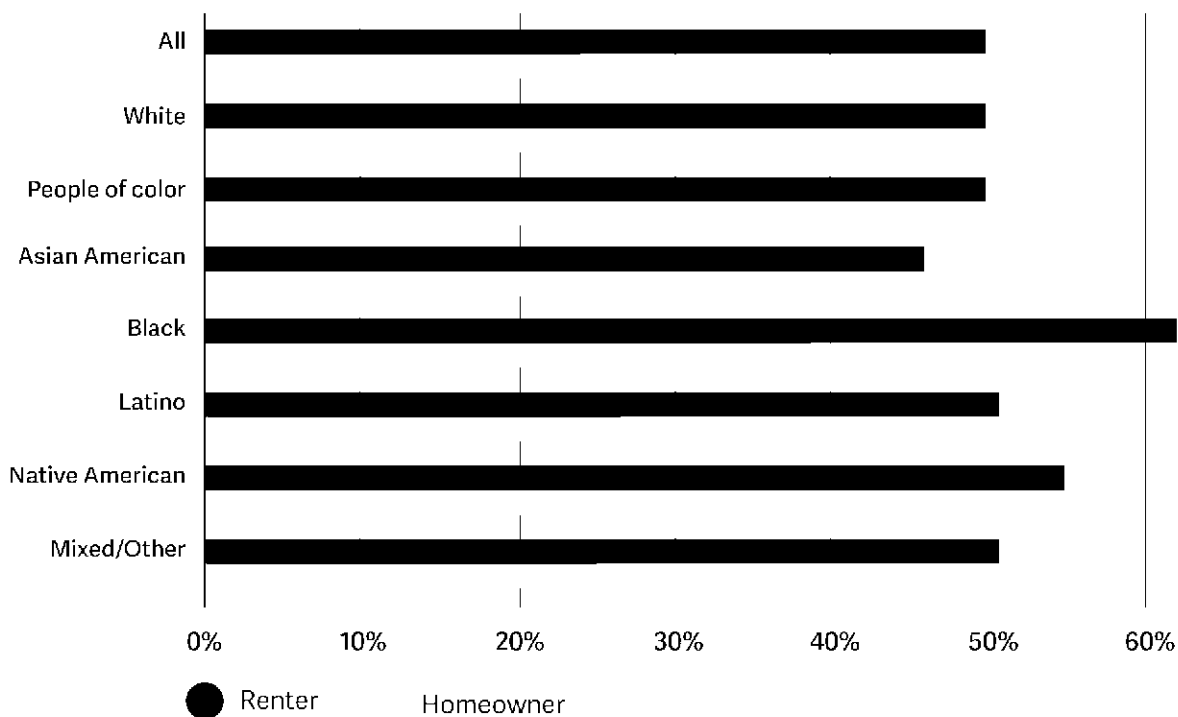
Percentage of cost burdened renter households in Oregon

Source: National Low Income Housing Coalition, 2022 <https://nlihc.org/gap/state/or>



Percentage of cost burdened households by race and ethnicity

Source: National equity atlas, Portland and Beaverton, OR and Vancouver, WA 2020. https://nationalequityatlas.org/indicators/Housing_burden

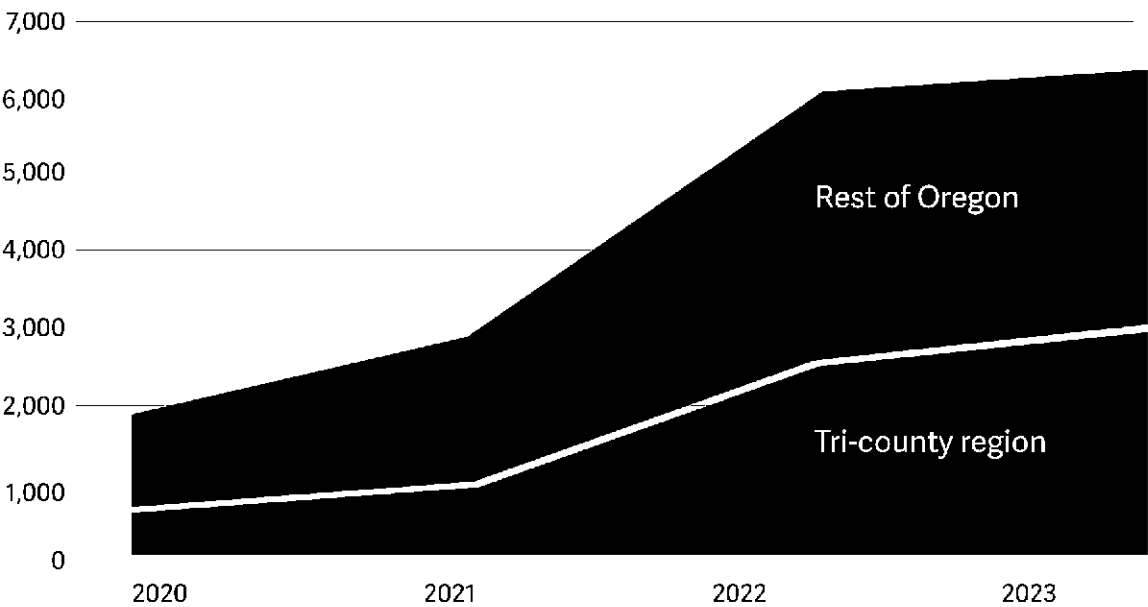


This is a crisis with several causes. Among the greatest: Incomes are not keeping up with rent.

Average incomes in the greater Portland area are rising, like the rest of the country, but not quickly enough to catch up with rent increases going back years. Average rents are increasing to amounts that even moderate-income households struggle to afford.

The inability to keep up with rent is a major contributor to evictions, which have risen sharply since the end of the pandemic-era renter protections.

Eviction judgments, Tri-county region and Oregon, 2020 to 2023
Source: *Evicted in Oregon*, Oregon Judicial Department court records, June 2024.
www.evictedinoregon.com/outcomes



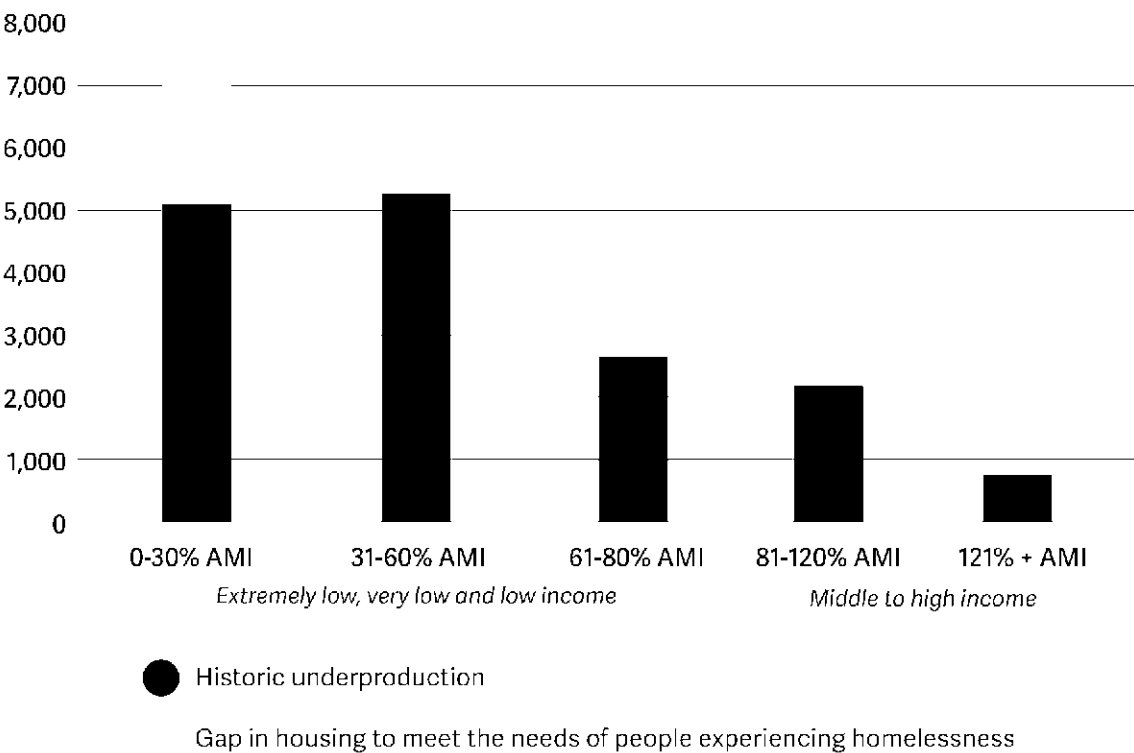
Note: Clackamas county data (incorporated into tri-county total) has multiple court-systems process eviction cases. Data represented only includes eviction cases filed in circuit courts, and therefore is only a partial representation of the eviction cases in those counties.

The supply of housing – especially affordable housing – is not keeping pace with the need.

For years, the region’s supply of housing has fallen short. There is already a significant gap to fill to meet existing housing needs, which without continued action will only widen over time.

Models estimate that greater Portland currently is nearly 24,000 units short of what’s needed to support existing population levels. In addition, the most recent estimate for future production shows that our region needs to produce 150,000 units of housing over the next 20 years to keep up with future growth.

Existing housing needs by income group, Metro region
Source: Metro, Urban growth report, July 2024. www.oregonmetro.gov/public-projects/2024-growth-management-decision



Note: Historic underproduction is based on U.S. Census data. The gap in housing to meet the needs of people experiencing homelessness is not counted by U.S Census data.

Almost two-thirds of that future housing will need to be units affordable for people or households earning less than 80% AMI, as the need for affordable housing will continues to grows.

One contributor to the need for affordable housing is an aging population. Between now and 2044, the number of people over the age of 65 in the region will grow significantly.

Many households, often including those with people over the age of 65 and those with disabilities, rely on fixed incomes from sources like pensions or Social Security. These incomes do not increase at the same rate as expenses such as rent, utilities, healthcare and food. Unless a household has substantial savings or is able to supplement its income, this can create financial strain that makes it difficult or impossible to maintain housing.

Older adults represent the fastest-growing segment of the homeless population. According to the National Alliance to End Homelessness 2023 Point-in-Time count report, nationwide, almost one in four individuals experiencing homelessness last year were over the age of 55.

Although there are many tools to support housing creation, public investment is critical for deeply affordable housing.

As with other areas of regional concern, Metro plays a unique role in connecting the dots between long-term planning and the needs and experiences of people living here now.

Through urban growth management duties, land acquisition programs and grants to support planning for new homes and jobs, Metro helps to foster the conditions and land availability to support new construction of houses and apartments that are affordable across the income spectrum. Metro is also positioned to support strategic investments in housing investments along current and future transit corridors, ensuring long-term affordability follows opportunity.

Metro also works to support city and county partners in assessing housing needs and implementing zoning and code changes to speed up construction of housing in existing, developed areas – including areas with good access to transit, services and jobs.

However, affordable housing for those with the lowest income requires public subsidy due to both higher operating costs and income-restricted rents. This is an issue the market cannot solve alone.

Public investment is essential and required to build affordable homes

Public investment is essential for affordable housing development because these projects rely on a complex mix of public and private funding sources. Unlike market-rate projects that can secure long-term debt paid off through rental income, affordable housing projects face significant challenges. The rents charged in these buildings are not sufficient to cover operational and maintenance costs, nor are they high enough to repay the upfront investment and debt leverage required to fund the project. Public and affordable housing is not designed to be sold for a profit after asset appreciation. While the market plays a key role in housing construction, this financial gap makes it impossible for the market alone to create housing that remains affordable for low and very low-income households.

As a result, community and public funders play a critical role in bridging this gap. By providing the necessary financial support, public investment ensures the development and sustainability of affordable housing projects. Without this support, the market would be unable to produce housing that meets the needs of lower-income populations. Public funding is crucial not just for covering operating costs, but also for ensuring that the initial development and construction costs can be met without requiring prohibitively high rents.



Good Shepherd Village is the first affordable housing to be built in Happy Valley, and the largest affordable housing development in Clackamas County. In November 2023.

Voters have taken action to create housing – and the results are evident.

In 2016, City of Portland voters approved a bond to fund affordable housing creation with a goal of creating 1,300 newly affordable homes. While significant, this bond could only invest within the city limits. Housing affordability is a regional issue, however, and funding scarcity continued across the region.

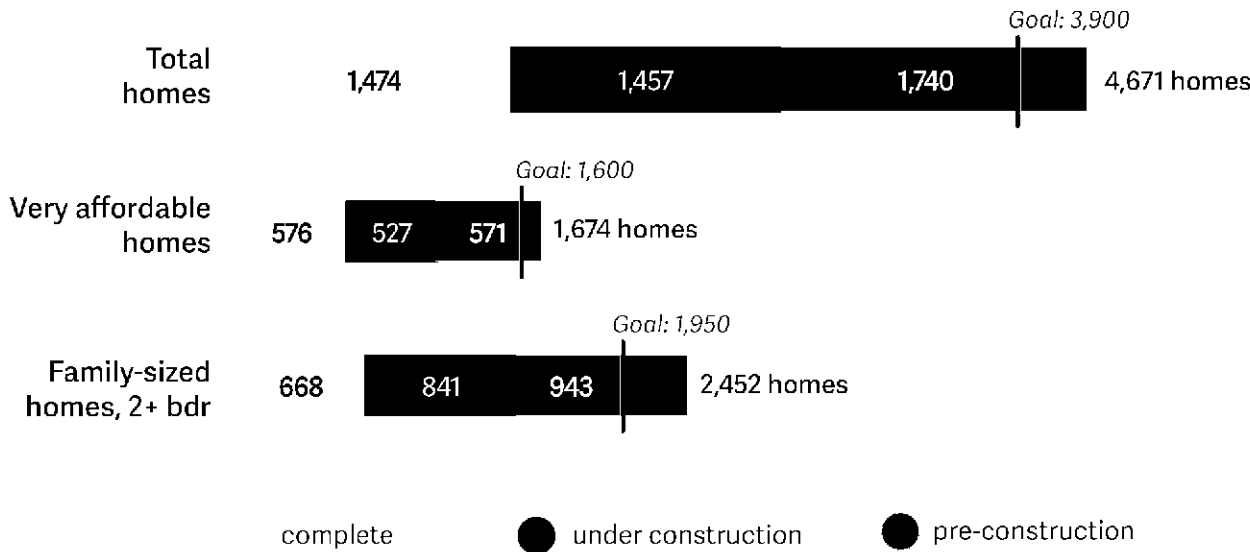
In 2018, the region’s voters overwhelmingly voted to approve Metro’s Affordable Housing Bond, signaling support for direct investment to address the housing gap in every part of the region. The bonds they authorized to build affordable housing have had a greater impact than we could have hoped.

With the help of seven local implementation partners and countless affordable housing providers and developers, construction and trades workers, community partners and others, Metro’s Affordable Housing Bond is on track to deliver nearly 4,700 affordable housing units – roughly 20 percent more than the original goal of 3,900. Exceeding goals for family-size units and deeply affordable units, this bond has maintained an important commitment to serve communities of color. These units are spread across the region, including in many communities that have historically been out of reach to people with lower incomes – who may nonetheless travel to these communities to perform essential jobs like teaching, childcare or staffing local businesses.

Thanks to voters, as many as 15,000 people in the region will have an affordable home, as well as many more people in generations to come.

Metro Affordable housing bond progress

Source: Metro, June 2024. www.oregonmetro.gov/public-projects/affordable-homes-greater-portland/progress



Within a few years, however, both the 2018 Metro Affordable Housing Bond and the 2016 Portland Housing Bond will have completed their investments – leaving the region with no local, dedicated funding source for creating affordable housing.

People with the greatest needs require more than housing– and once again, voters took action.

In May 2020, as the world grappled with simultaneous reckonings of pandemic and racial justice, voters passed Metro’s Supportive Housing Services measure (SHS). SHS is the country’s largest per-capita investment in providing housing services at a regional scale – creating a new high-earner and business income tax to dramatically increase resources available to fund a wide array of services.

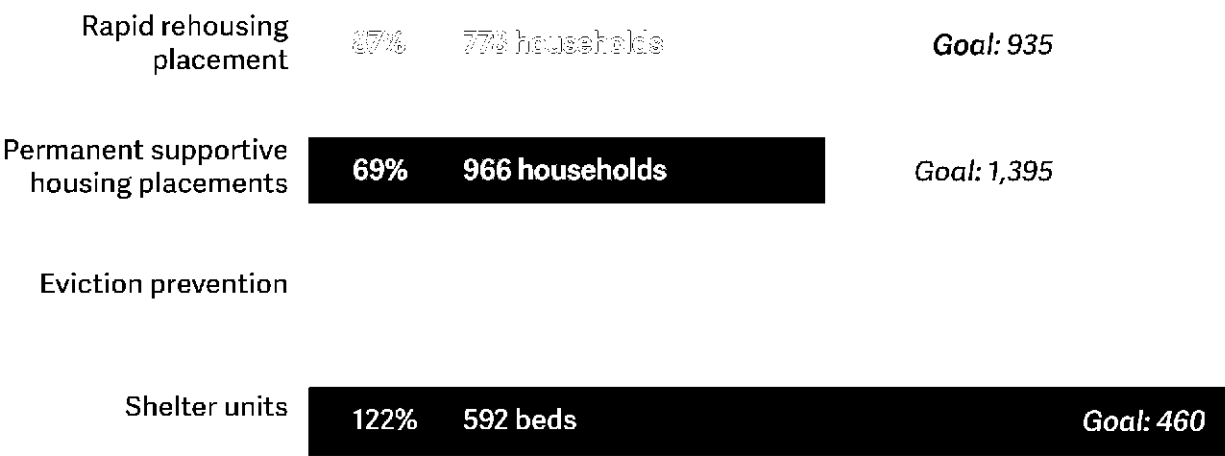
SHS was intended to complement the 2018 Metro Affordable Housing Bond. In development of the bond, inclusive engagement with diverse communities and stakeholders representing deep experience with housing needs informed a framework that recognized a commitment to deep housing affordability would also require funding for a wide variety of supportive services to support housing access and stability, particularly for people who are exiting or experiencing homelessness.

Thanks to voter approval of SHS, Metro now works with Clackamas, Multnomah and Washington counties to reduce homelessness through programs and services that help people find and keep safe and stable homes. These include but are not limited to:

- Emergency services such as outreach and shelter
- Placement into housing
- Help paying rent (emergency, short-term and long-term rent assistance)
- Advocacy, service coordination and case management
- Direct services in the areas of housing stability, mental health, physical health, language and cultural needs, education, employment, addiction and recovery, tenant rights and more.

Metro Supportive housing services progress

Source: Metro, Clackamas, Multnomah and Washington county. March 2024. www.oregonmetro.gov/public-projects/supportive-housing-services/progress



Progress and commitment call for action now, as an affordable housing funding gap looms.

As described above, voter support and hard work has led to considerable successes in affordable housing investment in the region. Within a few years, however, both the 2018 Metro Affordable Housing Bond and the 2016 Portland Affordable Housing Bond will have completed their investments – leaving the region with no local, dedicated funding source for creating affordable housing.

Community members and stakeholders aren't standing idly by in the face of this challenge . In summer 2023, stakeholders from the housing, advocacy and business communities began conversations with Metro Councilors and staff about taking action now. They articulated the threat that a lapse in affordable housing funding could pose to the momentum we've built together, dramatically reducing affordable housing production right when we need it most, and dismantling the infrastructure of affordable housing creation just as it reaches full steam.

These stakeholders also recognized an opportunity to think strategically about what SHS funding can do and an opportunity to apply what we've learned from both the affordable housing bond and SHS measures to improve oversight and accountability, and more fully meet the needs of people in our region.

These considerations and conversations initiated the recent stakeholder engagement and recommendation development process described throughout this document.

AT-A-GLANCE

2018 Affordable housing bond

2020 SHS Measure

Tax type

Property Tax

Personal Income Tax and Business Income Tax

Who pays

All property owners in the Metro District.
Property owners are taxed directly via county tax assessments.
Generally, these costs are also passed through to renters.

Personal Income Tax: Individuals who make more than \$125,000 annually and people filing jointly who make more than \$200,000 annually
Business Income Tax: Businesses with gross receipts above \$5 million. These costs are typically passed through to consumers where possible.

How the tax is calculated?

Metro issued \$652.8 million in general obligation bonds. The debt service to repay the bonds are funded by the property tax.
Property owners are assessed approximately 20 cents per \$1,000 of assessed value to pay for the annual debt service. The assessed value of the property is based on county tax assessments.
The 2018 Metro affordable housing bond is scheduled be fully paid-off in 2039; property owners will be taxed for payments until then.

Personal Income Tax: 1% marginal tax is applied to taxable income above \$125,000 for single filers or \$200,000 for joint filers. For Metro residents, it applies to income earned anywhere. For nonresidents, it only applies to income earned within the Metro district
Business Income Tax: 1% tax applied to Metro Taxable Income (net income)

Who receives the revenue?

The 2018 Metro affordable housing bond is scheduled be fully paid-off in 2039; property owners will be taxed for payments until then.
It is anticipated that all funds from this bond will be fully committed to housing projects by December 2024.
The capital spending timeline varies, but typically within 10 years. The debt service continues until the bond is repaid, generally within 20-30 years.

The tax is scheduled to end in tax year 2030.

Allowable uses

Funds are distributed to implementation partners for creation of affordable homes. The forecasted production goal for the bond was 3,900 units.
With limited exceptions, property tax bonds can be used only for capital projects, typically those requiring significant funding up front.
State law prohibits funding services and programs with property tax bonds.

Revenue can be used for the following: supportive housing services, long-term and short-term rent assistance, housing placement services, eviction prevention, transitional housing, and shelter.
The SHS measure does not currently allow revenue to be used for the construction or purchase of housing units.

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Engagement process

An issue this important needs an open, diverse conversation.

Housing and homelessness are deeply challenging, multifaceted issues. Therefore, it was critical from the beginning of this effort that we heard from, and applied, feedback from people with diverse experiences and broad expertise from across the region.

There are many heartfelt views among people who work with or on behalf of our neighbors struggling with these challenges, as well as their hard-won experience with effective interventions and solutions. Because the crisis has far-reaching impacts on our communities, Metro also made efforts to include perspectives that went beyond those directly experiencing homelessness or those working at the forefront.

Full consensus on a single path forward was not expected nor sought during this process – the top priority was to gather a wide diversity of views. There are key areas where this process uncovered broad alignment such as an enduring commitment to focus limited affordable housing resources on acquiring and building more deeply affordable housing. Other areas need ongoing conversation, as discussed in other chapters of this recommendation.

The collective care, deep experience and uncommon dedication shared by the participants and stakeholders who contributed time, energy and insight to this work is remarkable and an important contribution to our region.

This section details the various channels of this process and the key areas of alignment and concern that emerged.

This work began with clear values.

In January 2024, the Metro Council established five key values to guide this process, which Metro staff have advanced in every aspect of the work. These values include:

Urgency: Identifying and addressing real, persistent housing instability and its effects on communities in the region.

Stability: Supporting the stability of existing housing and homelessness funding and programs in the region, including the 2018 Metro Affordable Housing Bond and the 2020 Supportive Housing Services measure (SHS).

Pragmatism: Recognizing and being responsive to public attitudes, priorities and experiences with these issues and the region's work to address them.

Equity: Advancing Metro's racial equity goals through engagement, decision-making and assessment of potential investments and structures.

Accountability and transparency: Learning from current measures and community/stakeholder feedback to improve implementation and tracking impacts.

Areas of engagement

Stakeholder Advisory Table

Appointed by COO Madrigal, the Stakeholder Advisory Table brought together a broad diversity of interests, experiences and perspectives, including county and city elected officials, providers and advocates, community-based organizations, and business leaders from across the region. The group also included members of the Affordable Housing Bond and Supportive Housing Services oversight committees and Metro's Committee on Racial Equity.

Over approximately ten weeks, through five in-person meetings, two virtual subtopic discussions and two public opinion research briefings, the Advisory Table grappled with several topics, including the potential consequences of a gap in housing funding, revenue and taxation options, scenarios of priorities for populations and investments, and an exploration of program oversight and accountability. Conversations were structured to identify areas of convergence as well as divergence and were supported by facilitation from Drawbridge Innovations.

Community partner-led engagement

The current effort benefits from the considerable community engagement that shaped the 2018 Metro Affordable Housing Bond and 2020 SHS frameworks. Hundreds of community members have been engaged in implementation of both measures over the last several years helping shape a range of work from local investment strategies to specific housing and development projects.

For this recent effort, Metro contracted with the Coalition of Communities of Color to gain further, current perspectives from impacted communities, using engagement themes from the previous measures as a foundation.

The Coalition of Communities of Color conducted discussion groups in Clackamas, Multnomah and Washington counties in April and May 2024. Through over a dozen discussion groups, the Coalition affirmed and broadened our understanding of priorities and experiences of community members grappling with these challenges.

Community engagement themes

The following themes emerged from a community engagement on regional housing funding conducted through a partnership with Coalition of Communities of Color in spring 2024.

- Strong support for continuing funding for homeless services and a need for more affordable housing.
- Priority on homeless and housing investment for people experiencing chronic homelessness.
- Hope for investment in a spectrum of capital needs, from shelter to building and preserving affordable rental housing to homeownership opportunities.
- Articulating that future housing investments reflect community needs, focus on deep affordability, and build a culturally-responsive, welcoming, safe and stable community.
- Eagerness to engage directly with government and policymaking as investments move forward.

Engagement with regional committees

As with all areas of regional concern, Metro benefits from the time, collaboration and guidance of stakeholders, partners and experts who serve on advisory and oversight committees. We sought to apply that insight to this effort, providing updates and receiving input from these committees on multiple occasions.

Committee on Racial Equity. COO Madrigal and staff met several times with CORE to discuss the future of housing funding in our region. As the entity responsible for advising the Metro Council on the implementation of Metro's Strategic Plan to Advance Racial Equity, Diversity and Inclusion, CORE was an essential contributor to understanding strategies and priorities for supporting equity in decision-making, stakeholder engagement, recommendation development and in the implementation of any programmatic or funding changes for future housing investments.

Metro Policy Advisory Committee. With a key role advising Metro Council on growth management and land use issues and representation spanning cities and special districts, MPAC has a unique opportunity to provide input across a diversity of community experiences and needs. They shared insight on planning and transportation considerations, while also sharing needs specific to their constituencies.

SHS and Metro Affordable Housing Bond Oversight Committees.

These committees play a critical role in reviewing, monitoring and ensuring that implementing partners are meeting goals and requirements of the measure. COO Madrigal and other staff provided updates, answered questions and sought feedback from these committees during this process.

Committee members have provided valuable feedback from their first-hand expertise as we consider how to improve oversight and accountability. Additionally, co-chairs from each of the committees served on the Stakeholder Advisory Table.

Public partner engagement

Nearly every program, policy and investment Metro undertakes is done in close collaboration with our local government partners. For the Affordable Housing Bond, primary implementation partners included the three county housing authorities, the cities of Beaverton, Gresham, Hillsboro and Portland, and Metro's Site Acquisition Program team. Several other cities in the region contributed to the completion of bond-funded affordable housing projects through strategies like fee waivers and streamlined permitting. For supportive housing services, the three counties have developed implementation plans and been responsible for working with their cities, along with providers, community organizations and other partners on implementation.

Understanding local governments' needs, priorities and recent experience with housing and services funding has been an important part of developing a recommendation that creates the greatest potential for improved collaboration in the future. Throughout this process, COO Madrigal and Metro staff have met with officials at every level of local government, including elected leaders, city and county managers, revenue managers, planners, and housing and services implementers. All three counties and elected officials from Beaverton, Portland and Lake Oswego elected officials were represented on the Stakeholder Advisory Table.

Technical analysis on housing investments and revenue

To identify and understand investment priorities that meet this moment, Metro's Housing department worked with a consultant team to conduct research on national and regional best practices and review successes and challenges from implementation of the Affordable Housing Bond. The team also worked to develop models of impact to evaluate different housing investment strategies. Technical interviews with dozens of practitioners connected to housing and homelessness work in our region were also conducted to gain their expertise and insight on topics ranging from construction financing to community benefit opportunities. This recommendation, particularly the Investments chapter that follows, have been informed by findings from this work.

Metro's Finance and Regulatory Services department also conducted months of research, modeling and engagement with financial experts to assess revenue volatility, forecasts and considerations for investments. This work is discussed further in the Revenue chapter of this recommendation.

Public opinion research

Public opinion research is no replacement for the deep and broad engagement with community, stakeholders and practitioners described above. However, intentional research with representative samples of community members can illustrate the resonance and potential viability of funding proposals, particularly those that require voter approval. While our understanding of public opinion on these issues is informed by focus groups and quantitative surveys going back several years, Metro conducted specific additional surveys on housing and homelessness funding options several times between late fall 2023 and the release of this recommendation.

What we heard: Areas of alignment

As noted previously, the project team did not seek to find full consensus, and instead worked to identify and understand an array of concerns and questions. There were, however, several areas of broad alignment that emerged across channels of input:

- Agreement that ongoing state, local and regional funding for acquisition and construction of affordable housing is critical to the health and welfare of the entire community.
- Recognition of the dangers of the looming gap in regional affordable housing funding as existing bonds wind down – with rippling social, economic and community costs.
- General openness to expanding the allowable uses of SHS revenue to include affordable housing, while also maintaining commitments to fund services.
- Prioritizing any affordable housing investment to focus on serving people and families with the greatest need – namely, those experiencing chronic homelessness or at the greatest risk of it.
- Ensuring that services and housing investments continue to prioritize racial equity, recognizing that communities of color disproportionately experience homelessness, housing instability and their effects.
- Creating long-term stability and predictability for providers, partners and people in need of homeless services, rent assistance and affordable housing – in part by addressing the current 2030 sunset of SHS taxes and funding.
- Improving transparency, accountability and efficiency in the allocation, spending and reporting of regional housing and services tax dollars.

What we also heard

While there were several areas of broad agreement, it is also important to note concerns we heard from stakeholders. Some concerns can be addressed or answered within the scope of this project and Metro's role in the region, while others will take continued time and energy to explore.

We heard concerns about the timing of this effort, about stretching an already-strained system, and losing sight of commitments we've already made to voters. Stakeholders had diverging perspectives on the fairness, impact and efficacy of the SHS taxes on high-earning households and businesses. Some sought tax rate reductions in recognition of higher-than-expected revenues, or changes to the personal income tax threshold given increasing wages and inflation. Others raised concerns about such moves' potential impacts on revenue, given increasing costs to meet housing and services needs.

We also heard several ideas for potential investments that may be sound policy priorities, but are beyond the scope of a focus on those experiencing or at risk of chronic homelessness. These include investments in middle-income or workforce housing and affordable homeownership.

Finally, given the diversity of local conditions and needs in the region, we heard a range of ideas about how to restructure oversight and accountability to apply local knowledge and flexibility that advances clear regional goals and outcomes. To highlight one example, we heard strong interest from city stakeholders in ensuring that cities' needs are adequately considered as partners in housing and supportive services investments. These local-regional dynamics were central to 2018 Metro Affordable Housing Bond and 2020 SHS frameworks, but there were diverging opinions about how successful these models have been for each of these measures – and how they might be evolved to address concerns and increase integration.

Regional Housing Stakeholder Advisory Table, Spring 2024

Olga Acuña (she/her): Director of Federal Programs, Hillsboro School District; Board member, Community Housing Fund

Oscar Arana (he/him): Interim Chief Executive Officer, Native American Youth and Family Center

Mayor Lacey Beaty (she/her): Mayor of City of Beaverton

Andrea Bell (she/her): Executive Director, Oregon Housing and Community Services

Kabir Bhatia (he/him): Partner, BridgeWorks Capital; CEO, StoneStable; Board member, Habitat for Humanity, Portland Region

Keisha Brewster: Member, Metro Committee on Racial Equity

Mayor Joe Buck (he/him): Mayor of City of Lake Oswego

Lee P. Cha (he/him): Executive Director, Immigrant and Refugee Community Organization

Andrew Colas (he/him): President and CEO, Colas Construction

Jonath Colon Montesi (he/él): Deputy Director, Centro Cultural

Rachael Duke (she/her): Executive Director, Community Partners for Affordable Housing

Melissa Erlbaum (she/her): Executive Director, Clackamas Women's Services

Dan Field (he/him): Director, Joint Office of Homeless Services, *representing Chair Jessica Vega Pederson, Multnomah County*

Ernesto Fonseca (he/him): CEO, Hacienda CDC

Christina Ghan (she/her): Policy Director, City of Portland, *representing Office of Commissioner Carmen Rubio*

Stephen Green (he/him): Executive Director, Business for a Better Portland

Ezra Hammer (he/him): Attorney, Jordan Ramis

Chair Kathryn Harrington (she/her): Chair, Washington County Board of Commissioners

Sanai Hennessee (she/her): Western States Regional Council of Carpenters, *Nickeia Hunter alternate*

Molly Hogan (she/her): Executive Director, Welcome Home Coalition

Kymerly Horner (she/her): Executive Director, Portland Community Reinvestment Initiatives

Sean Hubert (he/him): Vice President and Chief Strategy Officer, Central City Concern

Jon Isaacs (he/him): Executive Vice President, Public Affairs, Portland Metro Chamber

Jenny Lee (she/her): Deputy Director, Coalition of Communities of Color

Kevin Lux (he/him): Executive Secretary-Treasurer, Columbia Pacific Building and Construction Trades Council

Angela Martin (she/her): Director, HereTogether Oregon

Elizabeth Mazzara Myers (she/her): Executive Director, Westside Economic Alliance

Alexander Phan (he/him): Principal Broker and Team Leader, Diverse Realty Group; Vice Chair of Board of Directors, HomePlate Youth Services

Steve Rudman (he/him): Co-chair, Metro Affordable Housing Bond Oversight Committee

Margaret Salazar (she/her): CEO, REACH Community Development

Amanda Saul (she/her): Assistant Director of Development, Home Forward

Patrick Sheehan: Board Member, North Clackamas Chamber

Michi Slick (she/her): Principal; Killian Pacific; Commissioner, Prosper Portland

Chair Tootie Smith (she/her): Chair, Clackamas County Board

Mandrill Taylor, MD, MPH (he/him): Addiction Psychiatrist, Kaiser Permanente; Co-chair, Supportive Housing Services Regional Oversight Committee

Bob Walsh: President and co-founder, Walsh Construction Co.

Laurie Wimmer: Executive Secretary-Treasurer, Northwest Oregon Labor Council

Accountability and oversight recommendations

During the engagement process to create this recommendation, members of the Stakeholder Advisory Table and other stakeholders shared deep concern about what they perceived or experienced as the need to improve ineffective governance and accountability structures in the Supportive Housing Services program (SHS). The continued calls from a broad range of participants to evaluate roles and responsibilities, standards, performance measurement and accountability within the SHS program required staff to examine these concerns further. Thus, the project scope expanded to include governance as an additional, important element of this recommendation.

The SHS measure was referred to voters in February 2020, before the COVID-19 pandemic exacerbated systemic fractures and changed the services landscape, including hiring practices, the labor pool and the ability to recruit and retain workers, particularly in this field. Serving those in need and delivering improved outcomes has turned out to not be as simple as pouring more money into existing programs. Regardless of the root cause, the public and non-profit systems in place to serve people in need have struggled to absorb unprecedented funding, fueling the public's distrust and jeopardizing the program.

Since its inception three years ago, audits conducted by the Metro Auditor and at the county level have detailed weakness in SHS oversight and accountability. Understanding these obstacles is crucial as we strive to refine and improve the system.

Not surprisingly, the SHS measure anticipated that Metro should periodically reevaluate the SHS program's oversight and accountability structure. Indeed, the SHS measure explicitly authorized Metro to "conduct a review of the regional oversight committee's role and effectiveness as appropriate." Reviewing the SHS Oversight Committee's "role and effectiveness" necessarily entails a review of the program's oversight more broadly. This review – upon us now – likewise empowers the Metro Council to legislatively act, if necessary, to ensure "effective" and "appropriate" SHS program oversight. This is especially true given the lessons learned, changing circumstances and evolving program needs – including the recommendation to add affordable housing. The Metro Council may also wish to consider legislatively enacting improved oversight and accountability provisions.

Recommendations

The recommendations in this chapter build on the current SHS program, ensuring that efforts are pragmatic and geared toward maintaining the stability of services while creating a more streamlined and efficient system. By addressing identified gaps and ambiguities, we aim to enhance oversight, accountability and ultimately the effectiveness of SHS, particularly if we look to further integrate regional housing and supportive service investments into one system that creates better access and outcomes for those who need it most.

This section provides more information on the following recommendations:

- Initiate a re-negotiation of the Supportive Housing Services Intergovernmental Agreements between Metro and each of the three counties to improve transparency, increase accountability and strengthen oversight of existing SHS programs to the extent possible within existing framework. Complete by December 2024.
- Establish clearer, more independent oversight of the program by creating a single, independent Investment Board appointed by the Metro Council and representing subject matter expertise in key areas of the system. This Investment Board would be responsible for making recommendations to the Metro Council regarding program goals, outcomes, affordable housing targets and data-driven key performance metrics as components of a new Regional Investment Strategy, to ensure homelessness is as rare, brief and non-recurring across the region as possible.
- Implement a direct feedback channel to the independent oversight body for direct service providers and those with lived experience with homelessness and housing instability to inform the development of the Regional Investment Strategy.
- Require counties to submit new Local Implementation Plans that conform with the Regional Investment Strategy and demonstrate feasible workplans to meet key performance metrics established by the Investment Board.
- Require Metro to set regional reporting frameworks, standards and definitions for service types and delivery; prepare monitoring plans, accountability mechanisms; approve housing projects, fund regional investments to improve system alignment, coordination and standardization within existing 5% administrative cap.

Feedback and lessons learned since the launch of SHS

Systems to monitor progress were not in place at the onset of the program.

At the program's onset, systems to monitor progress had not yet been created, leading to governance and oversight challenges. The Tri-County Planning Body (TCPB) established by SHS is still developing a regional plan with associated metrics, leaving local implementation plans without clearly defined goals and outcomes for creating a regional system of care. Compounding challenges included the absence of common SHS program definitions and standards and the lack of a data sharing agreement and related reporting practices. Although some reporting mechanisms are now in place, there is more work to do in this area.

The current structure lacks clearly defined roles and accountability mechanisms

The current SHS oversight and accountability structure has overlapping, ambiguous and challenging roles. The structure includes four government entities with both elected and programmatic responsibilities, and one fiscal and programmatic oversight body, the SHS Oversight Committee (SHSOC). Additionally, the TCPB is tasked with developing a plan for regional coordination related to regional capacity, systems alignment standards and metrics, and also oversees a regional investment fund to address homelessness across the region.

This complex structure has reduced the effectiveness of SHS investments in several ways, including but not limited to the following.

- Metro administers and facilitates the program, manages tax collection, and distributes tax revenue to counties.

However, Metro currently cannot direct SHS fund use or suspend funds if regional outcomes are not met.

Although the SHSOC and Metro Council can recommend changes to county implementation plans and improvements to county SHS programs, they have limited means to compel county partners to act on or follow those recommendations.

- The SHSOC recommends ways to enhance SHS implementation in its annual report. The Metro Council may approve and delegate these recommendations to Metro staff. Yet the TCPB has a similar purpose: to create a regional plan to guide Metro and county SHS implementation. The lack of role distinction, overlap of responsibility, and absence of process alignment causes challenges and dilutes the effectiveness of efforts for all parties.
- The Metro Council is accountable to voters for SHS. Yet when confronted with major issues such as under-spending, contracting challenges, imbalance in populations served or inconsistent service definitions, the Metro Council has no meaningful or timely accountability mechanism with which to compel change. Furthermore, the Metro Council does not have a role in reviewing or approving regional plans or recommendations created by the TCPB. This has resulted in a system where Metro operates as a "pass-through entity" and not as an oversight and accountability body that ensures people experiencing homelessness are served effectively.

Feedback from members of the SHSOC reflects the need for clearer roles and lines of responsibility, including who is accountable to whom and for what. Members have shared that establishing consistent regional outcomes and metrics that are connected to work plans and program investments would better support system-wide delivery of homeless services. Feedback from both SHSOC and TCPB members also highlights structural issues and challenges, including insufficient enforcement authority and significant work with constrained resources and limited capacity. These challenges are compounded by overlapping and ambiguous duties between SHSOC and TCPB, leading to confusion about their respective responsibilities.

Collaboration and accountability must be better matched for effective governance.

Collaboration and co-creation are the assumed mechanisms embedded into much of the SHS structure. While all parties recognize and uphold these values in principle, in practice they can lead to inefficient and prolonged decision-making, which contradicts the urgency at hand, hinders progress, and sets the stage for interjurisdictional conflict.

Metro's role is to provide oversight and accountability for SHS, including by implementing oversight tools within financial and program reporting templates. The current SHS governance structure requires that Metro and the counties negotiate reporting and monitoring tools and practices. The prolonged negotiation process, in contrast to a feedback process that meaningfully incorporates input, means there is limited ability to provide appropriate oversight and accountability.

Reporting and transparency should be better aligned.

Metro and county implementation partners need to provide the public with accurate, accessible and up-to-date information about our successes and challenges in creating and managing this regional system of care. Due to reporting standards that are not yet sufficiently tied to regional outcomes and inconsistencies with reporting across the region, however, it has been difficult to consistently share progress and support the public's understanding of the work. Numerous stakeholders have advocated for improved transparency, reporting standards and accountability, as key necessities for maintaining community support of SHS.

Established metrics were not effectively linked to specific outcomes.

The SHS Work Plan, adopted by Metro Council in 2020, details several outcome metrics across the domains of housing stability, equitable service delivery, engagement and decision-making. Several of these outcome metrics are not linked to a specific numerical value, however. Further, current SHS intergovernmental agreements between Metro and each county state that counties "are not required to comply with any performances, rights, or obligations set forth in the Metro SHS Work Plan."

At the inception of SHS, the counties each had their own systems of care for homelessness, with separate data infrastructure and programming implementation. As Metro has worked to monitor the outcomes in the SHS Work Plan, there are clear inconsistencies across counties in the definitions, standards, and collection and reporting of data, limiting our understanding of impact at a regional scale.

One critical responsibility of the SHS Oversight Committee is monitoring program administration financials, which includes reporting on spending toward Populations A and B as defined in the SHS measure, which requires that each county allocate 75% of funds to services for Population A and 25% of funds to services for Population B. Due to the inconsistencies in definitions and reporting, Metro has not been able to identify what percent of spending by each county has served each population. Therefore, the SHSOC has not been able to fulfill this crucial responsibility.

The promise to the voters to have a regional system of care, with clear impacts, can only be fulfilled by having all three counties adhere to the same regional definitions and standards.

Lessons learned from the Affordable housing bond

A summary of lessons learned from Metro's 2018 Affordable Housing Bond is included at the end of this chapter, page 33.

2023 Metro SHS Audit and Management's response

The Metro Auditor, an independent, elected position, released an audit of the Supportive Housing Services program in January 2024. The audit noted that the complexity of the SHS governance structure has led to ambiguities and overlapping responsibilities that continue to hinder effective oversight. It also emphasized the need for a more streamlined and transparent governance framework to ensure better accountability and more effective oversight.

Additionally, the audit highlighted weaknesses in the performance measurement system, which hinders the ability to reliably track and assess program outcomes. This misalignment affects the quality of data available, making it difficult for stakeholders and the public to understand the program's impact. The audit stressed the importance of reliable data not only for current evaluations but also for future planning.

In its response to the audit, Metro management agreed with the Auditor's assessment that the current governance structure, while intended to incorporate diverse perspectives and maintain flexibility, has led to delays and ambiguity in decision-making, party responsibilities and information sharing. Management also noted that the layered oversight roles, including the Metro Council, County Boards of Commissioners, the SHS Oversight Committee and the TCPB, have created challenges in the efficient functioning of the program.

Management also agreed with the Auditor's recommendation to incorporate key performance measures to improve oversight and reporting.

The full audit report and management response, *Supportive Housing Services: Shared oversight reduces transparency and accountability*, January 2024, a report by the Office of the Auditor, is available at www.oregonmetro.gov/regional-leadership/metro-auditor.

Recommendations to improve accountability and oversight

After three years of this complex, multi-jurisdictional response to homelessness, this moment presents an opportunity to respond to lessons learned in actionable and measurable ways. The following recommendations seek to build on existing SHS commitments, make necessary adjustments to incorporate feedback, enhance and clarify oversight and accountability functions, and strengthen transparency and trust at all levels.

Renegotiate existing Intergovernmental Agreements between Metro and the three counties.

The Metro Council should initiate a re-negotiation of the SHS Intergovernmental Agreements between Metro and each of the three counties to improve transparency, increase accountability and strengthen oversight of existing SHS programs to the extent possible within existing framework. These negotiations should be completed by December 2024.

Strengthen and consolidate independent oversight.

As described previously, the SHS program's multi-layered governance structure includes overlapping and ambiguous responsibilities with limited enforcement and accountability mechanisms. To clarify roles, Metro should streamline and strengthen independent oversight and regional authority. SHSOC and TCPB should be consolidated into a single Investment Board appointed by the Metro Council. This board should have a narrower and more effective charge and its membership must represent the critical expertise necessary to fulfill it.

The Investment Board's oversight scope should be outcome-based and focus on the most critical regional strategies and decisions. Like the SHSOC and TCPB before it, the Investment Board should leverage existing work, lead with racial equity and center the voices of those who are most impacted by decision-making.

Investment Board membership

Membership of the Investment Board should reflect the diversity of expertise that is part of the region's broad network of housing and homelessness services. Areas of expertise to consider for membership include, but are not limited to, lived experience, homeless services, healthcare, behavioral healthcare, substance use disorder and treatment services, affordable housing development, finance, the justice system, data and performance.

Development of a Regional Investment Strategy

Supported by Metro staff and regional expertise on housing and homelessness, the Investment Board should develop and recommend a Regional Investment Strategy to guide local, program-level strategies. The Regional Investment Strategy should be developed by the Investment Board and recommended to the Metro Council for approval. The Regional Investment Strategy is discussed further below.

Implement a direct feedback channel to the independent oversight body.

To ensure the critical voices of direct service providers and those with lived experience are prioritized, a consistent, regular regional feedback model should be incorporated into Regional Investment Strategy planning and reporting processes. This engagement model would consist of two groups with a direct feedback channel to the Investment Board: people with lived experience with housing insecurity, and service providers and affordable housing operators.

Additionally, ad-hoc advisory groups should be formed to ensure the Investment Board is equipped with the technical research and industry knowledge necessary to develop regional outcomes and performance metrics.

Require new county Local Implementation Plans and work plans to conform to key performance metrics outlined in the Regional Investment Strategy.

SHS funding has supported an unprecedented expansion of the region's homeless service system of care. As described earlier, amid the program's launch, there was limited time and capacity to establish the TCPB and create a regional plan to guide local investments made through SHS revenue. Looking ahead, the Investment Board should create a Regional Investment Strategy to guide housing and supportive services work across the region. This strategy should establish a framework that includes regional outcomes, overarching goals, program definitions and standards, and key performance metrics (KPMs) necessary to monitor progress. The strategy should be completed every 3-5 years, with ongoing checkpoints throughout each cycle.

After approval of the Regional Investment Strategy by Metro Council, implementing partners would then create new Local Implementation Plans (LIPs) aligned with the strategy, to ensure regional, long-term goals are complemented by targeted, feasible, impactful actions at the local level.

The LIPs would include:

Proposed programmatic strategies and high-level budget estimates. Outline planned evidence-based programmatic investments, including the types of housing services to address homelessness, a description of budget amount estimated for each investment and other funding sources in addition to SHS funds.

Priority populations and investment distribution. Continue prioritizing original SHS populations with detailed implementation plans showing funding distribution tied to metrics for evaluating populations served.

Analysis of inequitable outcomes and development of racial equity strategies. Describe racial inequities in housing stability and access and include clearly defined mitigation strategies with a thorough racial equity analysis, as well as identified resource allocations to address disparities and ensure equitable access.

Inclusive community engagement. Detail how perspectives of Black, Indigenous, and People of Color, people with lived experience of homelessness, and culturally specific groups were included in the plan's development and will be engaged during implementation and evaluation, including a plan for an advisory body prioritizing BIPOC and people with lived experiences.

Any existing requirements of LIPs should also be considered for inclusion in future plans.

Key performance metrics (KPMs)

Most significantly, the success of this work requires a throughline between regional goals and outcomes to county-specific implementation plans, and metrics to measure and monitor progress over time. This should be accomplished through the development of new KPMs by the Investment Board. These could include:

- Clear and specific regional outcomes and goals.
- Quantifiable indicators used to evaluate progress.
- Direction on datasets for collection.
- Methods and tools for gathering relevant data.
- Processes for data analysis and interpretation to derive insights.
- Reporting systems for communicating results to stakeholders.

The Investment Board should establish a review cycle of KPMs to evaluate and refine metrics and objectives and review tools and processes for efficacy. As with all components of the Regional Investment Strategy, the Metro Council would approve these KPMs.

In alignment with the regional strategy, county-level LIPs would outline how counties would gather and report KPM-related data. Tracking KPMs is critical to indicate whether the programs funded with SHS tax revenues are effectively fulfilling the purpose of SHS programming. With this information, Metro and the counties can invest in programming that most effectively ends people's homelessness. Metro staff would develop and support tools, methodologies and other resources to assist county implementation, and would provide ongoing technical assistance as required to facilitate an effective feedback and refinement loop for improvements to the KPM approach.

How key performance metrics are used for oversight and accountability

KPMs are essential for ensuring transparency and accountability in the use of public funds. These specific, quantifiable indicators help track progress toward goals and objectives, allowing for an objective assessment of the performance and effectiveness of various initiatives. This objectivity is crucial for maintaining public trust, as it demonstrates that funds are being used efficiently to achieve intended outcomes.

In governance, KPMs align the efforts of different jurisdictional bodies with overall regional strategies, ensuring that all activities contribute toward common objectives. This alignment helps prevent resource waste and duplication of efforts. Additionally, data-driven insights from KPMs inform decision-making, enabling leaders to direct resources to areas needing improvement, or those that demonstrate effective outcomes – and justify expenditures and actions to stakeholders.

Continuous performance improvement is another significant benefit of tracking KPMs. By identifying strengths and weaknesses, these metrics enable targeted improvements and the sharing of best practices, ensuring that services evolve to meet changing needs effectively. Moreover, benchmarking through KPMs allows organizations to compare their performance over time and against industry standards, demonstrating accountability and a commitment to high standards.

A more consistent and aligned approach to definitions and quality standards will support a more responsive and transparent system. Regardless of the community in which they live, households can expect appropriately-funded, quality services that are culturally responsive and tailored to their needs. Quality standards and definition alignment allow for improved reporting and better communication with and between providers, participants and the public.

Effective tools are needed to achieve this alignment. Standardized data collection and reporting practices that support consistent documentation of aligned data elements, accompanied by reporting guidelines and systems, support increased visibility into outputs and key performance metrics. This in turn supports tracking and reporting on longer-term regional outcomes, and strengthened data-sharing practices within the system. Consistent with existing roles, Metro should develop the tools, process and standards for data collection and reporting for activities and investments funded by SHS.

Metro should also continue work that is already underway through its quality and compliance team, to create monitoring and evaluation tools that improve alignment of standards. A more thorough, data-driven approach to performance evaluation – tied to the Regional Investment Strategy and key performance metrics established by the Investment Board – will allow Metro, counties and providers to see over time what strategies are working. It also allows for improvements to be implemented more quickly, and to communicate what has informed program changes. Additionally, standardized monitoring tools and processes can help to transparently assess how well implementation partners are maintaining requirements and commitments.

Across all types of evaluation, it is vital that Metro, county partners and the Investment Board hear feedback from those closest to the work, including service providers and the experiences of those who receive SHS-funded housing and services. Qualitative reporting and robust engagement practices must also be a key element of this improved framework.

Lessons learned: Metro Affordable Housing Bond

Metro compiled the following list of lessons learned from jurisdictions' annual report presentations to the Housing Bond Oversight Committee and from jurisdictional partners and technical experts:

Site acquisition: Site acquisition is a helpful tool. The use of bond funds to acquire property brought affordable housing to strategic locations throughout the region and helped to remove barriers for smaller organizations to participate in affordable housing development. Future site acquisition efforts should maintain this intentionality while improving efficiency by ensuring there is clarity of jurisdictional and sponsor roles throughout the development process. Future efforts should also consider flexible tools that can be responsive to opportunities in the market.

Predevelopment funding: Lack of this funding is a persistent issue for affordable housing development and a barrier for the ability of smaller organizations, including culturally specific organizations, to participate in development. This challenge is deepening as operating cost escalation puts smaller, nonprofit organizations into more difficult financial positions. However, due to restrictions of general obligation bonds, the Metro bond funds are not able to be used to support predevelopment activities.

Funding coordination: Coordination with funding partners, including Oregon Housing and Community Services, is essential to the success of a local gap funding program. Alignment on timing and criteria among state and local funders will reduce risks and impacts of cost escalation for affordable housing developments. Opportunities exist to streamline funding to reduce complexity for affordable housing developers and improve outcomes across funding streams.

Affirmative marketing: Community networks are critical for equitable access. Affirmative marketing strategies, including partnering with culturally specific organizations and service providers, have led to successful and timely lease-up processes for bond-funded properties. In addition to ensuring fair housing access, timely lease up is also essential for the financial stability of a property.

Deeply affordable units: Deeply affordable units have higher operating costs and require an array of resident services and other supports to meet needs and ensure long-term property stability, requiring additional nonleasable space to support offices and other service areas. This can be especially true in high quality permanent supportive housing. Future funding opportunities should consider the unique funding needs of different unit and property types and levels of affordability, as well as the impacts of changing economic conditions.

Regional standards and best practices: Throughout the implementation of the affordable housing bond, Metro convened jurisdictional partners and stakeholders to develop regional standards to support best practices in the industry, provide clarity and guidance on policy goals, establish metrics and benchmarks to track progress and outcomes, and build relationships that have the potential to improve coordination. For example, Metro established regional net cash developer fee guidelines to support fiscal stewardship and racial equity. However, more evaluation of the unintended consequences of net cash developer fee caps is needed to ensure these policies do not impede small nonprofit and culturally specific organizations' ability to respond to cost escalations or build organizational capacity.

Balancing local discretion and regional alignment: Allowing for local discretion can support jurisdictional partners in addressing local housing priorities, but it can also make regional accountability and transparency more difficult. While balancing local discretion with regional alignment can prove challenging, such efforts result in stronger outcomes and more consistency and transparency in reporting on outcomes.

Communication and engagement: The bond program has been successful at creating new affordable housing that is specific to the needs of each community. Metro and its partners should proactively share the success of this and any future programs with partners, local leaders and voters in a way that resonates with their values and priorities.

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Investment recommendations

In recent years, voters across the region came together to invest in comprehensive, regional solutions to address homelessness and housing instability for individuals and families. These investments benefit us all through stronger, more resilient communities. These investments are making a real impact on our housing and homelessness crisis.

For some experiencing housing instability and homelessness, financial support in preventing an eviction or accessing an affordable home is all that's needed. But for those experiencing long-term homelessness – many of whom have disabling conditions caused or exacerbated by the traumatic experience of homelessness – additional supports can help them access and maintain housing. The Supportive Housing Services (SHS) measure, passed in 2020, sought to build upon the 2018 Metro Affordable Housing Bond, by providing flexible supportive services that could be tailored to meet the needs of those experiencing or at risk of homelessness.

Together, the Metro Affordable Housing Bond and SHS are contributing to the development of regional infrastructure and systems to deliver housing and services to those in need. The regional scale of these investments is critical to expanding fair housing opportunity and choice across the region.

Recommendations

In recent months, Metro has conducted research and analysis and engaged with community leaders, practitioners and experts to understand opportunities and priorities for future investments. Through these conversations, these priorities have come into focus:

- Expand the use of SHS funds to allow acquisition, construction and preservation of affordable rental housing and permanent supportive housing, with sufficient flexibility to complement county SHS investments.
- Strengthen SHS commitment to serving those experiencing or at risk of chronic homelessness.
- Invest in regional strategies: require Metro to set regional reporting frameworks, standards and definitions for service types and delivery; prepare monitoring plans, accountability mechanisms; approve housing projects, fund regional investments to improve system alignment, coordination and standardization.

Some of these recommendations are achievable within the current SHS structure. Others will require voters to approve changes. Improving the coordination and impact of regional housing investment will also require new and improved regional structures and systems, including a significant role for Metro and a regional oversight body to support clear and consistent funding requirements, enhanced transparency and accountability, and better outcomes through defined regional performance measurement.

The Oversight and Accountability and Revenue chapters of this recommendation provide deeper discussion of recommendations for SHS taxes and accountability and oversight. This section focuses on recommended strategies and priority populations for future investments in housing and supportive services.

Expand the use of SHS funds to allow acquisition, construction and preservation of affordable rental housing and permanent supportive housing, with sufficient flexibility to complement county SHS investments.

Metro heard support from many stakeholders, partners and community members for broadening the allowable uses of existing SHS revenue to create a “braided” funding source for both affordable housing and supportive services. This integration can achieve better coordination and management of investments than efforts conducted separately, and it provides us an opportunity to continue our progress toward positive, demonstrable, long-lasting impacts for those we serve.

If an expansion of allowable uses were approved by voters, Metro should ensure that SHS revenue continues to prioritize the development of a regional homeless system of care and funding for a range of flexible investments proven to be effective in homelessness response, housing access and placement, and ongoing wraparound support services. Metro should also continue to fund short- and long-term rental assistance – with improvements to regional coordination, alignment and accountability to shared outcomes. Given that homelessness is only ended when a household is permanently housed, investment strategies and reporting should demonstrate a clear connection between investments and the ultimate goal of placement and long-term stability in permanent housing. The goal is to create better access to housing for those experiencing chronic homelessness or at risk of chronic homelessness.

If SHS funding is used for affordable housing, investment criteria should be responsive to changing needs and economic conditions and allow for new construction and preservation of affordable rental housing, as well as acquisition and conversion, with a priority focus on strategies that best contribute to established SHS outcomes and needs.

Funding for affordable housing should also allow for strategies that lower the cost of development or improve outcomes, including for supportive housing services. Strategies to consider could include:

- Predevelopment support to cover early-stage activities such as planning, design and securing permits, as well as strategic land acquisition.
- Funding to support operational needs through strategies such as expanded operating subsidies, enhanced payment standards or operating premiums, capitalized reserves or further supplementing existing risk mitigation pools.

Any change to allowable uses of SHS funding should also provide flexibility for local implementation partners to create and execute strategies that meet the needs of their communities and complement supportive services investments.

Permanent supportive housing

Together, Metro’s Affordable Housing Bond and SHS have created hundreds of permanent supportive housing units across the region – again with the help of local implementation partners and a variety of providers, community organizations and neighbors.

Permanent supportive housing combines affordable housing with comprehensive support services designed to help individuals and families achieve stability and maintain long-term housing. This approach has proven effective for people experiencing chronic homelessness, people with disabilities, those with severe trauma and health challenges, and other vulnerable populations.

The key components of this approach include safe and affordable permanent housing, rental assistance, and on-site or community-based services. These services are tailored to meet the unique needs of each household, which might include services like housing stability and behavioral health supports, employment and life skills development, or case management. The goal is to address the root causes of homelessness and provide the necessary resources for residents to live independently.

Currently, SHS funds cannot be used to fund construction or purchase of affordable housing units. Voters would need to approve a change for funds to be allowable for this key component of permanent supportive housing.

Permanent supportive housing has been proven to be an effective long-term housing solution for communities due to its holistic approach. Research shows it reduces homelessness, improves health outcomes and enhances quality of life for residents. This approach also helps the overall system through funding proven solutions, reducing strain on expensive emergency services such as shelters, hospital emergency rooms and other public services.



Danica, resident services coordinator at Heartwood Commons, works alongside two housing case managers and a clinical case manager, who help residents with things like goal setting, connecting to employment and accessing healthcare resources.



Heartwood Commons is a converted motel with 54 studio apartments and supportive housing services managed by Community Partners for Affordable Housing. Washington county purchased and renovated the building with Metro Affordable Housing Bond funds and opened its doors in 2023 as the county’s first permanent supportive housing community. Case management and other resident services are paid for by Metro’s Supportive Housing Services fund.

Strengthen SHS commitment to serving those experiencing or at risk of chronic homelessness.

All people need safe, stable homes – and the region does not have enough supply, particularly for people with the greatest need. Moreover, people who have experienced long-term or repeated homelessness, compounded by disabilities and a cycle of trauma, also often need comprehensive and ongoing supportive services to achieve housing stability.

While we need to continue serving all who face housing instability, we should establish a level of priority for serving people experiencing, or at risk of, chronic homelessness (Population A) in future affordable housing investments that use SHS funds. During the engagement process, stakeholders and partners nearly unanimously advocated for continuing this focus to maintain and complement existing commitments.

To support priority populations in a way that truly addresses chronic homelessness, programmatic investments supported by SHS should be responsive to the changing needs of the community and equip partners to serve a range of needs. That includes providing high-fidelity services, based on proven models, that adhere to regional standards for both quality and funding. Additionally, services should be measured to demonstrate that they meet desired regional outcomes. Supportive housing investments, especially permanent supportive housing, should include program standards and flexibility. This will allow service providers to tailor supports to serve those with marginalized identities and evolving, intensive behavioral and physical health needs.

Funding should also contribute to proactive coordination across systems, including with housing providers, to ensure comprehensive support. This may mean tiering funding

award to service acuity level to accommodate increased staffing, clinical and culturally-responsive supports, and system integration. SHS-funded permanent supportive housing should be adaptable and appropriately resourced – supporting a long-term strategy to stabilize households. Investments should include strategies to ensure geographic distribution of investments and equitable access to housing and services for BIPOC households, who are disproportionately represented among those experiencing homelessness due to historic and ongoing economic marginalization, higher rates of incarceration, and the health impacts associated with these system inequities.

We know that people's circumstances, health and needs change over time. Regional housing investment should match households to the supports they need, and shift those supports as household needs change.

Additionally, people in this region live, work and recreate across county and city lines. Affordable housing investments that use SHS funding should allow for improved transferability across counties, providers and program types, leveraging SHS funding flexibility to support increased stability for those it serves. This can be achieved through investing in system-level process improvements, such as a strengthening of the system's ability to overlay longer-term supportive services and rental assistance for households that have been placed out of homelessness using short-term supports, but that are again at risk of homelessness. Seamless portability of services meets the real need of our communities and empowers those we serve to make choices about where to live.

Invest in regional strategies

An integrated regional system – of both affordable housing and supportive services – will require centralized coordination and support, and continued investment in strategies to ensure these taxpayer-funded programs are effective and efficient.

Priorities for these regional focuses should include:

Capacity, training and technical assistance

Metro has learned the importance of investing not only in affordable housing units and services, but also in the organizations and workforce that support them. Metro should continue to develop and implement strategies that further workforce development, living wages and training in social services, construction, property management and other fields.

Culturally responsive and trauma-informed approaches across service delivery and housing operations systems.

People across the region continue to experience identity-based marginalization. That's why Metro is committed to an intersectional approach to addressing homelessness, while recognizing race as the biggest predictor of a person's experience of homelessness. This is possible due to transformative services provided by culturally specific community-based organizations working directly with those transitioning from homelessness to stable housing. SHS investments should continue to prioritize culturally specific and trauma-informed strategies to address people's experiences of homelessness. This includes culturally-specific programming, disaggregated data and engagement practices to ensure that impacted communities have a voice in decision-making.

Training tomorrow's housing services workers and providing new paths to stability

Funded by Metro's Supportive Housing Services program, in 2023 Washington County launched a housing careers pilot program focused on workforce development, with the aim to provide individuals who have first-hand experience of homelessness and marginalization with training and a career pathway within housing services fields. Participants, many of whom identify as BIPOC or LGBTQIA+, underwent training and a 500-hour paid internship with local housing service providers.

Partner organizations like Worksystems and IRCO provided career coaching, recruitment and support to bolster the program's outcomes. This approach has compounding benefits – not only does it enhance a person's stability through earned income and a career supporting others with common experiences, but it also helps address the workforce shortages that limit our collective impact.



4D Recovery co-founder and executive director Tony Vezina works with students Carlos and Colbert

Regional quality standards and definitions

Stakeholders have expressed the need for well-coordinated quality and compensation standards that effectively support providers in responding to the full range of community needs – including households that require intensive, long-term supportive services.

For future regional affordable housing investments, Metro should develop new regional underwriting guidelines tailored to unit size, affordability level and other factors that impact cost and viability. Housing providers and funders have given clear feedback that capital investments should include funding for predevelopment costs, as well as some form of operating premium, capitalized operating reserve or regional risk mitigation pool to support property stabilization needs over time.

For services investments, Metro should include population-based standards aimed at ensuring quality services and funding for the types of interventions that can most effectively meet a full range of acuity of need. This would also include regionally aligned payment standards and terms for rental assistance as well as programmatic quality and payment standards for the provision of supportive services.

Systems coordination and alignment

Whether or not allowable uses are expanded, SHS funding should continue to support partners in integrating and aligning efforts across the systems that must work together well to have real impact on homelessness, as poor coordination can worsen outcomes for the people these systems are intended to serve.

Too often, a person must successfully navigate multiple complex systems that are difficult to access to achieve housing stability. High-quality supportive housing services are comprehensive, holistic and accessible. They seek to address barriers and support increased stability across a range of needs – such as food security, employment, education, health, substance use or legal issues. However, as these barriers compound for households and communities, it can be difficult for individual providers to convene partners to address gaps and improve systems while also fulfilling their vital role of direct service provision and coordination.



Built with funds from Metro's affordable housing bond, Nueva Esperanza provides homes for 150 households with an emphasis on meeting the needs of farmworkers, and Latine and Somali immigrant families.

Whether or not allowable uses are expanded, Metro should continue to support SHS implementation partners in integrating and aligning efforts across systems, improving coordination and outcomes. More detail on these recommendations is in the Oversight and Accountability chapter.

If SHS allowable uses are expanded to include capital affordable housing and permanent supportive housing, Metro should create guidance that supports strategic weaving of capital funding with ongoing operating and services investment to ensure this affordable housing is financially and operationally stable. With the above-mentioned regional standards and definitions serving as a foundation, Metro can support the system in achieving more alignment with state and federal funding where it amplifies impact or reduces risk and cost. Metro should also collaborate with other funders to ensure clear outcomes and award funding based on quality – not necessarily the lowest price, which encourages an underestimation of real cost and contributes to emergent operating shortfalls.

Investments in regional system supports

While counties have infrastructure and expertise in delivering services at the local level, there are many opportunities and efficiencies to be gained by developing regionwide strategies and investments. Some providers have grown rapidly in a relatively short period of time, while other providers are expanding their purview to provide these types of services or building their capacity from the ground up to meet this need. Metro should coordinate technical assistance, training and capacity building, and streamline investments to support the organizational health of housing and service providers to achieve better outcomes for those we serve.

Potential Affordable housing production scenario

As noted in this chapter, housing funders, developers and operators need to be responsive to changing conditions and needs throughout the life of SHS funding, particularly if voters were to approve an extension of the current sunset. The creation of an Investment Board and Regional Investment Strategy (discussed further in the Oversight and Accountability chapter) should allow for adapting investment priorities to meet need over time.

An evolving strategy can increase the region's ability to respond to changing needs and conditions, thereby enhancing stability. It may also require that regional and county production targets be set for shorter periods of time, rather than the full horizon of SHS funding.

To illustrate, an evolving regional housing strategy might mean that rather than emphasizing new construction for an investment cycle, a priority might be taking advantage of a specific market condition or acute need. Examples of this scenario include the current condition that allows for acquisition and conversion of newly built market-rate units at a total cost well below new construction, or funding preservation of properties with expiring affordability in properties serving highly vulnerable residents most likely to experience homelessness upon conversion, such as BIPCO, older adults, people with disabilities, or other marginalized communities.

In another scenario the Investment Board might recommend a focus on increasing the regional supply of a specific unit type for a period of time – for example, larger unit sizes to accommodate large households in response to a demonstrated need for this unit type – as a strategy that best meets the evolving needs of SHS service populations.

The following is an illustration of regional opportunities to expand affordable housing inventory over the coming decade, followed by a high-level overview of critical assumptions for these investments.

Private Activity Bonds and Affordable Housing

Private Activity Bonds (PABs) are a key source of funding available for both affordable housing development and preservation. When committed for affordable housing, they bring the availability of federal resources through the federal Low Income Housing Tax Credit (LIHTC) program. The 4% LIHTC is only available when paired with PABs. Nearly all affordable housing produced through the 2018 Metro affordable housing bond leveraged LIHTC, illustrating the importance of this funding source to regional development.



Terrace Glen Apartments in Tigard was funded by Metro's Affordable Housing Bond.

To access the 4% LIHTC, fifty percent of the project must be funded with PABs. However, in recent years Oregon has reached our cap on the allocated amount of PABs, creating development pipeline delays that increase cost and funding uncertainty. Given the current backlog in demand, developers can expect that PABs may not be more fully available to leverage with new projects until at least 2026. Thoughtful coordination between the state and local funders will be necessary to ensure local investments do not anticipate more PAB availability than is projected, and contribute to oversubscription of PABs.

Enhancing SHS-funded capital investment, years 2026-2030

If voters approved an expansion of allowable uses, the first five years of SHS-funded capital investment would likely be enhanced by a portion of the existing carryover from the first few years of SHS tax collection.

Given constrained private activity bond (PAB) availability in the state of Oregon and a time-limited market condition that allows for highly opportunistic acquisition and conversion of existing properties, it may make sense to make roughly half of this proposed carryover available to support more immediate acquisition opportunities. Acquisitions can expand the pool of regulated, deeply affordable housing quickly, often in higher opportunity areas, and can do this at an overall cost that’s currently much lower than new construction. However, affordable housing developers have struggled to take advantage of this opportunity due to insufficient funding availability.

In that case, allocating funding to this strategy, while distributing the remaining carryover over several years could allow the region to achieve increased production of deeply affordable units and permanent supportive housing in a relatively expedient manner while staying well within the region’s projected private activity bond and state funding availability.

Through this sample combination of investment strategies, regional housing investment with SHS funding could be expected to achieve something in the magnitude of the following:

Potential production through new construction and acquisition
Years 2026-2030

	Clackamas	Multnomah	Washington	Regional total
Newly constructed units	160-185	340-395	250-290	750-870 units
Acquired and converted units	65-75	135-160	100-115	300-350 units
Total units produced	1,050-1,220 units			

Much of this housing could feasibly be programmed to serve those exiting long-term homelessness and with ongoing supportive service needs. And many of these units could be made available to households much sooner than traditional development allows – improving the region’s ability to respond with urgency. These units could be expected to cost between \$320,000 and \$350,000 on average in capital investment over the five-year period, across both acquisitions and new construction.

Ongoing capital investment, a consistent regional resource

Following an initial capital investment cycle supported with existing SHS revenue carryover, the system could settle into a longer-term cadence of regular funding availability for prioritized housing investments, with those priorities articulated through regional and local planning efforts. In this way, the system will meaningfully balance predictability with responsiveness.

To illustrate the potential impact of this ongoing availability of funds, given thoughtful and quality-focused investment in an array of sizes of the most deeply affordable units and allowing for permanent supportive housing as service and rental assistance funding allows – we might expect to see this range of affordable housing production for a second, five-year period:

Potential production through new construction
Years 2031-2035

	Clackamas	Multnomah	Washington	Regional total
Newly constructed units	105-120	230-260	165-190	500-750 units

Given rising costs and conservative leverage assumptions, units over this second five-year period would be expected to average closer to \$425,000 per unit in SHS-funded capital investment.

Though these estimates represent possible production over five-year periods, it’s worth noting that for both sets of estimates above, but especially in years without supplemental carryover, county partners would likely need save earmarked revenue over the course of a few years to adequately fund one or more housing developments. For the 2031-2035 modeling above, for example, Clackamas County might need to save funding for 2-3 years to fund one 50-70 unit single-site permanent supportive housing project, while Multnomah County – given a bigger proportional allocation of SHS revenue – would likely be able to fund a similar project every 1-2 years.

Critical assumptions

For the estimated production ranges above, BAE Urban Economics used the following assumptions, intended to represent a highly conservative and purely illustrative example for 10 years of regional production opportunity:

Funding distribution

- Clackamas County: 21.33%
- Multnomah County: 45.33%
- Washington County: 33.33%

New construction

- 100% of units produced are deeply affordable (30% AMI), with the possibility to create permanent supportive housing, contingent on service and rental assistance funding availability. Assumed payment standard for units supported by Regional Long Term Rent Assistance (RLRA) would be commensurate with 80% AMI rents; where RLRA unavailable to leverage, assumption of some operating support to achieve 30% rents
- The unit mix for this modeling is 70% 1 bedroom, 20% 2 bedroom, 10% 3 bedroom
- Units produced are assumed to include adequate office and service space to provide high-quality on-site supportive services, with roughly 40% of space non-leasable.
- Annual development cost escalation is modeled at 6%, reflective of current conditions
- \$75,000 per unit in assumed Oregon Department of Housing and Community Services gap funding, a conservative assumption given that current funding maximums are substantially higher

Acquisition and conversion

- Units acquired are assumed to be regulated at a mix of affordability levels (30-60% AMI), with the possibility to create permanent supportive housing, contingent on property attributes, service and rental assistance availability for between 50-100% of units
- 100% of units are modeled as 2 bedrooms, given estimated average cost for this unit type. Total unit cost is assumed to average between \$290,000 to \$350,000 per unit, depending on achieved affordability level and available debt leverage, based on a review of current market listings.

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Revenue recommendations

The Supportive Housing Services measure (SHS) brought new revenue streams into the homeless services landscape and new high-earner personal and business income tax revenue sources to Metro.

SHS applies a 1% tax on taxable personal incomes over \$125,000 for individuals and \$200,000 for those filing jointly, and a 1% tax on taxable income for businesses with at least \$5 million in revenue. The taxes are scheduled to end, or sunset, after tax year 2030. This means that, absent any changes to the existing law, revenue will stop being collected on income earned after that date. Counties will then need to find alternative funding or cease operation of recently created SHS programs.

Revenue was a key area of discussion during Stakeholder Advisory Table meetings and other engagement in recent months. Metro received valuable feedback about the need for ongoing certainty of services funding beyond 2030 as well as recommendations on changes to the personal income tax, regarding who is taxed and at what rate.

In addition to these conversations, Metro engaged deeply with stakeholder groups representing homeless services, affordable housing, jurisdictional interests and economic issues. Metro also worked closely with county partners to better understand their needs for success.

Recommendations

Strong support for the following recommended changes to SHS revenue systems was expressed throughout discussions.

- Extend the SHS sunset enough years to leverage rent assistance for affordable housing development and ensure long-term stability of services for people experiencing chronic homelessness.
- Dedicate a minimum percentage of funds to capital investments in affordable housing and permanent supportive housing. A portion of existing carryover would be used for immediate investment opportunities, and future capital funding allocations would be driven by the Regional Investment Strategy and Local Implementation Plans.
- Index the SHS personal income tax thresholds to inflation, starting in tax year 2024.

Before further describing these recommendations, the next section provides background information on revenue collections, lessons learned from program implementation, predictability of income tax revenue and feedback from stakeholders.

Background information on revenue collections and tax structure, program implementation and stakeholder feedback

Higher than anticipated collections

Discussions between housing advocates and local jurisdictions about a potential region-wide SHS funding measure began in 2019. Attempts were made to quantify the amount of funding needed to provide services to community members in need. Coming out of those discussions, an original goal was to raise \$250 million annually.

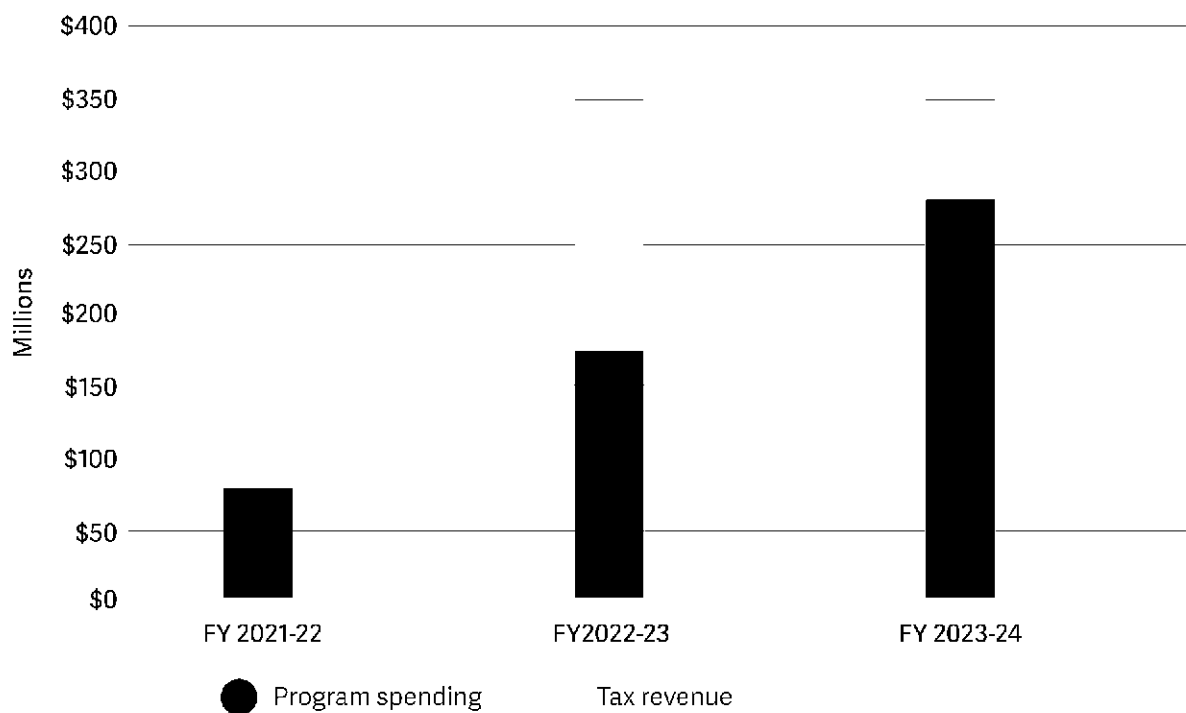
SHS tax collection began in 2021. Approximately \$240 million was collected in the first fiscal year, from July 1, 2021 through June 30, 2022, while \$337 million was collected in the second fiscal year, July 1, 2022 through June 30, 2023.

Higher than anticipated revenue was driven by significant economic growth for high-wage earners and large businesses coming out of the pandemic. Late tax payments from the prior fiscal year, received in the second year of collections also contributed to the higher revenue. During that same time, inflation increased steadily and significantly, leading to increased operational costs in areas like shelter siting and operations, rent assistance, labor and service supplies.

Program development ramp up

While revenues began to flow immediately from Metro to counties, program development took time to ramp up. Counties were building out new programs or, in the case of Multnomah County's Joint Office of Homeless Services, a new scale of programming, which took time to thoughtfully design and implement. As of this time, county programming is almost fully built out, which can be seen in the level of spending for Fiscal year 2023-24 on the graph below. This critical design and planning time, along with robust collections in Fiscal year 2022-23, caused large balances to accrue to the counties, which are now available to support one-time-only investments, such as system investments and increases in scalable programming. As mentioned in earlier chapters, SHS funding cannot currently be used for capital expenses to build or purchase units for housing. However, it can be used for other one-time investments. Counties have developed plans to spend down these accrued balances over the next several years, beginning this year.

Supportive housing services tax revenue and program spending
Source: Metro Finance and Regulatory Services department, June 2024.



Volatility inherent in tax structure

In the initial years, tax revenues were higher than originally expected, primarily driven by economic growth coming out of the pandemic. However, in the current year, actual collections are expected to be below the most recent forecast. This is driven by current trends such as high interest rates and a relatively poor local economy which result in lower tax revenue.

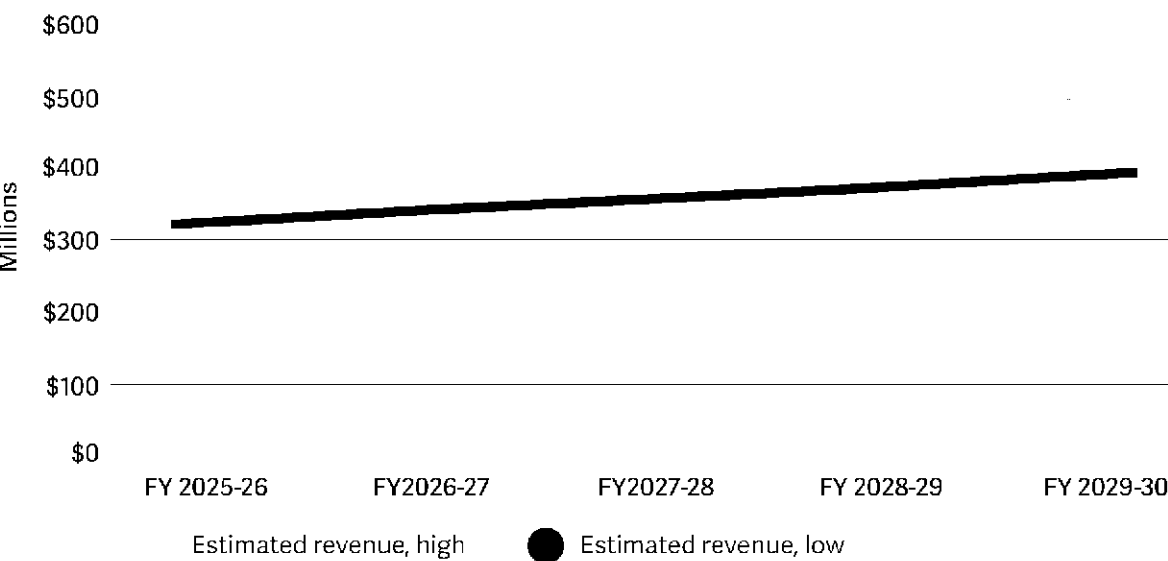
Significant variances between projections and actual revenues are inherent in income taxes – this can be seen in other jurisdictions in Oregon and across the country. This volatility is especially true with high-earner and business income taxes because of year-over-year fluctuation in income streams like capital gains and net income from sales, which represent a significant portion of revenue collected from these taxes.

The relative newness of these taxes and the changing economic environment make determining an appropriate range of

uncertainty in revenue forecasts especially challenging. However, given the scale of unknowns today, a reasonable range between a low- revenue year and a high- revenue year is \$100 million. The range will change as forecasts are updated and actual revenue collections are received each year. The accuracy is higher for the first 12 to 18 months of each forecast, and as the timeframe extends, the uncertainty increases due to a number of factors.

The volatility of these taxes creates a challenge when used to fund a program with steady costs. The heart of this program is permanent supportive housing – long-term rent assistance and services combined with affordable housing to help people stay housed. Because the revenue sources are and will remain uncertain, Metro should create a program and oversight structure that is nimble enough to adjust to changing circumstances, while continuing to deliver and hold parties accountable.

Supportive housing services revenue forecast, FY2026 to FY2030
Source: Metro Finance and Regulatory Services department, June 2024.



What we heard: Stakeholder feedback on SHS revenue

Over the last few months of engagement, stakeholders emphasized the importance of spending existing tax dollars efficiently, creating long-term certainty around program funding and acknowledging potential economic fluctuations.

- Balancing revenue needs against tax burdens: Stakeholders overwhelmingly acknowledged the need for ongoing supportive services for those experiencing or at risk of homelessness. However, concerns were raised about the long-term viability of SHS taxes, particularly the tax differences between Multnomah County and the rest of the region, become better known and more pronounced. As early indications show that households at all income levels are migrating away from the region, particularly Multnomah County, which some experts attribute to the combination of high taxes and a perceived lower quality of life.

- Prioritizing efficiency: Stakeholders emphasized the importance of responsible fiscal planning and adaptability within the SHS program. The stated need for supportive services exceeds the region’s capacity for raising revenue. As a result, we must prioritize the use of dollars to maximize outcomes.
- Acknowledging economic uncertainty and establishing long-term stability: Recognizing the potential for unexpected revenue fluctuations, stakeholders stressed the need for establishing long-term certainty around SHS funds to ensure consistent funding for critical services.

Research and discussions with the Stakeholder Advisory Table and other stakeholders emphasized the need to acknowledge both the uncertainty and potential scarcity of resources when managing revenue streams. At the same time widespread support was voiced for innovative problem solving in the face of those scarce resources and uncertainty.

Recommendations for SHS revenue, taxes, and allocation for affordable housing

Extend the SHS sunset

Long-term funding certainty is key to success of the SHS programs currently underway, as well as future affordable housing investments. – With long-term funding, households know they won't lose their rental assistance and housing providers know the rent payment they depend on to fund housing operations will continue to arrive. Reliability of a funding source encourages service improvements and private investment, and allows for greater participation in affordable housing development. With a long-term funding source, communities have the opportunity to undertake multi-year housing initiatives that otherwise would not be available with a near-term cut-off – supporting a more sustainable regional housing system.

Without an extension, there will be no SHS tax revenue from income earned after 2030. The Metro Council should consider asking voters to extend the SHS tax sunset far enough beyond 2030 to create efficiencies and leverage rent assistance to finance affordable housing projects. This extension should be accompanied by enhanced oversight and accountability measures described in the relevant chapter of this recommendation.

Allocate portion of funding for affordable housing

If voters approve an expansion of allowable investments with SHS funding to include capital investments in housing along with services, the Investment Board described in the Oversight and Accountability chapter should identify a percentage of revenue, as well as a portion of existing carryover and future underspend, to dedicate to affordable housing development, preservation and acquisition. For example, this could look like dedicating a minimum of 10% of ongoing funding, \$200 million of current FY2024 carryover and some portion of future annual underspend to affordable housing. See Investments for an example strategy and outcomes for affordable housing investments (pages 42-45).

Index personal income tax threshold

To maintain the intent that these taxes only apply to businesses and high-income taxpayers amidst rising costs, Metro should annually increase the SHS personal income tax threshold, similar to annual increases to the federal standard deduction. Indexing the tax threshold decreases the likelihood of middle-class households becoming taxpayers due to inflation rather than an actual increase in purchasing power. This could be done without needing a ballot measure.

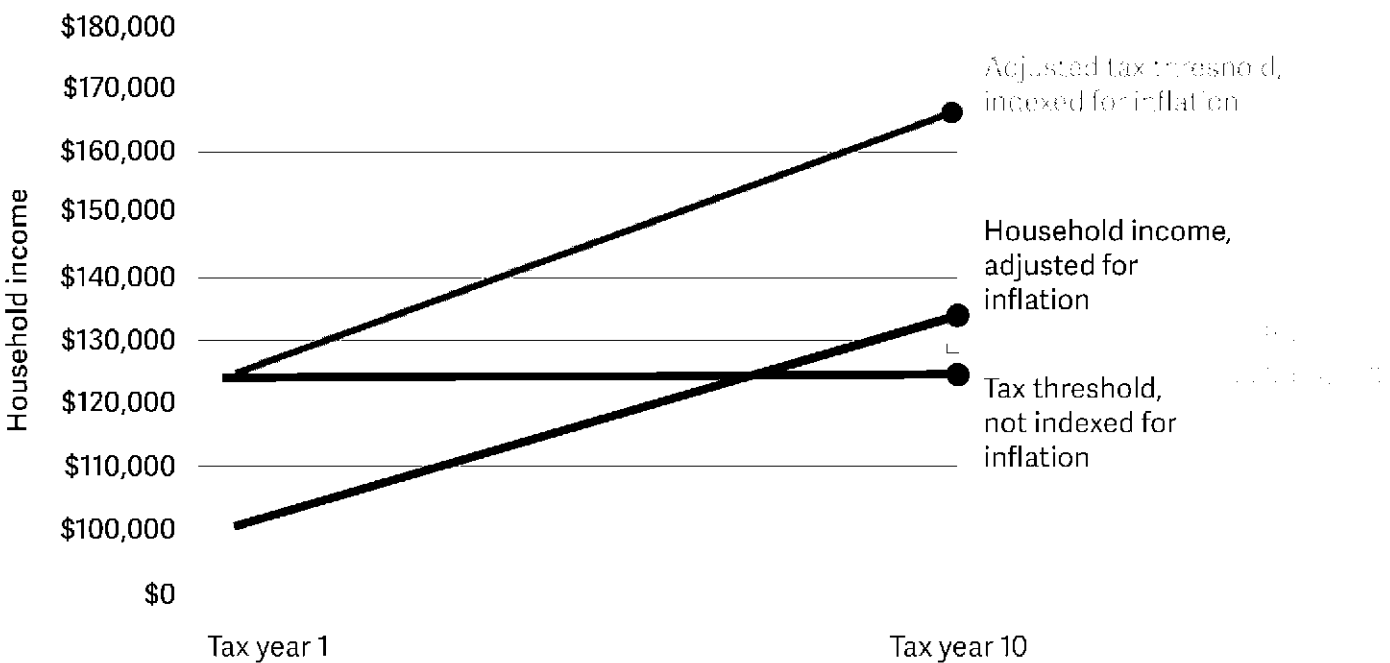
Why should income exemption levels adjust each year by some measure of inflation?

Over time, inflation can erode the purchasing power of each dollar earned. Small amounts of inflation are important to sustaining an economy. A small amount of inflation encourages consumer spending which is responsible for over two-thirds of the economy – if there was no inflation or prices were falling, people would wait to buy goods or services at lower prices.

That reduction in purchasing power is, at least in an economy-wide sense, typically partially alleviated through increases to wages. Annual social security payment adjustments as an example. This is also why, typically, tax systems adjust income thresholds by inflation.

Over time, failing to index a tax to inflation may increase the chances that the policy is taxing households that were not intended to be taxed.

Example: Households impacted by taxes not adjusted for inflation



Appendices

Stakeholder Advisory Table summary

Community engagement summary

Public opinion research summary

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Stakeholder Advisory Table summary

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2024 Metro Regional Housing Stakeholder Advisory Table

Summary Report

Prepared by the Drawbridge Innovations consulting team | July 2024



drawbridge
- innovations -

for



Metro

Background

Metro convened a Stakeholder Advisory Table (SAT) in the spring of 2024. The purpose of this SAT was to advise Metro Chief Operating Officer Marissa Madrigal on elements of a recommendation to the Metro Council regarding options for future regional housing funding.

The opportunity for the SAT emerged as Supportive Housing Services (SHS) income tax revenue significantly exceeded the initial annual forecast for the first two years (2021, 2022). Metro’s COO sought input from community, government, and business stakeholders about the most effective way to prioritize the investment of these dollars, with the final goal of helping to end homelessness across greater Portland.

The SAT was convened to explore feedback on key questions such as:

- What is the need for continued regional housing funding in the region?
- What revenue source or sources are available, if any?
- If there is an opportunity for affordable housing revenue, who would be served and what investments might help the most?
- What are some opportunities to be innovative?
- How could continued regional housing funding align with other funding and programs that exist?
- How would Metro know it was successful and accountable to our community?

The COO selected and invited advisory table members to represent a range of communities, perspectives, experiences, roles, and geographies across the Portland metro region. The SAT participated in five in-person working sessions held at the Metro Regional Offices; additionally, SAT members were invited to participate in two virtual subject-matter-specific sessions. (Please see appendix for a comprehensive list of advisory table participants.)

SAT Meeting Overview:



Meeting 1: March 1, 2024

Meeting Objective: SAT kickoff and defining the challenge

Meeting Context: This meeting provided SAT participants with background context and information, defined their roles in advising the COO, and defined the core values guiding the work. (Figure 1).

Presentations from Metro staff defined the need for affordable housing, featuring data on population growth in the region, housing pricing and average incomes. Staff also shared a current-state view of the tools available to fund affordable housing, including recent Metro bonds and state funding. Data and analysis gathered for the affordable housing bond, as well as data from IPUMS USA and ECONorthwest, showed that the Metro region is behind in its production of affordable units, particularly impacting affordable units for lower-income households and communities of color.

Key Insights from SAT Participants: SAT participants engaged in small-group discussions about the potential consequences of a gap in regional housing investments.

Common themes that emerged included:

- Real-person harm:**
 - Increasing rates of people facing homelessness, which would be exacerbated if the housing supply gap persists.
 - Continued negative impacts on our unsheltered populations.
 - Lack of stability within families
- Systemic considerations and impacts:**
 - Think systemically about how changes in one area impact other areas: transportation, quality of life, racial equity, capacity building for industries and our governments.
 - It is important to consider not just adding housing inventory but also maintaining and upkeep of the inventory so the region benefits from these investments in the long term.
 - Lack of affordable housing increases the need for rental assistance, and reduces access and choice.
 - Affordable housing is a pathway to home ownership and upward mobility. Gaps in housing investments break this pathway.
 - A potential gap could be a loss of momentum in capacity building and collaboration, with CBOs, MWESBs, and governments.
- Regional impacts:**
 - Regional housing prices are curbing population growth, economic growth, and the reputation of the region.
 - If investment in housing doesn't happen, there will be snowball effects: job stagnation, healthcare issues, traffic and congestion, and impacts on the transit system.
 - As higher housing prices force residents with lower incomes outward, the diversity of our region changes.

Meeting 1 Highlighted Comments:

"A fractured affordable housing system also fractures the social contract in other areas: such as generations coming up who are feeling hopeless."

"The need is great, and dollars are slim."

"We have an ecosystem for culturally specific affordable housing developers and service providers.... We have made good progress there. Instability or lack of funding would put that progress at risk."

Live Graphic Recording - March 1, 2024

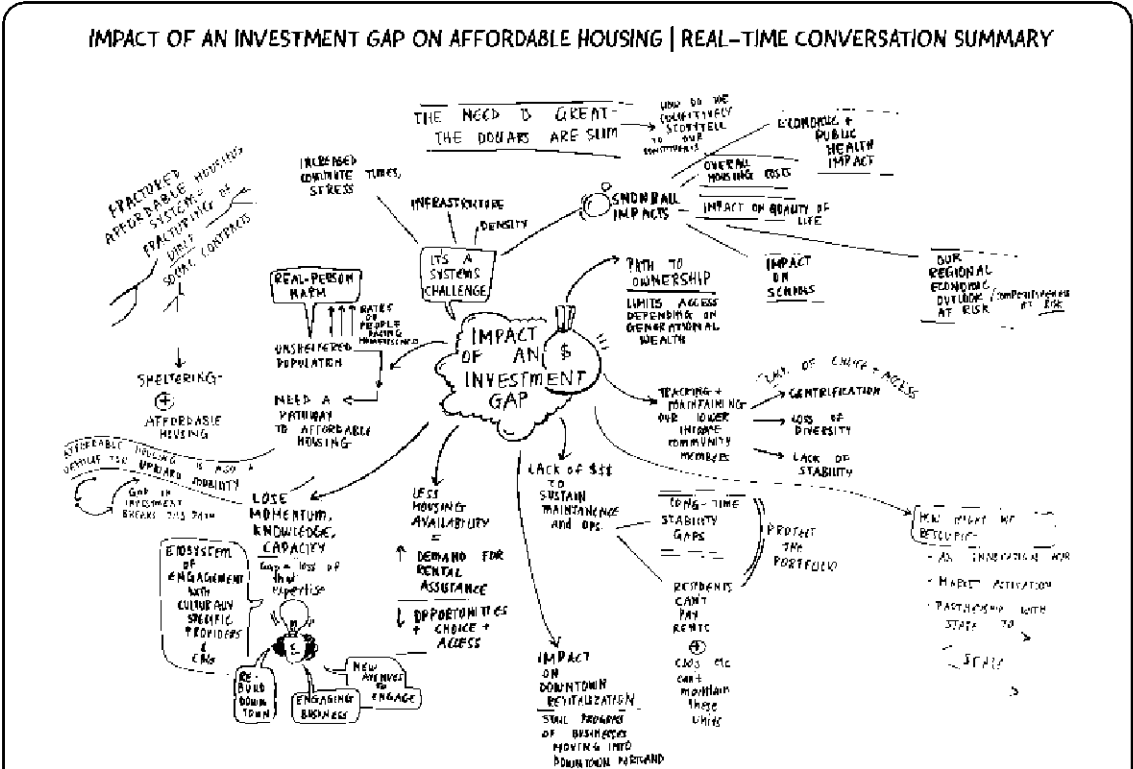
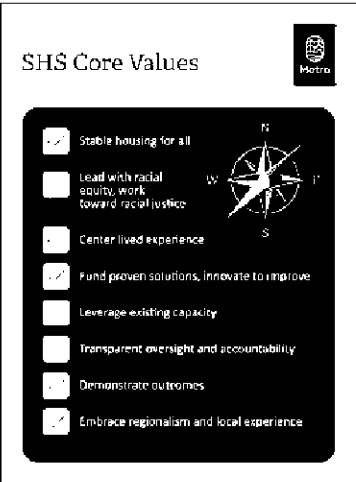


Figure 1: SHS Core Values



Meeting 2: March 20, 2024

Meeting Objective: Exploring revenue options

Meeting Context: In the second SAT meeting, staff presented information about the viability, opportunities and limitations of a variety of potential revenue options to fund additional affordable housing production. This included the Affordable Housing Bond, passed in 2018, and the Supportive Housing Services taxes. Staff presentations summarized allowable expenditures and investments through both revenue sources, as well as the target goals approved by voters.

Key Insights from SAT Participants: SAT members were invited to explore the idea of using the income taxes to provide both services and housing. Participants were divided into small groups and asked to represent the voices and needs of their constituents and communities in discussions. Group discussions focused on what should be included in the recommendations to meet these needs and identified any questions or concerns that would need to be addressed. Common themes that emerged included:

- **Supportive services are vital resources that stabilize people on their housing journey**
 - Ideally, preserve resources long-term.
 - Confidence is needed that there are adequate resources and flexibility to meet future service needs.
 - Rent assistance, shelter services, eviction prevention and other supportive services are critical to supporting the full housing journey spectrum.
- **Considerations for redirecting portions of income taxes for capital investments**
 - There was robust discussion about potential tradeoffs and sacrifices that could be needed if SHS revenue was used to fund both services and housing.
 - The ability to support the production of new units **and** rehab/preserve existing affordable housing is important.
 - Housing priorities: Deeply affordable, family-sized units, mixed-use units with services.
 - Pathways for affordable home ownership are needed.
 - Explore use of funds to purchase buildings and convert into PSH and/or permanently affordable units.
- **Increase data, measurement, and accountability**
 - Reduce ambiguity by clearly defining outcomes, goals, timelines and oversight.
- **Bake in flexibility into any changes to the income tax**
 - There is a need for flexibility as new data emerges about our region's needs. This flexibility should allow for the use of funds in various ways, such as responsive rent assistance or capital improvements, and should enable adjustments over time based on the resources required.
- **Mixed feedback about sunset**
 - Support for restructuring, pushing, or eliminating the sunset of SHS was matched with feedback to keep the sunset as is so that the region can work toward achieving the specific goals spelled out in SHS ballot measure, rather than presume that more time will be needed to achieve those goals.

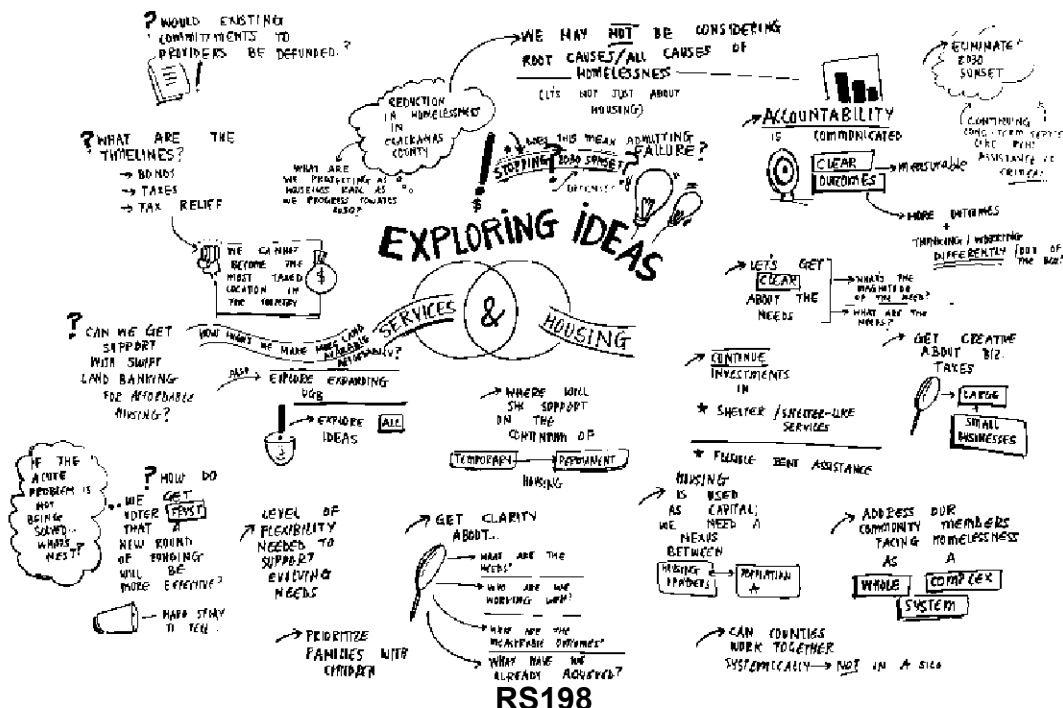
Meeting 2 Highlighted Comments:

"If you assume the houseless rate in 2031 is the same as today, **you've already admitted failure.**"

"How do we establish a clear understanding that we won't be #1 most taxed location? **Tax relief** is hugely important to these conversations."

"We've done a great job getting people in housing assistance vouchers. We'll see **houselessness** increase due to people losing those benefits."

Jivo Graphic Recording - March 20, 2024



Subtopic Meeting: Accountability & Oversight, April 30, 2024

Meeting Objective: Accountability and oversight topic focus

Meeting Context: SAT participants were invited to participate in a virtual topic-specific session about accountability and oversight. Metro staff presented current accountability and oversight structures for Metro's affordable housing bond and SHS measure, and early lessons learned. Metro also shared feedback it has heard from stakeholders of what elements are required to ensure robust accountability, such as integrated systems, demonstrated outcomes, flexibility and adaptability, and transparency.

Key Insights from SAT Participants: In small group breakout discussions, attendees provided feedback about what was working regarding accountability structures and what obstacles prevented successful accountability. Specific ideas for accountability and oversight included:

- Changes to oversight structure overall, including Metro's role, the role of existing committees, and the introduction of an independent/outside oversight role.
- Recommendation to gather broader feedback to inform accountability.
- Need for greater transparency overall.
- Changes to the Tri-County Planning Board (TCPB).
- Better and more specificity around the definitions core to SHS.
- More accountability for and acknowledgement of on-the-ground resources and lived experiences.
- Greater coordination of data and systems and the parties involved.

Subtopic Meeting: Investment Evaluation, May 1, 2024

Meeting Objective: Investment topic focus

Meeting Context: The second virtual topic-specific session focused on investment evaluation. Metro staff and its consultants provided an overview about the dynamics associated with investment in affordable units:

- Consultants from BAE presented findings from their analysis around gap financing and gap funding trends, development cost trends, and trends in financing sources. BAE also shared an overview about incentives, tools, policies and actions that could be considered to support affordable housing production.
- Consultants from Lagniappe Housing Solutions presented their study of affordable housing funding needs, based on input from stakeholders such as OHSC, NOAH, Neighborhood Partnership, Proud Ground and Habitat for Humanity. This research identified additional gaps and opportunities for Metro to consider in any investment scenario going forward.
- Consultant Erik Bagwell addressed a variety of options and considerations regarding acquisition and conversion of existing building stock to affordable units, including some of the challenges in doing so.
- Consultant Amy Boyle concluded presentations with background about the needs for preserving existing affordable housing units, to ensure the region doesn't see a decline in its existing supply.

Key Insights from SAT Participants: Following the presentations, SAT participants were invited to provide input via a digital polling tool. Common themes that emerged included:

- Strong support for both home ownership and preservation, but questions emerged about how these could be supported through Metro's work.
- Continued calls for flexibility and nimbleness, echoing previous meeting themes.
- Importance of factoring in capital investments, operating and maintenance expenses into its cost forecasts, so that buildings are ensured a longer life cycle.

Meeting 5: May 10, 2024

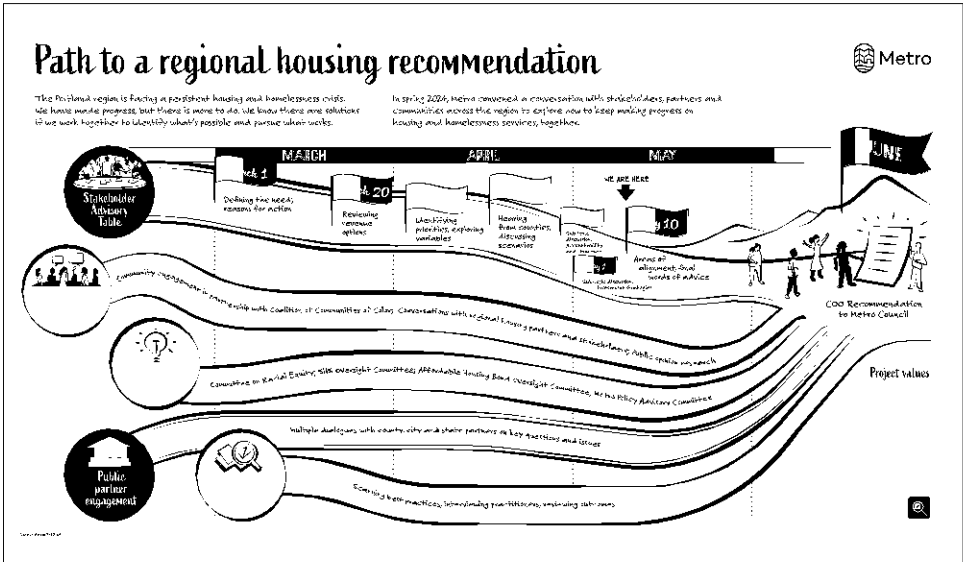
Meeting Objective: Exploring final considerations and next steps

Meeting Context: In the final SAT meeting on May 10, Metro COO Marissa Madrigal synthesized the inputs provided throughout this multi-step process: from the various SAT meetings, conversations with community members and organizations, engagement with county partners, public opinion polling, regional committees for racial equity, policy, and the SHS taxes and housing bond oversight committees (see Figure 3).

Madrigal then outlined the remaining work to be done to arrive at a recommendation to Metro Council, such as funding mechanisms, investment strategies and accountability and oversight.

Key Insights from SAT Participants: Participants were invited to provide final thoughts around what else Metro should consider in developing its recommendation, what values would be important to carry forward in future work, and what each member would carry with them as this SAT process concludes. Common themes were captured in the following visual during the meeting.

Figure 3: The multi-layered path to a regional housing recommendation



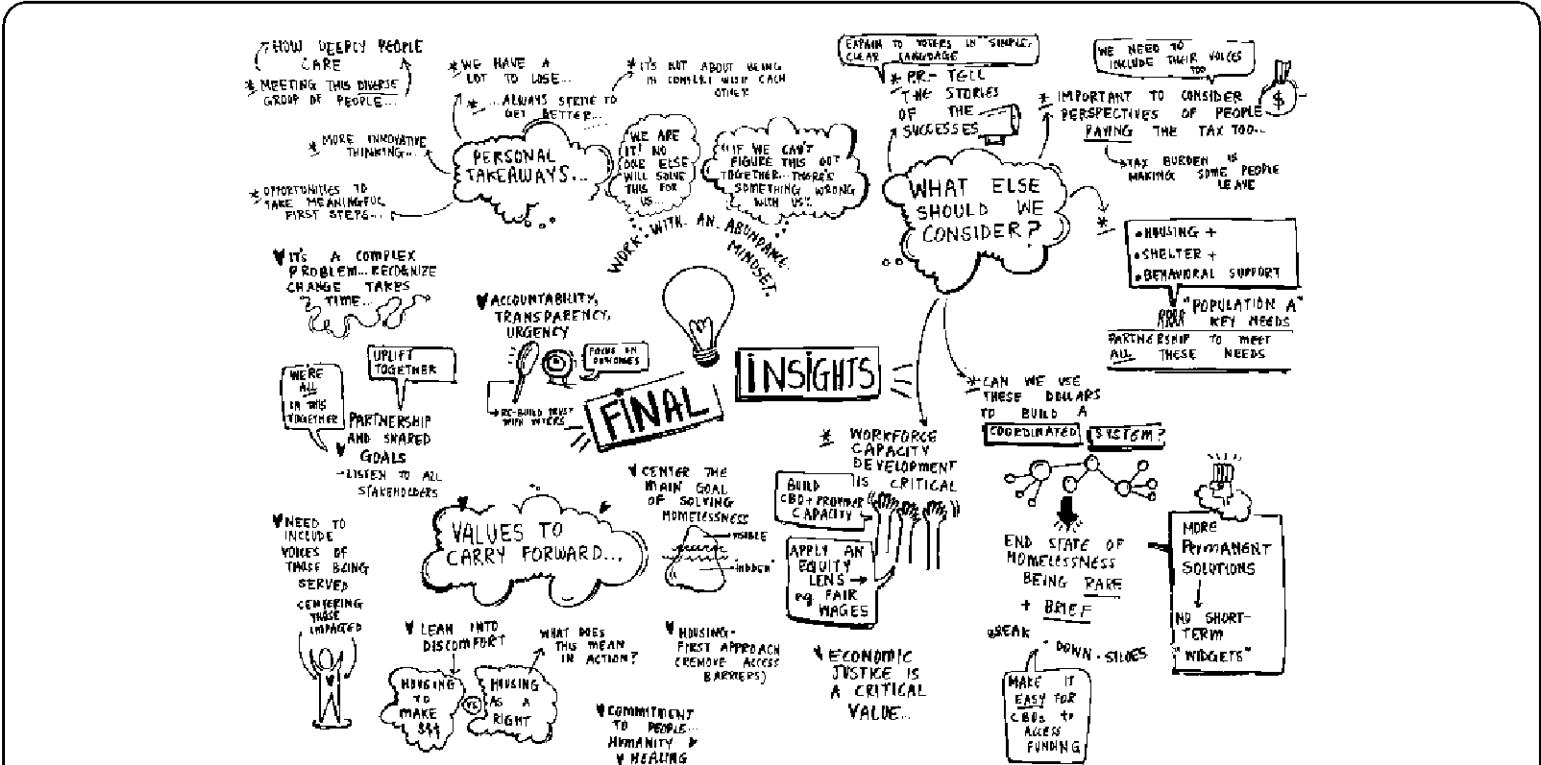
Meeting 5 Highlighted Comments:

"Homelessness is not about widgets. **This is the opportunity: to rethink how to approach it. Be bold and do that.**"

"We are it: the solution. **No one from outside will solve our needs.** We have to focus, keep building the system and stop cannibalizing each other."

"I've enjoyed every time you get with a different group in this room you realize **how deeply people care about solving this issue from all sides.** People in need are the most important. Everyone's coming from that place."

Live: Graphic Recording May 10, 2024





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Community engagement summary

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Coalition of
Communities of
Color

Community Engagement Report

Metro Affordable Housing Investments

Prepared by Jenny Lee and Marcus Mundy, Coalition of Communities of Color, July 2024

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Summary and Findings

In spring 2024, the Coalition of Communities of Color (CCC) worked with Metro to conduct community engagement sessions to inform Metro’s future housing investments. CCC partnered with some of their culturally-specific member organizations and partner organizations to conduct 12 focus groups, emphasizing communities most impacted by the housing shortage. Three focus groups with organizational staff were conducted, including CCC and the Welcome Home Coalition’s membership.

Community members continue to be impacted by the region’s affordable housing shortage, resulting in deep social impacts. Participants identified challenges and opportunities to finding and maintaining housing that were common to all focus groups and others specific to individual populations. There was an emphasis that communities are not monoliths and continued, meaningful engagement is needed to ensure that collective and individual needs and desires are met in housing development and placement, as well as supportive services. Residents support investing supportive housing resources in the development and acquisition of affordable housing while also maintaining sufficient services.

Key learnings included:

- Housing affordability remains a pressing issue for families’ well-being, including economic stability, mental health, and quality of life.
- Regulated affordable housing is very difficult to access and the supply is extremely low relative to the need.
- Both services and housing are essential for addressing homelessness and housing opportunities for low- and moderate-income households.
- More affordable housing is a long-term solution with the potential to better meet the needs and desires of households who cannot afford market rent.
- Services should not be reduced, but existing and future revenue beyond what is needed to maintain current service levels is a significant opportunity to invest in affordable housing.
- A wide range of services and assistance are needed to support housing stability for people with low and extremely low incomes.
- Community members have a wide range of ideas for types of housing, design elements, and increasing affordability, including conversion of existing residential and commercial buildings.
- Many housing desires and barriers that were identified in previous years’ engagements remain salient, particularly desires related to the location of new affordable housing,

amenities, and design features, as well as barriers around affordability and challenges maintaining housing stability.

Purpose

The purpose of this project was to:

- Better understand community members' housing desires and challenges, particularly with regard to regulated affordable housing and services.
- Hear community perspectives on potential changes to the supportive housing services measure, including relative prioritization of housing development and services, population focus, and housing strategies.
- Provide information for pathways for future civic engagement on Metro's housing work.

While Metro, other jurisdictions, and community-based organizations have extensively engaged community members on affordable housing, major decisions on future housing and services investments necessitate that we develop an understanding of current community needs and priorities, and also should position community members as stakeholders in government decision making.

Background

CCC is an alliance of 18 culturally-specific organizations. Our membership is concentrated in the Portland metro area, although our staff also conduct research and policy analysis at the state level. The full list of members can be found [here](#).

In addition to CCC's relationships with potential community engagement partners, CCC staff have participated in the implementation of both of Metro's affordable housing bond measures. Many of CCC's organizational members also provide Supportive Housing Services (SHS)-funded services and/or affordable housing. This work builds on CCC's ongoing efforts related to the development and implementation of the 2018 affordable housing bond and 2020 supportive housing services measure, as well as CCC member and partner organizations' partnerships associated with these programs.

Past Themes

In spring 2024, Metro staff summarized past themes from community engagement efforts prior to the 2018 affordable housing bond, as well as the annual reports for 2020 and 2022. Housing desires reported by community members included:

- Locating new affordable housing in places that stabilize people at risk of displacement, stabilize communities, create opportunity, and provide community benefits.
- Addressing issues of housing discrimination and equitable access.

- Advancing racial equity through workforce opportunity and access to housing.
- Creating larger housing units (3+ bedrooms).
- Creating housing for people with very low incomes.
- Providing communal spaces, laundry facilities, and disability access.
- Family-friendly design: safe places for children to play, family units close to play areas, second bathrooms in larger units, washer/dryer hookups near kitchens for easy multitasking, and other building and unit configurations that support the needs of households with children.
- Safety and security: indoor and outdoor lighting, wide-angle peepholes in exterior doors, and security cameras.
- Mitigating and planning around impacts on the surrounding neighborhood such as traffic, parking, and construction noise.

Focus Groups

CCC partnered with 9 organizations to recruit and host focus groups.

- Africa House (IRCO)
- Bienestar
- Division Midway Alliance
- Greater Middle Eastern Center (IRCO)
- Pacific Islander and Asian Family Center (IRCO)
- Slavic and Eastern European Center (IRCO)
- Street Roots
- Welcome Home Coalition
- Urban League of Portland

CCC also convened one session directly focused on Clackamas County residents to ensure geographic representation. CCC drew on its relationships through our research work in Clackamas County to recruit participants. All other organizations led recruitment for their sessions. Welcome Home's participants were primarily recruited from their Voices for Housing Justice program; Bienestar and Urban League recruited community members as well as residents of their affordable housing properties. Sessions were held primarily in April and May, with one in June.

The focus groups lasted 60 to 90 minutes depending on group size, which ranged from 9 to 24 attendees. They were conducted in English, with Bienestar conducting a community focus group in Spanish with 20 participants. Organizational staff and community members assisted with additional interpretation as needed. Focus groups were conducted by CCC staff and partners with experience in housing instability. Welcome Home conducted two focus groups, one in-person and one on Zoom to ensure accessibility for their participants.

Over 150 individuals attended the focus groups drawing from all three counties. Two were held in Washington County and one in Clackamas. Because this engagement focused on communities typically underrepresented in policymaking (communities of color and people with lived experience of housing instability), focus groups were conducted in the partner organizations' community spaces to support the comfort of participants.

124 community participants provided demographic information. Participants were informed that sharing this information was optional and would be conducted anonymously. Among those who chose to share information, 20 identified as Asian, 30 identified as Black (17 African American and nine as Black African), five identified as American Indian and Alaska Native, seven as Middle Eastern/North African, eight as Pacific Islander, 31 identified as white (20 Slavic and 11 Western European or other white), and three selected multiple racial categories. Sixty participants were immigrants or refugees. Because demographic information was optional, these numbers are significantly lower than total focus group participation. Self-reported living situations were four currently experiencing homelessness, 26 living temporarily with others or with family/friends, 15 owning their own home, and 59 renting. We did not include living or formerly living in regulated affordable housing as a demographic question but four focus groups included significant portions of people living in regulated housing.

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CCC intentionally organized the focus groups as community-only spaces to ensure that participants felt comfortable sharing all aspects of their perspectives on housing and Metro.

In addition to the focus groups, three organizationally-focused sessions were conducted: one each by CCC and Welcome Home with their member organizations, and one with Bienestar staff to gain greater insight into Spanish-speaking communities' housing experiences.

The focus group was formatted with the facilitator presenting basic information and guiding a discussion.

Community Focus Group Format and Outline

- Introduction of CCC and background on Metro government
- Purpose of the engagement
- Group introductions
- Overview of Metro's housing work and revenue

- What has been learned from previous community engagement and examples of how it has changed or influenced policy development and implementation
- Values for affordable housing investments identified in Metro's 2018 community engagement
- Group exercise thinking about what would be most important to keep someone stably housed and share out from the group.
- Information on Metro's affordable housing bond and its outcomes
- Information on the Supportive Housing Services measure and what it funds
- Group discussion for feedback on which communities to prioritize in future investments
- Group discussion of whether investments should include affordable housing, even if it meant the tradeoff of reducing the level of services for SHS
- Group exercise to identify priority areas for funding with future investments and discussion
 - Additional prompts for discussion (time permitting) included the tradeoff for the number of people helped, the amount of time it would take to implement solutions, and the permanency of the solution)
- Reflection on desires for future affordable housing investments and share out
- Discussion of reasons why our region does not have affordable housing (time permitting)
- Repeat back of key themes from the facilitator
- Discussion of desires for future community engagement (whether participants were interested in discussing housing further and how they wanted to engage with government)
- Next steps on policy development process and closing

Housing Concerns

Challenges with affordable housing track many of the findings from previous community engagements. Many concerns were shared across these diverse communities while others were more specific to communities' experiences in the region. A lack of sufficient and culturally-responsive services, as well as a lack of awareness

Regional Shortage of Affordable Housing

Housing affordability was universally recognized as a pressing problem for the region. Every focus group discussed how challenging it was to find both market rental units that they could afford and how extremely difficult it was to access regulated affordable housing. There was a widespread perception that the region was not creating enough affordable housing.

Some participants shared their beliefs on challenges to creating more housing, including more affordable housing. These included an inability to build on vacant land, neighborhood opposition to housing development, competition with homebuyers and investors (particularly those from outside of Oregon), and redevelopment of lower-cost housing into units out of reach for people with moderate incomes.

The language “affordable housing” can be ambiguous, with multiple participants noting that rent-regulated housing is not affordable to many people with low and extremely low incomes. It also does not factor in utilities, which can add substantially to renters’ cost burden.

Barriers to Housing Stability

Participants identified a gap between rising costs and income, as wages were not keeping up with rents. The limited availability of jobs and economic opportunity was perceived as a driver of housing instability. Many participants across identities reported challenges accessing existing housing, including lack of or poor credit and rental history, previous contact with the criminal legal system, and discrimination, including on the basis of perceived mental health issues. Newly arrived residents have no rental or credit history in the US, foreclosing many rental opportunities.

Many residents identified significant issues with property management, including maintenance and repairs, quick responsiveness, relationship-building with residents, and onerous enforcement of rules. Some noted high turnover in resident services staff and desired greater stability.

Impacts of Housing Instability

The consequences of the region’s shortage of affordable housing include frequently changing schools for children, and serious mental health strain.

The lack of affordable homes also deeply impacts economic opportunity. Residents of affordable housing seeking to develop professionally, increase their earnings, or start their own business are concerned that they will be “penalized” by losing their rent-regulated units as they exceed income requirements. Residents indicated that affordable housing should be for those in greatest need, but a transition period and plan for households with increased earnings would help them prepare to afford market-rate rents. Young people may also forego employment opportunities because their earnings are included in the household income, “trap[ping] people in poverty” where multiple generations are unable to advance economically without putting their homes at risk.

Immigrant and Refugee Communities’ Housing Challenges

Many people, even those connected with community-based organizations, are not aware of these resources or have been unable to access them. Larger units are needed to accommodate families and avoid overcrowding. Even market-rate multifamily rentals do not meet this need. Refugee resettlement funds last only three months and asylum seekers receive no funds.

Particularly for these communities, there are deeply disruptive and challenging living situations for people temporarily living with family or friends. Communities repeatedly shared that they would do whatever possible to ensure someone has a home. However, the instance of

“doubling” up can be severe. This has even resulted in parents being separated from their children to find a workable solution. Occupancy that exceeds the lease agreement also puts tenants at risk of eviction, exacerbating the cycle. The severity of these situations, including the attendant trauma, suggests that specific housing situations are urgently needed for newly arrived community members.

Trauma can also play a role in emergency responses to homelessness: for a refugee, a congregate shelter may be associated with locations such as refugee camps and cause trauma. As a result, congregate shelters felt fundamentally inaccessible to those experiencing PTSD. For location, many desire to live in areas with communities they identify with and access to culturally specific resources; for example, the Middle Eastern focus group had a very clear sense of preferred towns and areas based on the communities present there.

“Homelessness” had an expansive definition for participants to include doubling up. “From a culturally-specific perspective, many people have never had their own homes” even though they are not considered homeless, and they are thus unable to receive resources.

Housing Desires

Participants want the ability to stay long-term in a home and community, but also new housing opportunities that allow for economic opportunity, such as taking a new job, or living in a home with more amenities and space.

One participant shared that “people want to be in a place that best serves them” and indicated geographic flexibility, and that they would be open to living in affordable housing properties throughout the region if they best met their other housing desires.

Design Input

Some suggestions on design and unit type demonstrated an appreciation for diverse types of housing. Community members indicated a wide range of preferences and concepts for housing, particularly dependent on family configurations and different generations.

Design suggestions included more “closed” plans, particularly separation between the kitchen and living areas, and privacy for intergenerational households (e.g., adults’ bedrooms not immediately adjacent to each other. While it’s widely understood that intergenerational living or living with family members is common in many cultures and highly valued, participants also raised issues that they would like to have options (e.g., grandparents having a home of their own) and were particularly concerned that young people were unable to move out of their homes. Communities are not a monolith and while the lack of larger units is causing serious housing instability, desires are diverse and not assumed (e.g., advertising available units should reach all communities).

Some community members expressed that in other countries, more communal spaces are common and helped build community among residents, or even suites with shared living rooms

and kitchens with separate bedrooms. Shared spaces may be even more desirable if they offer additional amenities that residents would not otherwise have in their units. Furthering this theme, some suggested shared housing, particularly for immigrant and refugee communities with extended family and social relationships, or single individuals, particularly younger and older adults. Other participants mentioned their strong preference for individual units with bathrooms and kitchens. Community members desire choices in where they live and culturally-appropriate strategies.

Unit Features

Some feedback directly referenced climate change, both reducing the environmental impact of housing as well as resilience to climate change. Common desires included air conditioning and ventilation in the face of rising temperatures, adequate space, sustainable features such as renewable energy sources, durable construction, and greenspaces that would help cool units.

Units need to be physically accessible, with a preference for ground floor units available to those with reduced mobility.

Soundproofing would improve residents' quality of life, particularly for those who work night shifts, and improve relationships among neighbors. Households with young children could be prioritized for ground floor units to reduce noise.

Units should be designed to a quality comparable with market units; one group noted that this was a matter of equity and their community ought to have the same quality of housing as others.

Types of Housing

Participants expressed a very wide range of preferences and/or openness, as well as distaste, for different types of housing.

Two-floor rowhouses were perceived as a balance between density and privacy. While homeownership was raised in the context of unaffordability, participants broadly did not express opposition to multifamily housing or density so long as units were high quality, had adequate space, had desired amenities, and community was built among neighbors. Others expressed that some households may not need much space and that tiny houses and clustered villages could be long-term or temporary housing solutions. By contrast, some felt these spaces could be overcrowded, lack privacy, lead to conflict with neighbors, result in economic segregation, and cause strain for people with disabilities or are neurodivergent. This range of preferences indicates the need for housing abundance, multiple types of housing, choice for potential residents, and creativity in our housing policy.

Location

In addition to access to services, participants indicated flexibility about where they want to live, with less of a focus on specific geography or city but a strong desire for locations that provide

economic opportunities, amenities, and access to transportation. Participants noted that the centralization of services would reduce the strain of accessing services regardless of the area where housing is located. Desired location features included proximity to bus lines, with many residents commuting to work via bus; parks; child care; grocery stores; and health services.

Safety

A number of residents in multifamily homes stated that they would feel most secure if access to the building was limited to residents and accompanied guests through locked buildings and gates. Others suggested a greater presence of staff on site, both property and resident services staff as well as designated security staff, and increased lighting. Some residents feel uncertain about safety in their community and are concerned by inconsistencies in responses to safety issues.

Additional Services and Amenities

Other themes consistent with past engagement included:

- Awareness and increased outreach for affordable housing (e.g., public forums)
- Accessibility for people with physical, psychiatric, or intellectual disabilities
- Access to green spaces and parks, including secure areas for children to play and space for animals
- Adequate on-site bike and vehicle parking
- Community spaces on-site, including spaces where families and community members can spend unstructured time together and children can play, particularly during rainy seasons
- Activities to build community and relationships among residents
- Services
 - Case management and navigation services
 - Childcare on-site
 - Senior services
 - Food pantries

Feedback

We sought specific feedback on two key components of potential housing investments: (1) which populations should be prioritized and (2) how the funds should be spent, both on services as well as affordable housing.

Population Focus

Many people of color experiencing homelessness are missed. Focus groups were structured to focus on housing opportunities, identify issues and desires, and then incorporate discussions about housing investments, including how to spend limited existing resources designed to create housing stability. In particular, communities of color, immigrants, and refugees emphasized that homelessness existed in different ways, and while people may not be living

outside, there was an increasing risk that they would become unsheltered and experience lasting trauma and instability as a result.

CCC also emphasized housing because past public opinion research CCC has commissioned indicates many people make a connection between mental health and substance use disorders and chronic homelessness. By opening up the conversation around housing needs broadly, we aimed to generate feedback that was grounded in community housing needs and then segued to policy discussions.

Spending Resources

Others noted that rent is so high that income levels exclude many people struggling to make ends meet but not eligible for regulated housing. While the acuity of need for people experiencing unsheltered homelessness was apparent, community members often felt that others were seriously struggling and would be at risk of homelessness in the future. Distinctions in types of homelessness—whether doubled up, in emergency shelter, or unsheltered—and causes, including economic hardship, illness, language and cultural barriers, and challenges facing new arrivals require specific, appropriate approaches from service providers.

Participants were concerned about housing across generations, and mentioned older adults who were forced to return to work because they could not afford rent on Social Security income, and young adults who could not establish their own households.

Use of Funds

Uncertainty about the amount of funding and how it would impact services were raised as two of the greatest concerns. Reducing funds to existing programs was of particular concern.

Many participants were aware of lengthy waiting lists for affordable housing and expressed a sense of desperation in their communities.

However, community members were deeply concerned about cuts to existing services and recognized them as essential for housing stability. Enthusiasm for spending on affordable housing was based on the idea that current services would be maintained. While participants recognized there were many necessary services, most felt that funds beyond existing SHS services would be well spent on creating affordable housing. When explicitly asked about the tradeoffs, such as serving fewer people or the length of time to create housing, participants felt that housing was a long-term solution worthy of investment. Participants expressed concerns about “falling further behind” with the number of affordable units and a sense that the situation would not get better without investments.

Participants recognized that public funds are limited and need to be used efficiently and generated ideas on how to reduce costs while creating more affordable housing.

Community Engagement

Focus group participants indicated that they were interested in continued discussion on affordable housing, including policymaking, and engaging directly with government. CCC conducted the focus groups independently without Metro staff presence to create community-centered spaces. In the past, CCC has conducted focus groups in direct partnership with government agencies. We specifically asked if participants were interested in hearing directly from government and sharing their perspectives with them, and virtually all focus groups indicated a strong interest with an emphasis on government coming to community spaces with trusted partners. However, we also received important feedback that the presence of government partners or political leaders can shift discussion toward other pressing issues and concerns that community members are facing and create barriers to discussing specific policy topics.

Presentations and community engagement sessions should be carefully constructed with a trauma-informed approach, clarity for participants on the purpose of engagement, resources available to respond to specific community concerns (e.g., a “cheat sheet” with a directory of community resources), and partnerships with CBOs, including physically hosting events and having staff and community leaders inform the presentation.

Community members had little familiarity with the SHS measure and many were unaware that it was providing rent assistance. They wanted to understand how funds were being spent and questioned whether it was reaching community members since they were unaware of anyone receiving it and did not know how to access it.

Policy Solutions

Prioritization of Resources

Participants consistently believed that creating new regulated affordable housing with public investments was essential to addressing the problem long-term. No opposition to market development was specifically raised, beyond concerns that *only* market-rate housing was being built; however, every focus group reached a clear consensus that housing needs were not being currently met with high market rents, and the risk of rising rents meant regulated affordable housing was a critical solution. Wages will not rise quickly enough to keep up the cost of housing, so permanently affordable housing is seen as a longer-term solution. “Without creating more regulated affordable housing, the situation will only get worse.”

Community members brought up a number of housing solutions in the context of public policy. Participants observed or had heard of vacant units and felt those were a cost-efficient and rapid way to create affordable housing. They also noticed newly-built market housing but did not hear about any significant quantities of new affordable housing creation. When asked directly, participants understood that there are currently limited revenues for housing and services.

Housing Strategies

Down payment assistance was named as a solution to help families transition out of affordable rental housing. Even for those who saved enough for a down payment, families are concerned about long-term stability—all of their savings have been spent on a down payment. And with hefty mortgages, they fear that any emergency or job loss could put them at risk of losing their home. Habitat for Humanity was mentioned as a potential model for increasing homeownership; condos instead of single-family homes were suggested as a more affordable option.

The wide range of desires about housing types discussed above—everything from shared homes to apartment clusters to townhouses and single-family units—demonstrates the need for a diverse and abundant housing supply that offers community members meaningful choices.

Conversion to Regulated Affordable Housing

Acquisition of existing housing was repeatedly identified as a quicker solution to housing, especially among focus groups who discussed the use of the Metro bond in more detail. There was also a perception that this would also reduce costs and that a significant number of vacant units exist.

It should be noted however that multifamily units over three bedrooms exist in very limited numbers, so these may require new development to meet the needs of extremely low income larger families.

One participant raised the concern that public investments in vouchers to private landlords did not provide any lasting benefit beyond housing, and that focusing on affordable housing would have a lasting social impact.

Some participants were very knowledgeable about specific housing strategies for investments, or similar concepts for housing strategies. Community land trusts arose as a way to use public investments that preserved long-term affordability and directly benefited the occupants as they built equity, in contrast to vouchers. Partnerships to acquire government-owned land and incentives for private property owners, such as tax breaks, who may be willing to sell at a reduced rate to create affordable housing were two cost-saving solutions. Adapting unused retail and commercial space for housing could also bring environmental benefits through density and reducing the need to build entirely new buildings. Accessory dwelling units and increased density, including homeowners building on existing residential properties, were also named.

Additional ideas for physically redesigning spaces and increasing housing included reducing parking or moving it underground to increase housing units.

Services and Resources

In addition to on-site services and amenities for affordable housing, participants and organizational staff identified a wide range of additional programs and supports that were needed for long-term success.

Services and resources for low-income community members included:

- Rent assistance, including increased assistance for people with significant health problems and disabilities
- Case management involving a broad array of services
- Help finding and moving into housing, including financial assistance for application fees, deposits, first/last months' rent, and move-in costs
- Culturally appropriate emergency services and shelters for those without any housing, including newly arrived residents, and family shelter options
- Culturally appropriate emergency shelters during extreme weather
- Workforce development to increase income
- Asset-building programs to build wealth and create future housing opportunities
- Eviction prevention programs
- Tenant rights' education, particularly for new arrivals unfamiliar with Oregon's landlord-tenant law (e.g., health and safety violations, repairs, notice for rent increases), offered in multiple languages
- Guidance for residents to understand leases and requirements for the building to prevent lease violations and increase stability in the community
- 24/7 support to stabilize people in crisis or facing conflict

Programs and services, including government, need to be multilingual and mainstream providers need to offer culturally-appropriate/responsive resources. This was emphasized throughout feedback across focus groups.

Participants expressed challenges finding housing assistance, sometimes even if they were connected to service providers, and multiple suggested a registry of units available for rent with information on accessibility of the units. Some participants in regulated affordable housing shared that they had struggled to receive reasonable accommodations and that financial support to housing providers could help make this more possible.

People might be having an episode that is brief, in the moment, because they are on substance in the moment and they should not lose their apartment over it. We need more peer support specialists to support people.

Young adults and individuals without families may qualify for fewer forms of assistance than families with children, making it difficult for them to begin living independently or reach economic stability.

Residents of affordable housing who are seeking to develop professionally, increase their earnings, or start their own business are concerned that they will be "penalized" by losing their rent-regulated units as they exceed income requirements. Residents indicated that affordable housing should be for those in greatest need, but a transition period and plan for households with increased earnings would help them prepare to afford market rate rents.

Additional Housing Policies and Needs

Community members identified additional housing policy responses that fall outside of Metro's housing investments, including rent control, taxes on vacant units to encourage rentals in existing housing inventory, and fees and regulations for new investment properties.

Findings

A review of focus group and organizational discussions are summarized in the following themes:

- Housing affordability remains a pressing issue for families' wellbeing, including economic stability, mental health, and quality of life.
- Regulated affordable housing is very difficult to access and the supply is extremely low relative to the need.
- Both services and housing are essential for addressing homelessness and housing opportunity for low- and moderate-income households.
- More affordable housing is a long-term solution with the potential to better meet the needs and desires of households who cannot afford market rent.
- Services should not be reduced, but existing and future revenue beyond what is needed to maintain current services levels is a significant opportunity to invest in affordable housing.
- A wide range of services and assistance are needed to support housing stability for people with low and extremely low incomes.
- Community members have a broad range of ideas for types of housing, design elements, and increasing affordability, including conversion of existing residential and commercial buildings.
- Many housing desires and barriers that were identified in previous years' engagements remain salient, particularly desires related to the location of new affordable housing, amenities, and design features, and barriers around affordability and challenges maintaining housing stability.

Organizational discussions

Both CCC and the Welcome Home Coalition convened their members to discuss Metro's housing investments, identifying community needs as well as policy input. These conversations used a different set of questions directly discussing needs for affordable housing investments and SHS since organizations were familiar with these programs, and many either provided services or housing or directly interacted with services and housing providers.

At the basic level, implementation is key. Organizations consistently felt that there were acute needs across the communities that they serve. Organizations represented a range of policy perspectives, with some feeling that the urgency of housing people currently experiencing homelessness, even if a temporary solution, may be more of a priority than affordable housing due to the amount of time it would take for development. Additionally, resource constraints mean

fewer people will live in permanently affordable homes relative to those who could receive long-term rent assistance.

Key topics raised included:

- Services
 - The need for services funded by SHS, particularly rent assistance, were not being met and client demand exceeds available rent assistance
 - Wraparound and supportive services are essential for housing stability, both in transitioning into housing and retention
 - Recovery services will be ineffective if there is no housing available after completion of services
- Rent Assistance
 - Rent assistance is needed for affordable housing properties since many tenants are not able to afford even the regulated rent
 - Project-based rent assistance vouchers could support development if the timeline were extended
 - People with the highest barriers could not find units on the market, even with rent assistance; their needs would be better met by a mission-driven housing provider
 - Rent assistance for market units benefits the landlord and does not provide lasting affordable housing infrastructure or community benefit; rents will continue to rise and rent assistance vouchers will have to keep increasing versus affordable housing providers with regulated rents
- Housing Development
 - The 2018 bond was very successful in helping providers develop units
 - Capital use of SHS dollars could increase flexibility, and extending SHS now would enable affordable housing development; the current sunset is too short to benefit affordable housing development
 - Reduced local investment would pose a significant barrier to affordable housing development, especially as conditions have changed since the last housing bond (e.g., availability of financing, cost of construction)
 - Preservation of existing affordable housing needs to be a priority (asset management)
 - Counties should invest more money in housing stability (e.g., rent assistance) than emergency shelters
- Policy and Governances
 - Any policy changes require careful consideration and support for proposals is dependent on the program design--these questions are at a conceptual level rather than an analytical one
 - Lack of clarity around whether SHS is meeting its goals
 - Current governing bodies could be streamlined or better supported to increase efficacy

It was also noted that the SHS program was scheduled to end and providers faced a cliff; this challenge is more concerning than how the funds are used. The concept of “surplus” revenue

was not an accurate frame and new sources of revenue would be needed soon to better meet the need. Some participants felt that the current structure did not require a tradeoff and that there was enough money to fund both. Others felt that all of the projected SHS funds were needed to meet the need for rent assistance and supportive services, or that we should increase revenue so that we would be able to fully meet the need for services and also fund housing creation.

The groups also raised political concerns (changing the use of money intended for services; political viability; interest in another funding source in the future). One member expressed concern about changing a voter-approved measure when the intent of the SHS measure—ending chronic homelessness—had not yet been achieved and that many vulnerable individuals were experiencing unsheltered homelessness and that moving them quickly into housing using rent assistance would be the best use of funds.

Ongoing Work

Next Steps

As with all community engagement, it is essential that participants are informed up front about how their perspectives will be used and also updated and informed on how this will be used. CCC also believes community engagement should, whenever possible and appropriate, provide pathways for civic engagement in public processes. This report will be shared with community participants who provided their contact information. We have committed to informing participants about Metro's actions related to housing investments and opportunities for direct engagement, including written and oral comment at public hearings or emails to elected officials. If Metro does refer a measure at some point, CCC will independently update participants on the measure and the ultimate outcome as part of our commitment to community members as valued, full participants in policymaking.

Areas for further exploration include more specific conversations on permanent supportive housing and the communities' understanding of affordable housing as a solution to homelessness. Past public opinion research conducted by CCC in partnership with Topos indicated that community members make the connection, but that when discussing affordable housing, individuals currently living in housing tended to think more about how housing affordability impacted them or friends and family personally. To that end, we suggest the following approach to future community engagement sessions:

- Ground participants in the specific types of housing that serve as a solution to chronic homelessness such as permanent supportive housing,
- Provide education on how homelessness is defined, who is impacted, and causes and solutions to homelessness
- Understanding of existing SHS programs, including the structure of the program, its activities and outcomes, and revenue allocation

Priorities for Future Engagement

Metro must continue deeper community engagement if they consider future investments in affordable housing. Most importantly, Metro must work with more individuals who have lived experience of homelessness or severe housing instability, people receiving or seeking services funded by SHS or similar social services, extremely low-income people living in affordable housing, and people with physical and psychiatric disabilities. Within these categories, Metro and partners should apply a racial equity lens for engagement in partnerships. Metro must support these community members—who will be the most impacted by decisions related to SHS or housing investments—in meaningfully shaping decisions related to SHS or housing investments. To truly bring these community members into policymaking and feedback will take significant time and effort to bring together key partner organizations and support to hear from folks with lived experience. These individuals provide critical insight and need to be robustly represented in stakeholder conversations.

Throughout any public processes, Metro should engage both with partners but also create opportunities for community members to directly hear from decisionmakers at Metro, including council members and staff leadership, and share their perspectives.

Public opinion research summary

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TO Metro

FROM Dave Metz and Miranda Everitt
FM3 Research

RE: Metro Housing Funding Opinion Research Summary

DATE July 24, 2024

Fairbank, Maslin, Maullin, Metz & Associates (FM3) have completed three rounds of opinion research¹ exploring the views of voters in the Metro service area when it comes to extending funding for housing and homelessness – two issues that area voters feel are most serious in Clackamas, Multnomah and Washington counties. Through these rounds of research, we have consistently found that voters look favorably on the opportunity to continue to fund supportive housing services, and to allow flexibility to apply revenue from the tax on high-income households and large businesses to fund the creation, acquisition and preservation of affordable housing as well.

Key findings of the surveys include:

- **Voters are in a negative mood.** Figure 1 shows that majorities of voters in the region have consistently felt that the area is “on the wrong track” – though that view has moderated slightly in the last few months.

Figure 1: View of the Direction of the Region

Response	Nov. 2023	May 2024	June 2024
Right Direction	26%	27%	27%
Wrong Track	64%	63%	58%
Don’t Know	9%	11%	15%

- **They have negative views of local and regional government.** Figure 2 on the next page shows that views of city and county governments and Metro are not especially favorable. While Metro and County governments were seen slightly more positively than city governments regionwide in November 2023, the three levels of government are now essentially all receiving the same ratings – which seem to have deteriorated somewhat since the May 2024 primary election.

¹ **Methodology:** From November 25-29, 2023, FM3 completed 800 interviews, yielding a margin of sampling error for the study is +/-3.5% at the 95% confidence level. From May 2-7, 2024, FM3 completed 645 interviews for an overall margin of sampling error of +/-4.0%. From June 18-20 and 27-30, 2024, FM3 completed 806 interviews for a margin of sampling error of is +/-3.5%. Margins of error for subsamples will be higher in each case. All surveys were completed by phone (cell and landline) and text-to-web among likely November 2024 voters in the Metro service territory. Due to rounding, not all totals will sum to 100%.

Figure 2: Favorability Ratings for Local and Regional Government
(Total Favorable / Total Unfavorable)

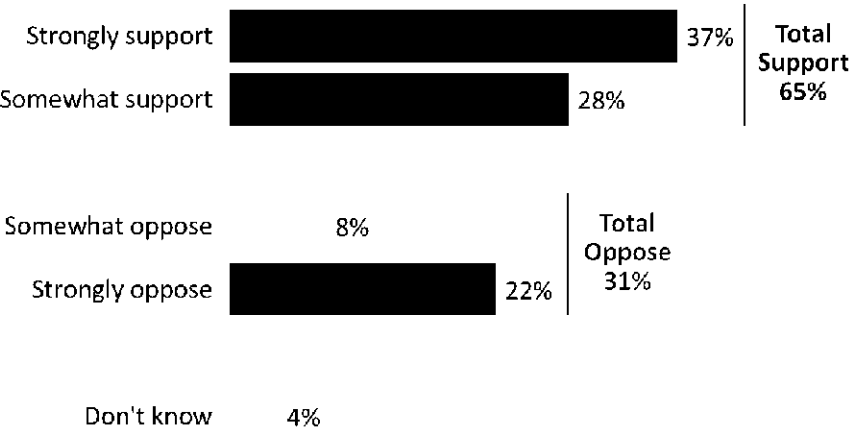
Organization	Nov. 2023	May 2024	June 2024
Your County government	43% / 47%	40% / 49%	35% / 55%
Your City government	36% / 54%	36% / 57%	31% / 62%
Metro	44% / 37%	40% / 37%	31% / 61%

- **Homelessness and housing costs remain urgent concerns.** Homelessness remains a near-universally shared concern among the region’s voters, with 91% in the most-recent poll saying it is an “extremely serious” or “very serious” problem for the region – and 79% saying the same for the cost of housing. Doing nothing is not a viable option for most voters: in a November 2023 voter survey, just 30% of voters preferred an option of ending regional investments in affordable housing as the 2018 Metro Housing Bond winds down its spending.
- **More than three in five support extending the supportive housing services tax to provide revenue for affordable housing while continuing to provide services for people who are homeless.** Figure 3 below shows the conceptual explanation of the policy change from the November 2023 voter survey. Nearly two-thirds (65%) support the idea, and 37% “strongly support” it. In the May 2024 survey, a similar question yielded support from 62% (and 37% “strong support”).

Figure 3: Support for Extending the Tax and Pairing Housing and Services

Now let me tell you a little bit more about the potential approach to use a portion of this existing tax to build additional affordable housing in the Portland region. Currently, this tax is bringing in additional revenue beyond what is needed to pay for the supportive services it funds. Some people have suggested using this additional revenue to build affordable housing, and also extending the amount of the time that the tax is in place in order beyond a scheduled expiration in 2030 to generate more revenue for housing. This approach would NOT increase tax rates on anyone, but would make it possible to build as many as 5,200 additional units of affordable housing in the region. Knowing this, would you support or oppose this approach?

(November 2023 Survey)



- **With the right ballot measure language, support matches the three-in-five backing we have previously seen for the concept.** The June survey tested a range of potential titles and captions to evaluate differences. This poll showed that with a title and caption that makes it clear that the proposal would reauthorize a current funding source without increasing tax rates; strengthen accountability; and provide affordable housing and services for people experiencing homelessness, 62% support a measure – with nearly four in five (38%) saying they would “definitely” vote yes.
- **Voters value pairing affordable housing and services.** Voters’ top priorities for funding include maintaining existing affordable rental housing as well as building new affordable rental housing and housing that can be paired with services for people who have experienced long-term homelessness.
- **Enhanced oversight is a critical component.** Our research also examined potential accountability provisions. We saw broad interest in improving accountability, with stricter oversight of plans, spending and outcomes supported by 84% of voters. In addition, voters are concerned about the independence of oversight, with 80% supporting an oversight committee made up of experts and stakeholders who do not receive funding from the program.

Figure 4: Support for Potential Measure Accountability Elements

Provision	Total Support	Total Oppose	Don’t Know
Increasing oversight of county governments’ plans, spending, and outcomes	84%	11%	5%
Requiring stricter oversight of funding by a committee made up of housing, services and finance experts and stakeholders from across the greater Portland region who do <u>not</u> receive funding from the program	80%	12%	8%

In sum, Metro voters clearly see homelessness and the cost of housing as key issues facing their region – and these issues remain fundamental drivers of their overall negative mood. Given the choice between further regional investment in affordable housing and supportive services, or ending Metro investments, they overwhelmingly choose to continue investing in these priorities. Voters are broadly supportive of extending the tax on high earners and large businesses to fund affordable housing as well as supportive services, especially with the inclusion of strong accountability and oversight structures.

IN CONSIDERATION OF RESOLUTION NO. 24-5436, FOR THE PURPOSE OF
ESTABLISHING THE METRO COUNCIL'S PRIORITIES FOR AN INTEGRATED AND
EXPANDED REGIONAL SUPPORTIVE HOUSING SERVICES AND AFFORDABLE
HOUSING PROGRAM

Date: Oct. 10, 2024
Department: Metro Council President,
Office of the Chief Operating Officer
Council Meeting Date: Oct. 17, 2024

Presenters: Council President Lynn
Peterson (she/her), Chief Operating
Officer Marissa Madrigal (she/her/ella)

Length: 90 minutes

Prepared by: Craig Beebe,
craig.beebe@oregonmetro.gov

ISSUE STATEMENT

Following months of stakeholder, community and partner engagement, the Metro Council will establish its priorities for integrated and expanded regional investments and oversight to address homelessness and affordable housing need.

ACTION REQUESTED

Approve Resolution 24-5436, which:

- Establishes the Metro Council's principles for an integrated and expanded regional Supportive Housing Services (SHS) and affordable housing program
- Directs staff to prepare for Council discussion a package of policy changes to implement this program
- States the Metro Council's desires for oversight and governance of this program through the creation of single oversight body
- Provides direction on the development of a potential ballot measure to advance Council's priorities
- Reiterates the Metro Council's direction to staff to work with partners at all levels of government and community to address the full range of housing and homelessness needs in the region.

IDENTIFIED POLICY OUTCOMES

As described in the resolution, these include the following principles for an integrated and expanded regional supportive housing and affordable housing program:

- a. That the program be founded on a truly regional plan that builds toward regional outcomes – including ensuring homelessness is rare, brief and nonrecurring, and that affordable housing need continues to be met, with a focus on families and individuals experiencing chronic homelessness or who are at greatest risk of experiencing homelessness.
- b. That the program include flexibility and predictability to address a full range of supportive housing services and affordable housing needs, for the long term.

- c. That the program connect to and leverage the full regional context of systems, funding, partnerships and solutions working to address homelessness and affordable housing need.
- d. That the program consider homelessness and affordable housing need in broader regional context, including but not limited to regional livability, racial equity, economic development, the environment and climate resilient communities.
- e. That the program ensure accountability in oversight, transparency in investments, and effective communication with the public.
- f. That the program support a culture of learning from what works as well as where there are challenges that need to be addressed.
- g. That the program be responsive and explicit about how the people of the region can expect to be served, wherever and however they experience the homelessness and affordable housing crisis – for example, a person experiencing homelessness or housing instability, a concerned community member, a housing or service provider, a business owner, or a visitor to the region.

POLICY QUESTION(S)

- Does the Resolution reflect Council's desires and priorities as expressed through several work session discussions, as well as priorities and input heard from stakeholders, partners and community?
- What additional information is needed for future decision-making?

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

The proposed resolution has been developed by Council President Peterson and staff with the intent of reflecting priorities heard from stakeholders, coalitions, partners and the community during the development of the Chief Operating Officer's Recommendation released in July, as well as in the months since.

Stakeholder engagement

A wide variety of stakeholders and partner have been engaged in these discussions, including:

- Stakeholder Advisory Table appointed by COO Madrigal at the direction of Council, which met from March to June 2024
- Community discussions led by Coalition of Communities of Color through a partnership with Metro
- Engagement with housing practitioners and subject matter experts
- Discussions at meetings of the Committee on Racial Equity, MPAC, SHS Oversight Committee, Bond Oversight Committee, and Tri-County Planning Body
- public opinion research
- repeated engagement/discussions with county and city partners, coalitions and other stakeholders.

Known Support/Opposition

Staff are aware of discussions among external coalition partners who have participated throughout this process. Staff's understanding is that these partners are prepared to support the Metro Council in advancing reforms to ensure long-term funding and improved, integrated regional governance of supportive services and affordable housing investments and outcomes.

Public opinion research has indicated general voter support for expanding SHS allowable uses to include affordable housing and for extending the 2030 sunset of these taxes, paired with meaningful improvement of regional governance, oversight and accountability mechanisms. Although May 2025 is discussed in the COO Recommendation as the proposed timing of a ballot measure to enact these and potentially other changes, additional public opinion research is needed in late 2024 before staff can confidently recommend the viability or content of such a measure.

There are likely to be stakeholders who are concerned about or opposed to proposed changes to current SHS and/or affordable housing investment programs, for a variety of reasons. It is recommended that Council and staff continue engaging with these parties prior to final adoption of a policy package and/or referral of a measure to voters, in order to build as much support and consensus as possible.

Legal Antecedents

A final policy package stemming from Council's adoption of this Resolution would build from and affect a number of legal antecedents adopted by the Metro Council to implement Measure 26-199 (the Metro Affordable Housing Bond) and Measure 26-210 (Supportive Housing Services). A complete list will be included in a staff report for a final recommended legislative package.

Anticipated Effects

Adoption will kick off a final period of policy development framed by Council's adopted priorities and stipulations in the Resolution. This will include several topical Council work sessions in October, November and December; further engagement with external stakeholders and public partners; and stakeholder outreach. A proposed schedule will be developed for Council approval.

Per the resolution's direction, staff will also work with contractors and stakeholders to explore and make recommendations about the viability, composition and timing of a potential ballot measure.

Financial Implications (current year and ongoing)

Passage of this resolution does not have significant immediate financial implications. Included in upcoming work session conversations will be discussion of financial implications of policy options for SHS taxes, allowable uses, and allocations, as well as oversight.

POLICY OPTIONS TO CONSIDER

The Metro Council has several options for advancing its priorities. These include but are not limited to the following.

At this meeting:

- Adopt Resolution 24-5436 as-is, consider amendments and/or direct staff to make changes for future consideration.

Future:

- Formally adopt, via resolution and/or ordinance, a package of policies to advance Council's desires.
- Consider referral of a ballot measure to the region's voters.

BACKGROUND

On July 9, 2024, Metro COO Madrigal released recommendations ("COO Recommendation") to the Metro Council, to address a number of challenges and needs in how the region addresses housing affordability and homelessness. These included, but were not limited to, a looming gap in regional affordable housing funding, the 2030 sunset of the Supportive Housing Services (SHS) taxes, and widespread input that the region must improve how it strategizes, funds, implements, tracks and oversees housing and SHS investments. The COO Recommendation followed six months of engagement with the stakeholder advisory table, jurisdictional partners, housing and service providers, and community members.

Since the release of the COO Recommendation and subsequent Metro Council work sessions, Council President Peterson has engaged in repeated conversations with county and city leadership, as well as key organizational advocates in regional housing/homelessness and business. These conversations have explored potential areas of agreement, as well as understanding concerns and needs for the future.

The COO Recommendation includes a range of broad and specific actions to continue sustainable funding for affordable housing and supportive housing services, and to improve accountability and impact of these investments to continue addressing the homelessness and housing crisis in the greater Portland region.

The Metro Council has discussed the COO Recommendation, ongoing stakeholder engagement and Councilor priorities at several work sessions and regular meetings, including July 9, July 25, August 1, September 24 and October 3.

ATTACHMENTS

- Resolution No. 24-5436
- Exhibit A: COO Recommendation: Future of regional housing funding

From: [Lisa Batey](#)
To: [Scott Stauffer](#)
Cc: [Justin Gericke](#); [Emma Sagor](#)
Subject: remainder of notes from LOC conference
Date: Thursday, October 31, 2024 7:15:00 PM
Attachments: [LOC report -- Redmond downtownURA walking tour.msg](#)
[LOC legislative priorities for 2025-26 -- and new officers.msg](#)

Scott: please place in packet for Nov 5. I think this is my last set of notes for this packet.

All:

I previously distributed notes about the tour of downtown Redmond that I took, and about LOC's legislative agenda. I am attaching both of those here in order to have a complete record in one place (and in the packet). On the legislative agenda, the updated page on the LOC website is here: [2025-2026 Legislative Priorities Approved :: League of Oregon Cities \(orcities.org\)](#)

I wanted to share a smattering of other items from the conference.

The first morning, for me, was the Oregon Mayors Association meeting. The OMA Board (and apparently many counties and cities) was agitated about the FEMA Biological Opinion (BiOP) that requires further protections around floodplains for purposes of qualifying for the National Flood Insurance Program. I will not get into detail about that here, as we'll have an opportunity to dive into it more when we discuss the natural resources code updates at an upcoming meeting.

There was a discussion of what mayors found more and less valuable from OMA, and it was noted that budget constraints have led to cut backs of trainings and mentoring programs. The incoming President of the OMA is Mayor Henry Balensifer from Warrenton, who I have seen in several meetings now and am impressed by. There was then a panel discussion about building relationships with constituents and with state/fed/special district partners. A couple of noteworthy pieces:

- Portland Mayor Ted Wheeler was there and gave a bit of a pep talk about how mayors/cities are where the rubber meets the road, and how we get left having to place bandaids on problems created "upstream." I have only seen Wheeler twice at LOC or OMA meetings, but maybe he has more time these days. . .
- I also learned that Independence, which has a riverside park with amphitheater (both much bigger than Milwaukie Bay Park) had jump-started that project with some help from the National Guard in doing the earth-moving. Apparently that fit in with training needs of the National Guard. I shared that with Emma and Peter previously. For more on their park project see [Riverview Park - City of Independence](#) and [HW Independence web.pdf \(oregon.gov\)](#)

The opening keynote address was from Abdul El-Sayed, Director of Public Health from the City of Detroit and professor at Columbia University. He also has a podcast which I have yet to listen to, but plan to, called America Dissected.

[Dr. Abdul El-Sayed \(abdulelsayed.com\)](http://abdulelsayed.com)

He was a *fabulous* speaker. I can't do justice in notes to everything he said, but I will share the five initial lessons he said he had learned from his grandmother, Storie with whom he spent his summers in Egypt as a kid:

1. Opportunity is more important than talent.
2. Human (and global) challenges are fractal.
3. Institutional trust is hard to gain and easy to lose.
4. Stories are more persuasive than numbers.
5. Leaders accelerate. That can mean increasing velocity, or changing direction.

I hope LOC might make it available on video – I would absolutely watch it again.

There was a session where they grouped cities by size – we're a “mid-sized” city for LOC purposes – share accomplishments or news on novel projects that they were trying out. Some (e.g., accessible beach pathways) don't translate to Milwaukie. But a few that I thought worth mentioning:

- Oregon City has partnered with local organizations to run their entrepreneurial grant program, as well as a program to tie to pair job seekers with employers in need of employees. Info on the latter here: [Talent Ready Oregon City - Oregon City Business](#). They also have a seven-week more intensive coaching program for a small cohort (six) of business owners called the BizPod. [The Biz Pod - Oregon City Business](#)
- Some communities (Tillamook County and Sutherlin are the two in my notes, but there might have been more) have had success getting a few of their largest employers to contribute to projects to build workforce housing.

Two presentations I went to were really more tailored to rural/remote communities. I didn't think most of what they were about applied that well for Milwaukie, but they did both point to the need to consider wealth, and wealth-building, as not just a financial measure. They both pointed to WealthWorks and the tools it offers: [Explore Regional Wealth Building - WealthWorks](#) The dialogue involves consideration of “the eight capitals: intellectual, financial, natural, cultural, built, political, social and individual.” I'm sure we all know that there are some non-economic factors (e.g., lots of parks and greenspaces) that contribute to quality of life, but I had never heard it broken down quite in this way, and I thought it was a useful way to think about how we go about assessing whether a project is successful.

Neither Emma nor I attended the banquet, but this link details the awards that were given there: [2024 LOC Award Recipients :: League of Oregon Cities \(orcities.org\)](#) The only one that seemed very interesting or relevant to me was Gresham's rental housing inspection program: [2024 Excellence Award News Release-Gresham FINAL.pdf \(orcities.org\)](#). I do think we should put in some Milwaukie project for an award next year – maybe SAFE? Awards also were given to two mayors who previously served as LOC president and are leaving elected service –

Mayor Calloway from Hillsboro (8 years as mayor) and Mayor McArdle from Independence (26 years as mayor).

The conference closes with a business meeting and every city has one voting member. Awards were given out there, too, by the insurer, CIS. All but three cities in LOC are insured by CIS. They gave four prizes, most of which seemed to cities that did special checks of employee driving records and provided safe driver training. The legislative priorities (see attachment) were presented and adopted. LOC Executive Director Patty Mulvihill gave a report to the membership about the work of LOC's four departments over the past year.

Patty also presented a bit about the work LOC has been doing on the revenue constraints of Measures 5 and 50, and what people might be willing to vote to change. She noted that ARPA funding really hid the fiscal cliff that was looming for many cities. As a baseline, she noted that their survey and focus groups show that voters don't really understand how cities are funded, but also think cities have plenty of funding and don't need more. There was no support for addressing the kicker or adopting a sales tax. Patty said there seemed to be some support for resetting assessed value at a higher level for both new construction and when a residence is sold. She also noted some support for a higher tax rate for absentee owners and short-term rentals. A full report on the survey results is expected to go to the LOC Board in December. There is also a revenue toolkit being developed and supposedly available by first of the new year.

There was a vote on a bylaws change to make it easier to remove officers in case of an ethical concern, and election of the new slate of officers (see attachment). The outgoing President, David Drotzmann from Hermiston, passed the torch to incoming President Jessica Engelke from North Bend.

Lisa M. Batey, Mayor (she/her)
City of Milwaukie
E-mail: bateyl@milwaukieoregon.gov
Message line: 503-786-7512

From: [Lisa Batey](#)
To: [City Council](#)
Subject: LOC report -- Redmond downtown/URA walking tour
Date: Monday, October 21, 2024 2:03:42 PM
Attachments: [LOC Brochure 2024 DRAFT.pdf](#)
[IMG_7041.jpeg](#)
[IMG_7043.jpeg](#)
[IMG_7048.jpeg](#)
[IMG_7049.jpeg](#)
[IMG_7056.jpeg](#)

Hey, everyone -- [please do not reply all]

I took something over 20 pages of notes at the LOC conference, but will share them in a few different thematic emails. This one is about the walking tour I went on of Redmond's downtown and urban renewal district. Their district is 20 years old, and larger than ours, so bringing in more money, but I thought there were some interesting lessons. The attached flyer highlights some of the key projects and how they have raised their tax base. [I learned from Will that this is where he went to high school, btw.]

Hotels: We, of course, don't have any hotels to repurpose, but they have done some impressive projects. One is a renovated boutique hotel which is quite lovely, with a rooftop 360-degree view of the mountains. The other two are housing – one is a 30-day transitional shelter, and the one you see in these photos is being promoted as workforce housing for 20-somethings. They are 300sf single room units with very small kitchenettes and bath with shower. The building has amenities like a gym, laundry room, and communal kitchen/gathering space. They are going at market rates, which they apparently expect to be about \$1,100/mo. But they feel this fills a needed niche for young singles who come to work in downtown businesses. The builder of this project is the Simplicity division of Hayden Homes, which I heard a number of cities reference as involved in creating workforce housing in their communities. [Home Building on Your Land with Simplicity by Hayden Homes \(simplicity-homes.com\)](#) and [State grant to help build workforce housing | News | nrtoday.com](#).

Since the hotel opened four years ago, the vacancy rate downtown has dropped significantly and the number of restaurants in Redmond has risen from 120 to 180 (not all, of course, attributable to the hotel).

Performance/events venues: The attached flyer highlights one space, The Blacksmith, but there is also the High Desert Music Hall (formerly a church) and General Duffy's (a project near the railroad tracks and Highway 97 that has both indoor and outdoor performance spaces). They both received grants and loans through Urban Renewal for façade renovations and improvements to the building systems. The city doesn't have the projects highlighted on its website, but the websites for both venues are below. Both have an on-site restaurant and food cart lot.

[Home | High Desert Music Hall | Redmond, Oregon](#)
[HOME — GENERAL DUFFYS](#)

They also renovated a long-shuttered school as their new City Hall (only a small part of this funded by URA), and built a large park across the street. The County library system built a very large new library that is just about to open. Like us, they also have a smattering of apartments on the second floor of downtown buildings and are slowly trying to add more housing to downtown. They definitely have a strong ethic of trying to preserve their 1930s-50s architecture and have done some really creative stuff.

Beyond downtown redevelopment, Redmond voters supported bonds for two large projects in 2022:

- A \$50mil bond for an indoor pool and community center: [New recreation and aquatic center in Redmond on track | News | redmondspokesman.com](#)
- A \$40mil bond for a new public safety building: [City to Reveal New Public Safety Facility's Design at January 29 Open House | News List | Redmond, OR \(redmondoregon.gov\)](#)

Redmond is also definitely capitalizing on some major regional investments. The mayor said they would have \$1bil in investment over the next few years. Some key projects:

- a fed/state emergency management hub called CORE3: [CORE3 Center Home » Central Oregon Ready Responsive Resilient](#)
- St. Charles/Providence building the largest cancer center east of the Cascades
- The County purchasing land to expand the fairgrounds to be the second largest fairgrounds in the US (they do some summer serious weekend festival business)

Lisa M. Batey, Mayor (she/her)
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FACADE PROGRAMS



LOCAL PAWS
435 SW Evergreen Ave.



PATRICK'S CORNER
708 SW Deschutes Ave.



KOLBOLD BREWING /
VAULT TAPHOUSE
245 SW 6th St.

GRANT PROGRAMS

Annually, our URA Property Assistance Program issues an average of 20 grants. The total value of these grants is approximately \$175K, which in-turn catalyzes over \$1M in private investment.

OUR TEAM



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WALKING TOUR 2024



DOWNTOWN REDMOND, OR



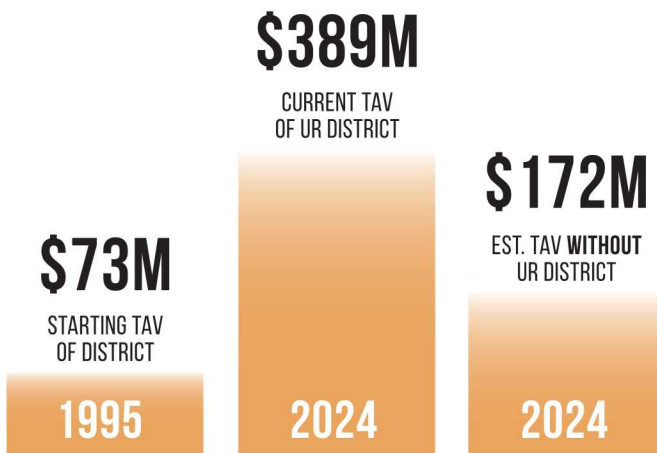
SCP Hotel - Historic Redmond Hotel Re-Activation

UR Investment: \$3.5M

Private Investment: \$8.3M

Annual Economic Impact Estimate: \$3M

BY THE NUMBERS



DOWNTOWN URBAN RENEWAL DISTRICT

The district was established in 1995 with a Total Assessed Value (TAV) of \$73M. In 2024, that number is \$389M (over 5x growth). If the district had NOT been created, the projected the TAV would have been \$172M (only 2x growth).

90%

OCCUPANCY RATE

Downtown district restaurant and retail business occupancy rate has been over 90% for the past four years.

HOUSING UNITS

In 2024, district housing, both affordable & workforce, increased by 5% for a total of 157 units.

157

Redmond City Hall in former 1921 RUHS Bldg.



AWARD WINNING HISTORIC RESTORATION

In 2011, the City purchased the abandoned Redmond Union High School building for \$250,000. The renovation was approximately \$12 million, preserving a local landmark while remodeling it into a modern, efficient, and technologically innovative public facility capable of serving the community for another 100 plus years. The URA invested \$1.5M in the restoration.

RECENT PROJECTS



URA Investment: \$2.5M

CENTENNIAL PARK

446 SW 7th St.
Redmond, OR 97756

Development & preservation of recreational public open space. Phase II completed the 2nd block of this unique city centered gathering space.



URA Investment: \$30K
Private Investment: \$2.9M

HISTORIC BANK BUILDING

404 SW 6th St.
Redmond, OR 97756

Conversion of long vacant bank building into commercial space and housing units.

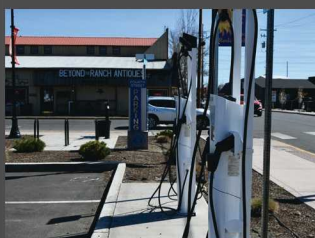


URA Investment: \$343k
Private Investment: \$912K

AROME'

432 SW 6th Street
Redmond, OR 97756

Vacant building at the center of the downtown improved with commercial and retail space. Property tax collection on building expected to increase by 40%.



URA Investment: \$492K

4TH STREET PARKING/ EV CHARGING

Development of vacant gravel lot into public parking and electric vehicle charging stations. 36 new, free off-street public parking stalls added to supply at the entrance to downtown.



URA Investment: \$129K
Private Investment: \$571K

BLACKSMITH PUBLIC HOUSE

308 SW Evergreen Ave.
Redmond, OR 97756

Renovation of former welding shop into taphouse, event venue, and food court. Activated property at key downtown gateway.





REDMOND CITY HALL

RS241



RS242



RS243



RS244



RS245

From: [Lisa Batey](#)
To: [City Council](#)
Subject: LOC legislative priorities for 2025-26 -- and new officers
Date: Monday, October 21, 2024 2:42:30 PM

All: [Informational only -- please do not reply all]

My second update from the LOC conference is to share the list of adopted priorities. There are nine – eight of them being the top eight ranking in the votes from the cities (see Emma’s email below). The ninth one was added by the Board, addressing ORS 195.530 houselessness camping restrictions after the Supreme Court *Grants Pass* decision (which was not out yet when the priorities ballot was formulated). Here they are in order, and I would expect there will be more details in the LOC Bulletin on Friday:

1. Infrastructure funding
2. 2025 Transportation package
3. Recreational Immunity
4. Behavioral Health Enhancements
5. Lodging Tax Flexibility
6. Shelter Funding and Homeless Response
7. Address Energy Affordability Challenges from Rising Utility Costs (includes funding transmission system)
8. Operator-in-Training Apprenticeships for water and wastewater systems
9. Adjustments to ORS 195.530

Also, the new officers – two from the metro area:

President: Mayor Jessica Engelke, Mayor of North Bend (North Bend will be the site of the spring conference, fyi)

Vice-President: Carol MacInnes, Mayor of Fossil

Treasurer: Travis Stovall, Mayor of Gresham

Directors: Oregon City Commissioner Adam Marl, Bend Mayor Melanie Kebler, and Gold Beach Mayor Tamie Kaufman.

Also three City Managers have seats, but I think only one has voting privileges – CMs of Grants Pass, Monmouth and Corvallis.

2025 is the 100th Anniversary of LOC, and the October conference will be in downtown Portland. Apparently a lot of special stuff is being planned. I would also note that Ted Wheeler was at this conference for a day. He gave a pretty impassioned short speech about how mayors/cities are where the rubber meets the road and that we get left putting bandaids on problems that were created upstream.

Lisa M. Batey, Mayor (she/her)

City of Milwaukie
E-mail: bateyl@milwaukieoregon.gov
Message line: 503-786-7512

From: Emma Sagor <SagorE@milwaukieoregon.gov>
Sent: Friday, September 27, 2024 4:14 PM
To: _City Council <CityCouncil@milwaukieoregon.gov>
Subject: RE: Legislative Priority Ballot - Due September 27

Hi all,

Here is the compiled list of priorities in order. I can only submit five, so plan to submit the top highlighted ones. If you haven't weighed in and want to, please respond to me ASAP!

1. Fully Funding Housing Production
2. Shelter and homelessness response
3. 2025 Transportation package
4. Infrastructure Funding
5. Funding and Expanding Public Transit
6. Shift from a gas tax to a road usage fee
7. Behavioral health enhancements

Thank you!
Emma

Emma Sagor

City Manager
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