



**Study Session**

**SS**

**Milwaukie City Council**

**COUNCIL STUDY SESSION**

Zoom Video Conference  
[www.milwaukieoregon.gov](http://www.milwaukieoregon.gov)

**AGENDA**

JUNE 8, 2021

**Video Meeting:** Council will hold this meeting through video conference. The public may watch live by joining the Zoom webinar. **For Zoom webinar login information** visit <https://www.milwaukieoregon.gov/citycouncil/city-council-study-session-118>.

**This meeting will not be broadcast live or recorded.**

**Written comments** may be submitted by email to [ocr@milwaukieoregon.gov](mailto:ocr@milwaukieoregon.gov). Council may take limited verbal comments.

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

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**Executive Session (5:15 p.m.)**

Before the study session Council will 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, and (e) to conduct deliberations with persons designated by the governing body to negotiate real property transactions.

**1. Council Goal Update: Climate Action - Discussion (5:45 p.m.)**

**1**

Staff: Peter Passarelli, Public Works Director, and  
Natalie Rogers, Climate Action and Sustainability Coordinator

**2. Adjourn (7:45 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](mailto:ocr@milwaukieoregon.gov) or phone at 503-786-7502. To request Spanish language translation services email [espanol@milwaukieoregon.gov](mailto: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.

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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](mailto:ocr@milwaukieoregon.gov) o llame al 503-786-7502. Para solicitar servicios de traducción al español, envíe un correo electrónico a [espanol@milwaukieoregon.gov](mailto: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 STUDY SESSION

Zoom Video Conference  
www.milwaukieoregon.gov

## MINUTES

JUNE 8, 2021

**Council Present:** Councilors Lisa Batey, Angel Falconer, Desi Nicodemus,  
Council President Kathy Hyzy, and Mayor Mark Gamba

**Staff Present:** Ann Ober, City Manager  
Scott Stauffer, City Recorder

Natalie Rogers, Climate Action & Sustainability Coord.  
Peter Passarelli, Public Works Director

**Mayor Gamba** called the meeting to order at 6:03 p.m.

### 1. Council Goal Update: Climate Action – Discussion

**Rogers** provided an update on the city's climate action work and discussed the initiation and enforcement of the home energy score (HES) program. **Passarelli** and **Rogers** remarked on the challenges of the HES program, citing a lack of real estate market data and confusion about the status of the program during the COVID-19 pandemic.

**Rogers** and **Passarelli** reviewed the status of climate action legislation the Oregon State Legislature was considering during the 2021 session. The group commented on the need to engage a lobbyist to support climate legislation in the future.

**Rogers** and **Passarelli** discussed the city's ongoing work to develop a tree code, noting the project's origin and explaining that the tree code would be for residential and not commercial properties. The group discussed what a tree code could do in terms of limiting developers' ability to take down certain trees.

**Rogers** and **Passarelli** discussed staff's plans to provide educational outreach to the public and developers about the tree code and the city's urban forest program. They talked about the planned process for removing trees for non-development reasons.

**Rogers** reviewed the city's Earth Day 2021 event activities and videos which were available on the [city's YouTube channel](#).

**Passarelli** announced that the city was recruiting to hire an urban forester

**Rogers** provided an update on the city and Portland General Electric (PGE) climate collaborative campaign, noting upcoming events and activities. **Passarelli** reported that **Rogers** had been speaking to many groups about the city's climate action activities.

The group discussed the city's policies and practices in terms of upgrading the city fleet to electric vehicles.

**Rogers** and **Passarelli** provided a brief update on PGE's ongoing smart grid test bed project, which included areas of Milwaukie.

### 2. Adjourn

**Mayor Gamba** adjourned the meeting at 7:29 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Scott Stauffer".

Scott Stauffer, City Recorder

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18:29:55 From Councilor Desi Nicodemus (he/him) to All panelists :  
<https://www.berkeleyside.org/2020/12/02/no-more-gas-stoves-oakland-unanimously-votes-to-ban-them-in-new-buildings#:~:text=No%20more%20gas%20stoves%3F,and%20shop%20buildings%2C%20and%20offices.>

**COUNCIL STAFF REPORT**

**To:** Mayor and City Council  
Ann Ober, City Manager

**Date Written:** May 25, 2021

**Reviewed:** Blanca Marston (as to form), Administrative Assistant

**From:** Natalie Rogers, Climate Action and Sustainability Coordinator, and  
Peter Passarelli, Public Works Director

**Subject:** **Climate Action Plan Update**

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**ACTION REQUESTED**

Council is asked to receive an update on the Climate Action Plan (CAP), the Home Energy Score (HES) program, 2021 legislation, and progress in developing the private tree code.

**HISTORY OF PRIOR ACTIONS AND DISCUSSIONS**

[March 3, 2020:](#) Council received an update on the CAP implementation with a focus on the 2030 energy goal and Portland General Electric (PGE) programs and energy product opportunities.

[May 12, 2020:](#) Council received an informational presentation on a potentially carbon-free electricity product being explored by PGE.

[August 11, 2020:](#) Council received an update on carbon-free electricity product development from PGE.

[December 8, 2020:](#) Council received an update on the CAP and provided direction for future energy discussions.

[December 15, 2020:](#) Council adopted a resolution authorizing a memorandum of understanding (MOU) between PGE and the city to address climate and resiliency goals.

[March 9, 2021:](#) Council received an update on the Climate Collaborative Campaign, 2021 legislation, and the PGE community green tariff product.

**ANALYSIS**

The [CAP](#) and [climate emergency declaration](#) call for use of carbon-free electricity by 2030, zero-emissions from fossil fuels by 2035, and community carbon neutrality by 2045. Even with the current regulatory efforts to decarbonize the electrical mix, there is still a [gap to close in order to reach the 2030 goal](#). Staff continues to collaborate with PGE and regional stakeholders to close this gap through community outreach and engagement, development of energy efficiency programs like the HES program, and implementation of policy strategies to promote climate action and decarbonization of utilities.

Another focus of the city's climate work has been on the promotion and expansion of natural resources and conservation efforts. The CAP includes a goal of 40% tree canopy by 2040. Public and private tree code for canopy preservation is a key strategy to achieve this goal and protect the community benefits that trees provide.

## Home Energy Score Update

The city's HES program, outlined in the residential energy performance rating and disclosure ordinance, came into effect in October 2020. Since then, over 100 homes in Milwaukie have received a publicly available score on the [Green Building Registry](#). Staff have fielded questions and emails from realtors, builders, assessors, and homeowners about the program. Pilot articles, social media posts, webinars, and newsletter content have been shared with the community to increase awareness of the program and low-income assistance through the Community Energy Project. So far, no Milwaukie homeowners have applied for low-income assistance.

As of May 2021, 114 homes were scored and the average score in Milwaukie was 4.5 (on a scale from 1 to 10), which is consistent with the City of Portland HES average. The average score that could be achieved with recommended improvements (with a 10-year or less return on investment) was 6.7. This indicates a potential average annual savings of \$243 per home if the recommended improvements were made. Five of the scored homes had solar panels. Cost to the homeowner remains around \$125 per assessment.

Initial compliance checks show low compliance (roughly 20%), however, compliance reaches 80-100% once notice of violations are issued and realtors emailed. This may be due to regional confusion as Portland temporarily halted enforcement of their program. Staff have been checking real estate listings 1-2 times a month, checking all Milwaukie homes currently listed on the listing service for HES reports and containing links to the report, and contacting homeowners and realtors who are non-compliant.

The City of Portland recently began enforcing its HES program again, contracting out compliance checks with Earth Advantage. The City of Hillsboro has been developing an HES program for the last year, and just received support from its city council for adoption this summer.

## 2021 Legislation Update

Staff are still monitoring the 2021 legislative session for bills relevant to the city's climate goals. [Oregon House Bill \(HB\) 2021](#), the clean energy transition bill, now includes community green tariff language that mirrors Oregon Senate Bill (SB) 784. HB 2021 passed out of the House Committee on Energy and Environment and is now with the Ways and Means Committee. This bill would help the city in achieving its climate goals by requiring electricity providers to decarbonize at a faster rate. The measure requires certain retail electricity providers to reduce greenhouse gas emissions associated with electricity sold to Oregon consumers to 80 percent below baseline emissions levels by 2030; 90 percent by 2035; and 100 percent by 2040 and every year thereafter. Each electric company with 25,000 or fewer customers must develop a plan for meeting clean energy targets and submit it to the Oregon Public Utility Commission (PUC) and the Department of Environmental Quality.

[SB 784](#), which authorizes public utilities to recover from rate payers certain expenditures for resiliency measures and establishes guidelines for a community green tariff, passed through the Senate Committee on Energy and Environment, and was referred to the Revenue Committee with amendments. The amendments included language proposed by Northwest Natural Gas that expanded the bill to include the natural gas utility. City staff coordinated with PGE on this bill and many cities, including Milwaukie, opposed the amended language as there was no discussion with communities and the new language could result in natural gas infrastructure investment that may challenge future electrification goals. The House Committee on Revenue recommended to pass the bill with amendments and referred it to the Ways and Means Committee.

[HB 2398](#), which would allow jurisdictions to adopt the state reach code as a mandatory building code, passed out of the House Committee on Energy and Environment and has been referred to the Ways and Means Committee. The bill was amended to clarify that the reach code would be developed under the standard building code process to remove liability from jurisdictions looking to adopt the reach code.

[HB 2475](#), the energy affordability bill, passed through the House, and was referred to the Senate where it passed with bipartisan support. Once SB 2475 is signed into law by Governor Kate Brown, the PUC may create rate structures to reduce energy costs for low-income customers. In addition, organizations representing environmental justice communities will be supported to participate in energy decision making at the PUC.

### **Tree Code Update**

Private and public tree code are key strategies to meet the city's 40% canopy by 2040 goal. Todd Prager from Teragan and Associates has been contracted to work with the Comprehensive Plan team to develop private tree code in coordination with staff and the Tree Board. While code is still in draft form, staff will provide an update on the draft language related to tree preservation standards, tree canopy standards, and protection standards.

### **BUDGET IMPACT**

None.

### **WORKLOAD IMPACT**

The HES program is already accounted for in staff workload. Private tree code implementation will have an impact on natural resource staff workloads.

### **CLIMATE IMPACT**

The above-mentioned bills and staff efforts have significant impacts on the city's climate goals. State-level policies to decarbonize the energy sector, increase energy affordability, establish stricter building energy efficiency requirements, and promote new carbon-free energy products shrink the gap the city faces to reach its goal of net-zero emissions from electricity by 2030. The HES program helps raise awareness of in-home energy efficiency and building energy carbon intensity, the largest sector of emissions in Milwaukie. A tree code would help the city meet the CAP canopy goals and promote the preservation and growth of trees that sequester carbon and combat urban heat island effect.

### **COORDINATION, CONCURRENCE, OR DISSENT**

Staff are continuing to coordinate with PGE and other cities on climate legislation. Tree code development requires close coordination with the Tree Board, planning department staff, and the Comprehensive Plan Implementation Committee and contractors.

### **STAFF RECOMMENDATION**

Staff recommends that Council receive the update and provide direction to staff if needed.

### **ALTERNATIVES**

None.

### **ATTACHMENTS**

None.



# Milwaukie Community Climate Action Plan Council Update

June 8<sup>th</sup>, 2021

**Natalie Rogers**

Climate Action and  
Sustainability Coordinator

**Peter Passarelli**

Public Works Director



## CITY OF MILWAUKIE

SS 1. 6/8/2021  
Presentation





# Overview

- Home Energy Score Update
- 2021 Legislative Update
- Tree Code Update



# Home Energy Score



- ~7 months implementation
- 119 HES Reports available on green building registry
- No exemption applications
- One low-income assessment performed

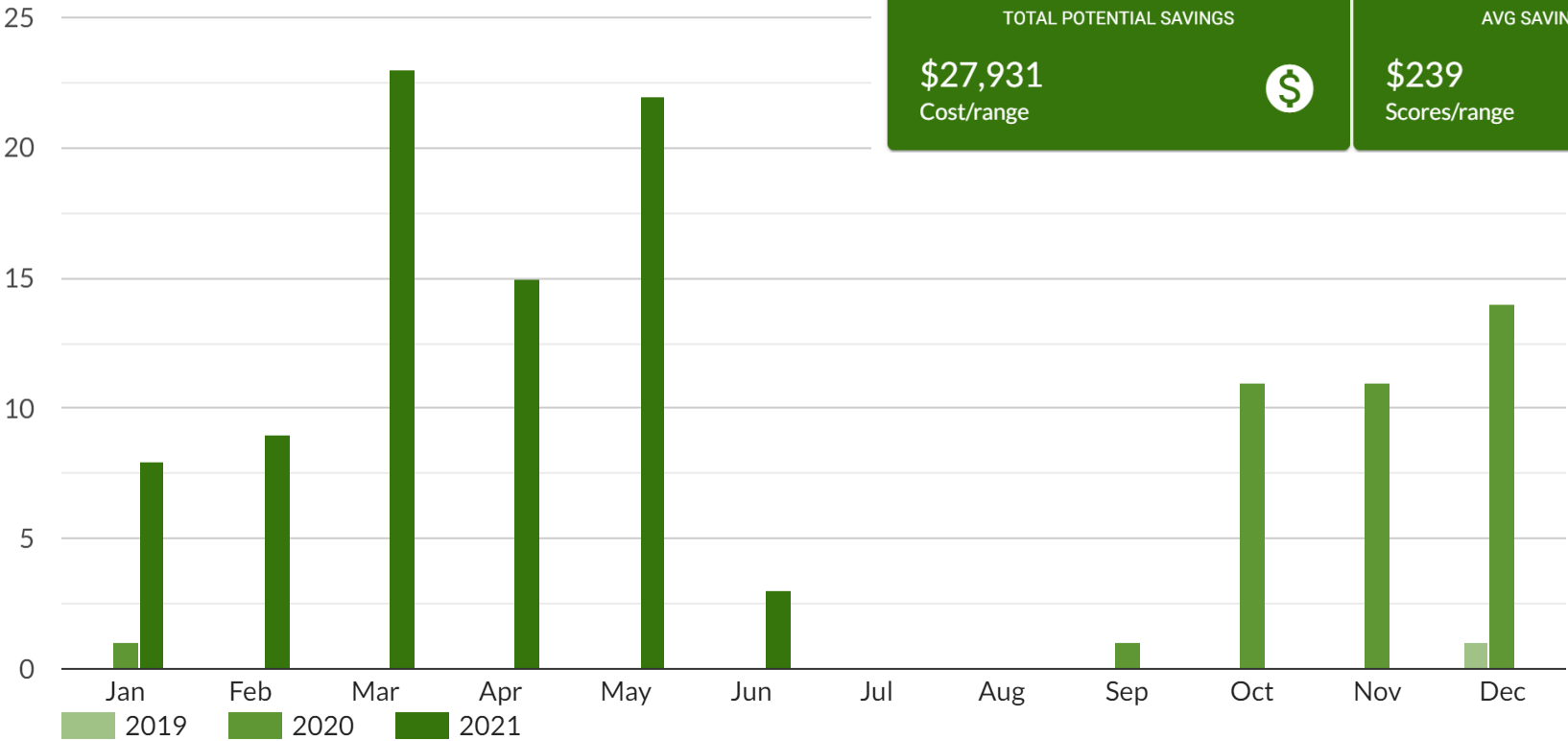
## Compliance

- Compliance checks 1-2 times a month
  - 4-5 hrs/check
- 43 notice of violations (10% volume requirement met), no fines
- Low initial compliance -> 90/95% compliance after NOV

Data Analysis Graph

HES Program Statistics

<div>AVERAGE SCORE</div> <div>4.5</div> <div>Scores/range</div> <div>💡</div>	<div>AVERAGE IMPROVED SCORE</div> <div>6.6</div> <div>Scores/range</div> <div>😊</div>	<div>AVERAGE CARBON SCORE</div> <div>6.47</div> <div>Scores/range</div> <div>🌍</div>
<div>TOTAL POTENTIAL SAVINGS</div> <div>\$27,931</div> <div>Cost/range</div> <div>💰</div>	<div>AVG SAVINGS PER HOME</div> <div>\$239</div> <div>Scores/range</div> <div>📈</div>	<div>AVG LOW SCORE SAVINGS</div> <div>\$367</div> <div>HES 4 or below</div> <div>📈</div>



# Challenges / Opportunities



## Challenges

- Short duration of homes on market
- Confusion around Portland's suspension of enforcement
- Limited staff time for compliance
- Difficult audience for outreach

## Opportunities

- City of Hillsboro Home Energy Score Program
- City of Portland restarting compliance
- Regional interest in HES programs
- Time

# 2021 Legislation Update



HB 2475

## Energy Affordability Act

*Allows the Public Utility Commission (PUC) to create a new rate class for low-income payers.*

**Passed**

HB 2842A

## Healthy Homes Program

*Allows the Public Utility Commission (PUC) to create a new rate class for low-income payers.*

**Currently n Ways and Means**

# 2021 Legislation Update



## HB 2021

### 100% Clean Energy

- *Establishes electricity decarbonization timeline*
- *bans new natural gas generation facilities*
- *Includes green tariff, resiliency and labor language*

**Currently in Ways and Means**

## SB 784

### PGE / Clean Utilities Bill

- *Establishes rate recovery for resiliency measures*
- *Includes resiliency, green tariff, grid modernization, and labor language*

**Currently in Ways and Means**



# 2021 Legislation Update



## HB 3221

### Oregon Renewable Options Programs

- *Creation of voluntary community green energy program*
- *Requires % small renewable*
- *More extensive application and program design process*

**Currently in Ways and Means**

## HB 2398

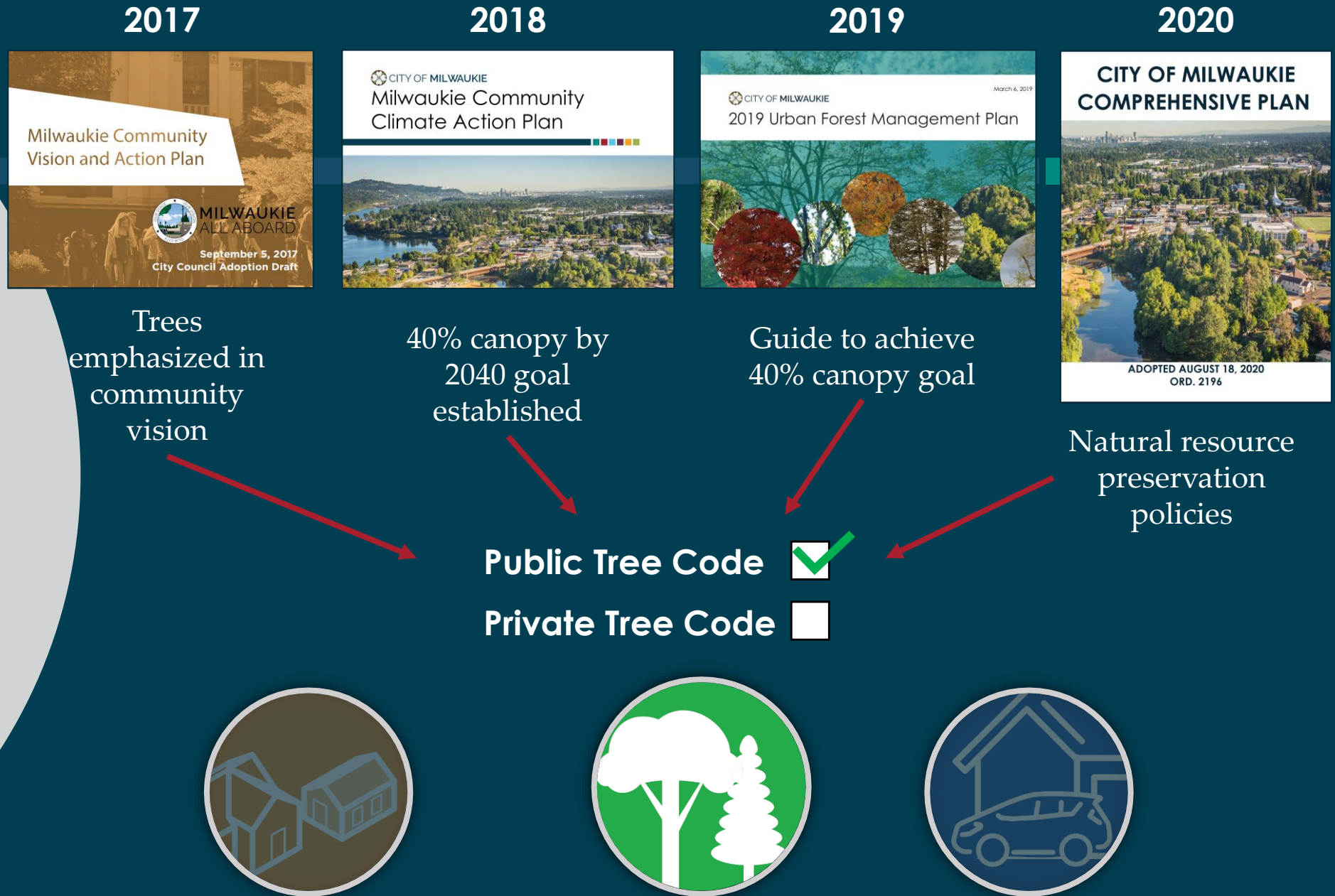
### Reach Code Bill

- *Allows jurisdictions to adopt state reach code as local building code*

**Currently in Ways and Means**



# Tree Code





# Tree Preservation Standards

- Trees subject to preservation
- Minimum Tree Preservation Standards
  - Not more than 33 percent of existing priority tree canopy can be removed from a development site
  - Priority Tree List
- Mitigation requirements if standards not met
- Discretionary review alternatives if preservation standards are not met
- Tree Protection Standards for trees to be retained
  - On site
  - On adjacent properties



# Tree Canopy Standards



- In addition to preservation of existing canopy, minimum tree canopy requirements (at least 40% per lot)
- How tree canopy standards can be met
  - Preservation
  - New plantings
- Soil Volume requirements
- Mitigation Requirements if canopy standard not met
- Discretionary review alternative

# Non-Developmental Removals



- Residential Zones
- Permit Requirement
- Diameter based
- Replanting Requirements
- Agricultural exemptions



**Learn more at  
MilwaukieClimateAction.com!**

**Thank you!**

Natalie Rogers  
503-786-7668

[RogersN@milwaukieoregon.gov](mailto:RogersN@milwaukieoregon.gov)

 CITY OF MILWAUKIE

## Milwaukie Community Climate Action Plan



 CITY OF MILWAUKIE

March 6, 2019

## 2019 Urban Forest Management Plan



 CITY OF MILWAUKIE

## Milwaukie Community Climate Action Plan



### Household Strategies

 CITY OF MILWAUKIE

## Milwaukie Community Climate Action Plan



### Business and Organization Strategies



**CITY OF MILWAUKIE**