



Work Session

WS

Milwaukie City Council

COUNCIL WORK SESSION

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

AGENDA

MARCH 4, 2025

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-work-session-3>.
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.

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|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| 1. Climate and Equity Programs – Update (4:00 p.m.) Staff: Katie Gavares, Climate & Natural Resources Manager, and Gabriela Santoyo Gutierrez, Equity & Inclusion Coordinator | 1 |
| 2. Construction Excise Tax (CET) Overview – Discussion (5:00 p.m.) Staff: Joseph Briglio, Assistant City Manager | 11 |
| 3. Adjourn (6:00 p.m.) | |

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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 STAFF REPORT

To: Mayor and City Council
Emma Sagor, City Manager

Date Written: Feb. 20, 2025

Reviewed: Peter Passarelli, Public Works Director
From: Gabriela Santoyo Gutierrez, Equity & Inclusion Coordinator, and
Katie Gavares, Climate & Natural Resources Manager

Subject: **Council Values Update: Equity and Climate (part 2)**

ACTION REQUESTED

Council is asked to receive a second joint update on the city's equity, inclusion, and justice programming and efforts to advance the Climate Action Plan (CAP).

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

April 23, 2017: Council adopted climate change action as a Council goal, calling for the creation of a strategy document to direct city-led climate action efforts to reach net-zero energy by 2040.

January 21, 2020: Council adopted a resolution that declared a climate emergency, accelerating the goals outlined in the original CAP by five years.

[August 18, 2020](#): Council approved a resolution changing its goals to include one focused on equity, inclusion, and justice.

[December 12, 2023](#): Council received the adopted Resolution 60-2023 supporting a multi-year equity plan for the city. On the same night, staff gave a climate action goal overview, highlighting work to date and priority projects.

[October 1, 2024](#): Staff gave a climate action goal overview, highlighting the priorities for new climate and natural resources manager.

[December 10, 2024](#): Council received an update on progress made within the climate and equity programs since they were adopted as council goals. Staff additionally shared ways these values have been operationalized into citywide practices and policies.

ANALYSIS

This update is the second of two updates and is intended to focus on the equity and climate programs' ongoing work and preview a new tool to further center equity and climate as city values.

Equity Program Updates

The equity update will follow-up on progress made within the three tracks of the Equity Plan for 2024-2027:

- **Track 1: Actions to be led by the Equity and Inclusion Coordinator:** This includes work across four categories: staff training, material and resource development, relationship

building, and planning and policy updates. The equity and inclusion coordinator also facilitates the Internal Equity Committee (IEC).

- **Track 2: Discussions to be undertaken by the ESC:** This includes focus areas, topics, and potential deliverables the Equity Steering Committee (ESC).
- **Track 3: Major city initiatives with an equity nexus:** This includes citywide initiatives that the equity and inclusion coordinator and ESC will advise on over the next three years. This includes the Transportation System Plan (TSP), Neighborhood Hubs, parks development and governance, CAP, and continued efforts by the Milwaukie Police Department (MPD) to operationalize equitable policies.

Operationalizing Equity into City Processes

Track 1: The IEC relaunched in September 2024. The IEC is made up of cross-departmental staff and the equity and inclusion coordinator. Their charge includes helping build the city's equity training plan, identify and steer priority equity initiatives for the organization, and review of policies and processes. Current projects include:

- Supporting the city's internal community engagement forum, a monthly meeting of staff who conduct public outreach to share lessons learned and find opportunities for synergy.
- Reviewing equity performance metrics and supporting the development of data dashboards or the city.
- Developing a formal request for proposals (RFP) solicitation for training consultants.
- Developing a city-wide climate and equity toolkit **more about this toolkit is shared later in this report and once completed, Santoyo Gutierrez and Gavares, along with other IEC members will follow up with training for staff on how to further operationalize climate and equity as city values.*

ESC Update

Track 2 & 3: At the [January meeting](#), the ESC identified two main priorities to focus their work in 2025:

- Digital Accessibility
 - ESC will help review the city's rebuilt website (launching in May), considering user friendliness, accessibility, and ease of identifying information.
 - ESC also wants to play a bigger role in enhancing the city's presence on social media and using these platforms to showcase the diversity of Milwaukie.
- Engagement Pathways
 - ESC will help identify potential community partners and support relationship building.
 - ESC will help develop outreach materials that tell the story of the city's commitment to equity, including potentially one-pagers, videos, swag, etc.
 - ESC will continue to vet and select Milwaukie Community Events Fund applications to fund.

ESC is still determining deliverables for both priorities.

At their February meeting, ESC will also complete their review and discussion of starting performance metrics for Milwaukie Community Vision. Staff will work with ESC and Council to schedule a joint meeting in 2025 to review progress on this metrics work and discuss next steps.

The ESC and Park and Recreation Board (PARB) agreed to form a temporary subcommittee to review the city's policy and procedures for naming facilities. The subcommittee is comprised of three members of PARB and three members of ESC. The first meeting, which took place on February 19, focused on introductions, sharing background and context behind Milwaukie's naming initiative, and charting the work ahead. The subcommittee agreed to do the following:

- Review the city's current naming policy and resolution.
- Identify other key groups who should be involved.
- Research and discuss other naming policies across the Portland metro to narrow recommendations for our current policy (including [North Clackamas Parks and Recreation District \(NCPRD\)](#) recently updated naming policy).
- Based on the new policy, make recommendations for current parks and land naming requests (including Bowman-Brae and Balfour parks).

The initial meeting was facilitated by the equity and inclusion coordinator and public works director. The subcommittee will continue to temporarily meet once a month.

MPD STOP Data Update

Track 2 & 3: Earlier this year, Police Chief Ryan Burdick presented the annual [Statistical Transparency of Policing \(STOP\)](#) data. Police leadership and the equity and inclusion coordinator are collaborating on next steps for MPD related to the findings in this report as well as broader department work. MPD leadership has briefed its staff on the STOP's results and will also discuss the data with the ESC this spring. Santoyo Gutierrez and Burdick are also working together to schedule additional bias awareness and de-escalation trainings for 2025.

Climate Program Updates

The following climate program updates highlight efforts that prioritize community climate action, increase community outreach and engagement, and integrate equity. These updates don't represent all the climate initiatives being advanced at this time at the city.

Urban Forestry Equity Implementation Plan

Over the next year and a half, the city's climate and natural resources team and Tree Board have set goals to identify strategies to equitably reach the 40% canopy coverage goal by 2040, implement community responsive urban forestry services, build trusting relationships with Milwaukie residents, and develop internal expertise on urban forest equity. To accomplish these goals, the climate and natural resources team will work with a consultant and the Tree Board to conduct a robust community engagement process from June-September 2025. This effort will collect feedback on the community's urban forestry priorities and needs.

In addition, staff will update the Branch Out Milwaukie map, so it serves as a decision-making tool that prioritizes equity and transparency in our tree management. Developed in 2019, the Branch Out Milwaukie tool is a map that outlines Milwaukie's tree canopy in relation to urban

heat island, air pollution index, median household income, and communities of color. The updates will add information on priority locations for planting, maintenance, and preservation efforts. This initiative is expected to be completed by May 2026. Finally, informed by community feedback and the enhanced Branch Out Milwaukie platform, staff will develop an Urban Forest Equity Implementation Plan. This document will center the needs and priorities of underserved communities in Milwaukie through the prioritization of the Urban Forest Management Plan's (UFMP's) actions, community responsive implementation practices and new strategic initiatives.

Low-Income Home Energy Score and In-Home Energy Efficiency Upgrades

The city and Community Energy Project (CEP) are partnering to provide free home energy score (HES) assessments and energy efficiency home upgrades to income-qualifying Milwaukie residents. CEP has funding through the Oregon Department of Energy's (ODOE's) Healthy Homes Program, Community Heat Pump Deployment Program, and Energy Trust of Oregon's (ETO's) Community Funds to provide free in-home energy efficiency upgrades for specific appliances. The funds can support up to \$18,000 worth of upgrades per home for 20 Milwaukie households. With limited funds, staff are prioritizing outreach to Milwaukie residents without heat and limited insulation in their homes. Outreach for this effort is beginning in March 2025 and will continue until the program funding has been used.

Community Engagement and Outreach

During the December 2024 equity and climate goal update, Council recommended that staff prioritize community outreach and engagement in the climate program. In addition to the urban forestry community engagement initiative outlined above, staff have identified three additional opportunities to educate, engage, and empower the Milwaukie community.

First, staff plan to launch a climate and natural resources quarterly newsletter in June 2025 to support ongoing education efforts. The newsletter will serve to empower, energize, and educate the Milwaukie community on actions we can do to mitigate and adapt to the changing climate. Each newsletter will include educational materials on topics outlined in the CAP, UFMP, and Stormwater Management Plan, share successes of relevant city and community programs, share updates on council actions related to climate and natural resources, and finally highlight opportunities to get involved.

Second, ESC members have indicated interest in engaging in specific climate and natural resources initiatives. In February, staff presented ongoing climate and equity initiatives to ESC and proposed two subcommittees to advise the work on the urban forestry community engagement framework and building decarbonization policy analysis.

Third, staff are proposing to empower community members by starting a new Climate Action Committee (CAC) in the second half of 2025. The purpose of this committee will be to advise city staff and Council to develop recommendations to implement the CAP, help shape ongoing community education and engagement efforts and provide a venue for input and evaluation of city policies. See the attached draft charter for additional details on the CAC's proposed responsibilities and priorities. Staff consulted other cities who have these kinds of committees to learn best practices and assess the value before deciding to make this recommendation.

Climate and Equity Toolkit

In the December equity and climate goal update to Council, staff outlined the ways climate and equity have been operationalized into city policies and practices. To continue centering these two values in future city efforts, staff have developed an equity and climate toolkit. The toolkit is part of a two-component resource: the *equity and climate framework* explains why climate and equity are foundational values and provides deeper research, theory, and resources to underpin the city's efforts in these areas; The *equity and climate assessment tool* is a set of questions designed to spark a change in process resulting in more equitable and climate-conscious project delivery. Rather than prescribe actions, the toolkit offers questions in acknowledgement that every project and community is unique, and actions are not one-size fits all. This tool is designed to be used for infrastructure projects, planning processes, policy development, and program implementation. A draft of the equity and climate assessment tool is included as an attachment.

Over the next few weeks, staff will work with different departments across the city to refine the set of questions and the implementation mechanisms. Staff are also working with the city's community engagement coordinator to integrate the equity and climate toolkit into the Community Engagement Guide.

BUDGET IMPACT

All the work undertaken to date is accounted for in the city's adopted 2025-2026 biennium budget or been subsidized with additional grant funding. The equity and inclusion coordinator was involved in reviewing budget proposals to ensure investments adequately advance the city's equity, inclusion, and justice values.

CLIMATE IMPACT

The staff report highlights key climate benefits, including equitably expanding urban tree canopy to reduce heat islands and improve air quality, providing free energy efficiency upgrades to low-income households, and enhancing community engagement through newsletters, advisory committees, and policy tools. These efforts aim to reduce greenhouse gas emissions, lower energy costs, and ensure equitable access to climate solutions. However, challenges include limited funding, staff capacity constraints, and the need for effective community outreach to ensure broad participation.

EQUITY IMPACT

The equity work plan involves multiple facets of collaboration across departments, with the IEC, and the ESC. This staff reports highlights an equity review of the city's naming practices of facilities that will have a future impact. Ongoing collaboration with our police to increase bias awareness and de-escalation strategies to build greater community trust and improve public safety. We'll also share a first draft of our climate and equity tool as resources for staff, consultants, and more to use in their project processes to result in a more equitable and climate-conscious project delivery.

WORKLOAD IMPACT

All work undertaken to date is accounted for in existing staff work plans.

COORDINATION, CONCURRENCE, OR DISSENT

The nature of this work requires key groups across the city to coordinate to advance equity and climate programing.

STAFF RECOMMENDATION

Staff recommend Council receive this update and give input on the outlined programs and proposed toolkit. Additionally, as Council goal work plans are developed, staff recommend that the city consider using the equity and climate toolkit and that Council provide staff feedback on opportunities to improve the set of questions.

Staff are also seeking Council's feedback on the idea of creating a Climate Action Committee in the latter half of 2025.

ALTERNATIVES

None.

ATTACHMENTS

1. Equity and Climate Assessment Tool.
2. Draft Climate Action Committee Charter.



EQUITY AND CLIMATE ASSESSMENT TOOL

Why is this tool needed?

Milwaukee's [community vision](#) describes a future that is entirely equitable, delightfully livable, and completely sustainable. This means all people feel welcome, have access to a healthy environment, and have the resources and services they need to thrive by 2040. To achieve that vision, we need to make all of our decisions as a city in a thoughtful, intentional way. **That's where the Equity and Climate Assessment Tool comes in.**

These questions are designed to spark thought and challenge the status quo so we move forward work that is better for people and the planet. The toolkit acknowledges that every project and community is unique, and actions are not one-size fits all. It is designed to be used for infrastructure projects, planning processes, and program implementation. These will all be referred to as "project" through the rest of the document.

How to use the tool

Walk through the prompts with all members of your project team, jotting down notes as you go. There aren't right or wrong answers—this is meant to help you think about ways you can do work in a more equitable or climate-friendly way. Not sure what to do with the results? Set up a time to talk with Gabriela and Katie!

(Note: You may need to do additional research to answer the questions in the tool. Check out the complementary **Equity and Climate Framework** for more helpful resources.)

Assessment questions:

Step 1: Define the project

1. What is the purpose of your project? What are you hoping to achieve?
2. What problem are you trying to solve? Have other projects already tried to address those problems?
3. What is the timeline for this project? What pressures are driving that timeline?

Step 2. Map out internal and external key groups

1. Who will be involved in delivering this project?
 - a. At what level will each stakeholder group be involved? Why?
2. Where will this project take place?
 - a. What is the social, political, and ecological history of the site?
3. What groups or places will benefit from this project? Who would be "most satisfied?"
4. What groups or places will be burdened by this project? Who would be "most unsatisfied?"

Helpful hints

Align your goals with current initiatives in our **Equity Plan**

Check out the **Community Engagement Guide** for more resources

Check out Milwaukee's **Natural Hazard Mitigation Plan** to identify

- a. If applicable, how will this project impact people that are particularly vulnerable to the weather-related risks that may be exacerbated by climate change, inequity, and systemic barriers?

5. What assumptions are you making on who should be involved and who is impacted? Consider race, ethnicity, gender, socio-economic status, age, ability, sexual orientation, religion, tribal affiliation, and relationship with the natural environment.

Step 3: Map out climate and environmental impacts

1. (Mitigation) Will this project increase greenhouse gas emissions (GHGs), during the construction/implementation and/or on an ongoing basis?
 - a. If applicable: What are the opportunities to decrease the additional emissions of GHGs of this project?
2. (Mitigation) Will the project reduce existing GHG emissions? (i.e. replacement of diesel-powered equipment, change in policy to encourage low-carbon alternative, capture otherwise released GHGs, etc.).
3. (Adaptation) Does the project improve tree canopy, green space or access to public land for environmentally sustainable uses?
4. (Adaptation) Does the project help improve resiliency to extreme weather and other climate change hazards?
5. Are there more climate-friendly ways to do this project? Why are these not being pursued?

Step 4. Map out social impacts

1. Will this project meaningfully involve all groups and communities that will be impacted? How?
2. Will this project help reduce disparities in regard to: race, ethnicity, gender, socio-economic status, age, ability, sexual orientation, religion, tribal affiliation, etc.? How?
3. Will this project disrupt and/or reinforce dominant culture? How?
4. Will this project improve accessibility? (i.e., digital, physical, availability)

Step 5. Evaluate and be Accountable

1. How will you measure your impact? Do your performance metrics prioritize equity, social wellbeing, and climate adaptation?
2. Do you have a plan for addressing unintended consequences to people and the environment if they arise?
3. What information, data, people, partnerships, etc. are you missing from making a holistic decision?

Step 6. Communication

1. How will you share information, opportunities, and data with those most impacted? Is it gender- neutral and person-centered?
2. How will your decision(s) build long-term relationships and trust?
3. How will you uplift equity and climate in your project messaging?

residents most vulnerable to climate risks

Take a look at out most recent **GHG inventory** to learn more about where emissions come from

Our **Climate Action Plan** also helps describe what mitigation and adaptation strategies can look like

Milwaukie demographic data can be found on pg. 17 of the **Natural Hazard Mitigation Plan**

The complimentary **Equity & Climate Framework** provides helpful performance metrics

Join the monthly **community engagement forum** for more guidance

Need support? Contact Gabriela Santoyo Gutierrez or Katie Gavares for help!

DRAFT: Milwaukie's Climate Action Committee Charter

This document has been prepared to articulate the proposed role of the Climate Action Committee in addition to the requirements outlined in MMC 2.10 Boards, Commissions, and Committees Generally.

Purpose

The purpose of the Climate Action Committee is to advise City staff and City Council in developing recommendations to implement the Climate Action Plan (CAP), help shape community education and engagement on climate actions, and provide a continuing venue for input and evaluation of City policies related to climate work.

Role & Responsibility

- Monitor, report, update and help administer the CAP.
- Develop recommendations to City Council and staff and provide advice to implement CAP, including but not limited to developing cost-benefit assessments and building partnerships with stakeholders, industry and innovation leaders to meet CAP goals
- Provide information to City Council and staff to ensure that benchmarks, targets or actions incorporate the best available science and practices to achieve the intended climate or environmental related goals and targets.
- Provide advice to City Council and staff on policy and regulatory issues involving climate action, including mitigation, adaptation, and resilience efforts.
- Provide recommendations to ensure Milwaukie's climate and environmental planning incorporates long-term social, economic and environmental goals, including social equity for low-income households, persons of color, the young and elderly, and those with disabilities.
- Provide outreach and education to the community on climate action related issues and concerns.
- Support alignment between city boards and community groups focused on climate action and stewardship of natural resources.

Membership

The Climate Action Committee would be comprised of 9 voting members, 1-2 of them reserved for youth members. These committee members are selected to represent a diversity of expertise and experiences, professional or lived, in subjects such as renewable energy, energy policy, energy-efficiency building, alternative transportation, carbon emission reduction, climate resilience, environmental justice, equity in environmental stewardship, water resources, and other related areas. The Climate and Natural Resources Manager will serve as the staff liaison to this committee.

2025-2026 Priorities

- Support the policy analysis and community engagement on decarbonizing Milwaukie's two largest GHG emitting sectors, transportation and buildings.
- Advise on the GHG Inventory study in 2025.
- Develop recommendations and support outreach for the 2026 CAP update.
- Advise on integrating adaptation and climate resilience more strongly into the CAP.

Council Values Update: Equity & Climate Part 2

Gabriela Santoyo Gutierrez (she/her)
Equity & Inclusion Coordinator

Katie Gavares (they/them)
Climate & Natural Resources Manager

March 4, 2025



Overview

- Update on ongoing Equity and Climate program efforts
- Proposed: Climate Action Committee
- Assessment tool to operationalize Equity and Climate in the city



Ongoing Climate Action Program Updates

- Building Decarbonization & Electrification
- EV Charging Infrastructure
- ★ • Urban Forestry
- ★ • Home Energy Score & Energy Efficiency Upgrades
- ★ • Community Outreach & Engagement
- Earth Day 2025
- 2025 Legislative Session

Urban Forestry – 2025 Priorities

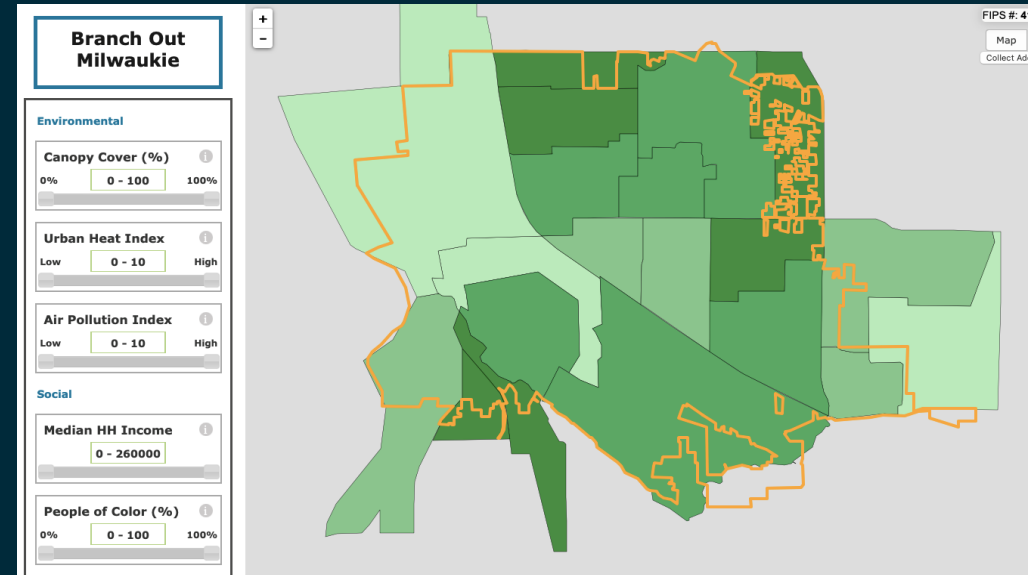
- Equitably reach 40% canopy coverage by 2040
- Implement responsive urban forestry services
- Build relationships and trust with residents
- Build internal capacity and expertise on urban forestry equity



Urban Forestry – Outputs

Equity Implementation Plan

A roadmap for preserving, planting, and caring for our trees equitably and sustainably.



Branch Out Milwaukee 2.0 Map

An interactive assessment tool that informs strategic and equitable tree planting in Milwaukee.

Urban Forestry – Timeline

Phase 1: Listen and Learn - June – September 2025

- 6 Listening sessions, 6 Technical advisory team roundtables, 2 Public workshops, 1 Survey
- Report back to community on what we heard

Phase 2: Develop Recommendations - October 2025 – January 2026

- Update Branch Out Milwaukie Map
- Develop recommendations on how to actualize community identified priorities

Phase 3: Create the plan - February – May 2026



HES Implementation

City of Milwaukie and Community Energy Project providing **20 free in-home heating upgrades** to low-income Milwaukie residents.

Braided funding = Up to \$18k per house

- ODOE's Healthy Homes Program
- Community Heat Pump Deployment Program
- Energy Trust of Oregon Community Funds

Prioritizing homes without heat and limited insulation



FREE IN-HOME HEATING UPGRADES

Stay comfortable and save you
money on monthly energy
bills!



CITY OF MILWAUKIE



COMMUNITY
ENERGY PROJECT

The City of Milwaukie and Community Energy Project are providing free heat pump upgrades to income qualified Milwaukie residents.

Outreach and Engagement

Climate and Natural Resources Quarterly Newsletter

- Education, empower, and energize the Milwaukie around climate actions
- First issue June 2025

Equity Steering Committee Climate Subcommittees

- Urban Forestry equitable engagement
 - Building decarbonization policy analysis
- = Ensuring that low-income, communities of color benefit from climate action



Proposed: Climate Action Committee

Role

- Develop recommendations to implement the City's CAP and provide a continuing venue for input and evaluation of City climate policies.

Initial Priorities 2025-2026

- Support the analysis and development of policies on decarbonizing Milwaukee's two largest GHG emitting sectors, transportation and buildings.
- Advise Staff and Council in the GHG Inventory study in 2025.
- Develop recommendations and support outreach for the 2026 CAP update.

Logistics

- Launch: Fall 2025
- Staff liaison: Climate and Natural Resources Manager

Equity

Three primary tracks of work:

- **Track 1:** Actions led by the Equity and Inclusion Coordinator & Internal Equity Committee (IEC) as core functions of the city's equity program.
- **Track 2:** Focus areas to be explored by the Equity Steering Committee (ESC), with support from the Equity and Inclusion Coordinator as their staff liaison.
- **Track 3:** Major city initiatives with an equity nexus that the Equity and Inclusion Coordinator will advise on.



Track 1: Coordinator & IEC

Helping develop progress for 2025:

- Supporting the city's internal community engagement forum
- Reviewing equity performance metrics and supporting the development of data dashboards or the city.
- Developing a formal request for proposals (RFP) solicitation for training consultants.
- Developing a city-wide climate and equity toolkit

Track 2: ESC Update

ESC identified two main priorities to focus their work in 2025:

- **Digital Accessibility**
 - ESC will help review the city's rebuilt website (launching in May)
 - ESC support city's presence on social media
- **Engagement Pathways**
 - ESC will help identify community partners and relationship building
 - ESC will help develop outreach materials that tell the story of the city's commitment to equity
 - ESC will continue to select Milwaukie Community Events Fund applications to fund.

Performance metrics update for Milwaukie Community Vision will be later in May 2025

Track 2: ESC Updates

The ESC and PARB formed a temporary Naming subcommittee to:

- Review the city's current naming policy and resolution.
- Identify other key groups who should be involved.
- Research and discuss other naming policies to narrow recommendations for our current policy (including North Clackamas Parks and Recreation District (NCPRD) recently updated naming policy).
- Based on the new policy, make recommendations for current parks and land naming requests (including Bowman-Brae and Balfour parks).

ESC members have also indicated interest in engaging in specific climate and natural resources initiatives.

Track 2 & 3: Milwaukie Police Department (MPD)

Statistical Transparency of Policing (STOP) data next steps:

- Police leadership and the equity and inclusion coordinator are collaborating for MPD related to the findings in this report as well as broader department work.
 - Monthly check-ins
 - MPD Mission & Vision
 - Police Chief's statement about immigration enforcement
- MPD leadership has briefed its staff on the STOPs results
- Discuss the data with the ESC
- Scheduled additional bias awareness and de-escalation trainings for 2025.

Equity & Climate Toolkit

Staff have developed an assessment tool:

- A set of questions designed to spark a change in process resulting in more equitable and climate-conscious project delivery.
- This tool is designed to be used for infrastructure projects, planning processes, policy development, and program implementation.
- Integrate into the Community Engagement Guide for internal and consultants to reference.



EQUITY AND CLIMATE ASSESSMENT TOOL

Why is this tool needed?

Milwaukee's [community vision](#) describes a future that is entirely equitable, delightfully livable, and completely sustainable. This means all people feel welcome, have access to a healthy environment, and have the resources and services they need to thrive by 2040. To achieve that vision, we need to make all of our decisions as a city in a thoughtful, intentional way. That's where the **Equity and Climate Assessment Tool** comes in.

These questions are designed to spark thought and challenge the status quo so we move forward work that is better for people and the planet. The toolkit acknowledges that every project and community is unique, and actions are not one-size fits all. It is designed to be used for infrastructure projects, planning processes, and program implementation. These will all be referred to as "project" through the rest of the document.

How to use the tool

Walk through the prompts with all members of your project team, jotting down notes as you go. There aren't right or wrong answers—this is meant to help you think about ways you can do work in a more equitable or climate-friendly way. Not sure what to do with the results? Set up a time to talk with Gabriela and Katie!

(Note: You may need to do additional research to answer the questions in the tool. Check out the complementary **Equity and Climate Framework** for more helpful resources.)

Assessment questions:

Step 1: Define the project

1. What is the purpose of your project? What are you hoping to achieve?
2. What problem are you trying to solve? Have other projects already tried to address those problems?
3. What is the timeline for this project? What pressures are driving that timeline?

Step 2: Map out internal and external key groups

1. Who will be involved in delivering this project?
 - a. At what level will each stakeholder group be involved? Why?
2. Where will this project take place?
 - a. What is the social, political, and ecological history of the site?
3. What groups or places will benefit from this project? Who would be "most satisfied?"
4. What groups or places will be burdened by this project? Who would be "most unsatisfied?"

Helpful hints

Align your goals with current initiatives in our **Equity Plan**

Check out the **Community Engagement Guide** for more resources

Check out Milwaukee's **Natural Hazard Mitigation Plan** to identify



Equity & Climate Toolkit

- What are your initial impressions and main take ways? Any section that stood out to you?
- How could this tool be beneficial as work through your new council workplans?

a. If applicable, how will this project impact people that are particularly vulnerable to the weather-related risks that may be exacerbated by climate change, inequity, and systemic barriers?

5. What assumptions are you making on who should be involved and who is impacted? Consider race, ethnicity, gender, socio-economic status, age, ability, sexual orientation, religion, tribal affiliation, and relationship with the natural environment.

Step 3: Map out climate and environmental impacts

1. (Mitigation) Will this project increase greenhouse gas emissions (GHGs), during the construction/implementation and/or on an ongoing basis?
 - a. If applicable: What are the opportunities to decrease the additional emissions of GHGs of this project?
2. (Mitigation) Will the project reduce existing GHG emissions? (i.e. replacement of diesel-powered equipment, change in policy to encourage low-carbon alternative, capture otherwise released GHGs, etc.).
3. (Adaptation) Does the project improve tree canopy, green space or access to public land for environmentally sustainable uses?
4. (Adaptation) Does the project help improve resiliency to extreme weather and other climate change hazards?
5. Are there more climate-friendly ways to do this project? Why are these not being pursued?

Step 4. Map out social impacts

1. Will this project meaningfully involve all groups and communities that will be impacted? How?
2. Will this project help reduce disparities in regard to: race, ethnicity, gender, socio-economic status, age, ability, sexual orientation, religion, tribal affiliation, etc.? How?
3. Will this project disrupt and/or reinforce dominant culture? How?
4. Will this project improve accessibility? (i.e., digital, physical, availability)

Step 5. Evaluate and be Accountable

1. How will you measure your impact? Do your performance metrics prioritize equity, social wellbeing, and climate adaptation?
2. Do you have a plan for addressing unintended consequences to people and the environment if they arise?
3. What information, data, people, partnerships, etc. are you missing from making a holistic decision?

Step 6. Communication

1. How will you share information, opportunities, and data with those most impacted? Is it gender- neutral and person-centered?
2. How will your decision(s) build long-term relationships and trust?
3. How will you uplift equity and climate in your project messaging?

Take a look at our most recent **GHG inventory** to learn more about where emissions come from

Our **Climate Action Plan** also helps describe what mitigation and adaptation strategies can look like

Milwaukee demographic data can be found on pg. 17 of the **Natural Hazard Mitigation Plan**

The complimentary **Equity & Climate Framework** provides helpful performance metrics

Join the monthly **community engagement forum** for more guidance

Need support? Contact Gabriela Santoyo Gutierrez or Katie Gavares for help!



CITY OF MILWAUKIE

Questions?
Thank you!

Gabriela Santoyo Gutierrez
Equity & Inclusion Coordinator
SantoyoG@milwaukieoregon.gov | 503.786.7564

Katie Gavares
Climate and Natural Resources Manager
GavaresK@milwaukieoregon.gov | 503.786.7668



COUNCIL STAFF REPORT**To:** Mayor and City Council**Date Written:** Feb. 18, 2024**Reviewed:** Emma Sagor, City Manager, and
Michael Osborne, Finance Director**From:** Joseph Briglio, Assistant City Manager**Subject:** **Construction Excise Tax (CET) for Affordable Housing Discussion****ACTION REQUESTED**

Council is asked to provide direction to staff on the prioritization of the CET affordable housing-related funds.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

- July 28, 2016: Council heard a presentation on legislation that allows a local CET on new commercial and residential development for affordable housing.
- April 23, 2017: Council held a goal setting session and voted unanimously to adopt a housing affordability goal.
- July 11, 2017: Council held a study session on the CET program and its development and provided details of the program parameters and exemptions for Council to consider.
- September 19, 2017: Council held a second work session to provide details on outreach and program parameters. Council approved moving forward with a resolution to adopt a CET.
- November 7, 2017: Staff presented a draft ordinance to Council to solicit revisions in advance of a Council to vote at the November 21, 2017, regular session.
- November 21, 2017: Council adopted the CET for affordable housing; see [Ordinance 2154](#).
- October 7, 2022: Staff issued a competitive requests for proposals (RFP) for projects incorporating income-restricted housing.
- January 4, 2023: Staff provided Council with a memo updating them on the RFP evaluation committee process and likely project selections.
- March 7, 2023: Council awarded \$2 million in CET funds to two affordable housing projects.
- [September 17, 2025](#): Council received an overview of the CET program.

ANALYSIS

The CET program was established by Council in 2017 and codified within [Milwaukie Municipal Code \(MMC\) Chapter 3.60](#) (Affordable Housing Construction Excise Tax). The CET levies a one percent tax on any development over \$100,000 in construction value. For example, a property owner that is building an addition with an assessed construction value of \$100,000 would be required to pay \$1,000 in CET to the city. As development occurs throughout the city, the CET fund increases proportionally.

Dedication of CET Revenue

The accumulated CET funds are deposited into several accounts depending on whether they originated from a residential or commercial/industrial project. Residential CET monies go

towards supporting first time homebuyer programs managed by the state and the construction of affordable income-restricted housing units (80% area median income and below). Commercial/industrial CET monies go towards funding the construction of affordable workforce housing (120% of area median income (AMI) and below) and economic development related activities and programs. MMC Section 3.60.130 (Dedication of Revenue) codifies this using the following language:

A. The City may retain up to 4% of the tax collected for payment toward administrative expenses related to collection and distribution of the tax.

B. The net revenue from the tax on residential improvements will be allocated by the City as follows:

1. Fifteen percent of net revenue will be remitted to the Oregon Department of Housing and Community Services to fund home ownership programs.

2. Fifty percent of net revenue to fund incentives for the development and construction of affordable housing authorized by the City as provided by state law.

3. Thirty-five percent of net revenue to fund programs and activities related to affordable housing.

C. The net revenue from the tax on commercial improvements will be distributed as follows:

1. Fifty percent to fund incentives for the development and construction of housing that is affordable at up to 120% of median family income; and

2. Fifty percent for economic development programs with an emphasis on areas of the City that are subject to plans designated as eligible by the City. The eligible plans as of the effective date of the ordinance codified in this chapter are: Central Milwaukie Land Use and Transportation Plan, Downtown and Riverfront Land Use Framework Plan, Milwaukie Urban Renewal Plan, Economic Development Strategic Plan, and the North Milwaukie Industrial Area Plan. Additional eligible plans may be designated by the City Council.

Affordable Housing CET

To utilize the accumulated affordable housing dedicated funds described above, the city released an inaugural competitive bid process for CET funds through a formal RFP process. Based on the city code above, the RFP prioritized both workforce and affordable housing with a preference for the greatest number of income-restricted units for the longest duration. It further prioritized projects that offered deeply affordable (30% AMI) units designed to transition people out of houselessness, provide supportive services on-site, prevent displacement, involve community land trusts, offer first-time homebuyer education, serve historically underserved communities, and serve other high priority special needs populations as outlined in the Milwaukie Housing Affordability Strategy (MHAS). Lastly, since the city lacks the resources to manage income-restricted units and qualify tenants on an on-going basis, it was imperative that each proposal guarantee continued income-verification administration and unit restriction management for a period of at least 30 years.

The city received two proposals that were assessed and scored by a selection committee. The two proposals included Hillside Park Phase I and Shortstack Milwaukie. Hillside Park is a development partnership between RelatedNW (affordable housing developer), the Housing Authority of Clackamas County (HACC) (supportive services and income restricted unit management), and Northwest Housing Alternatives (NHA) (additional supportive services

management). As proposed, it will create 275 income restricted units for households earning between 30% to 60% AMI. Since there is federal funding as part of this project, it is income restricted for a term of at least 60 years; however, since it's a HACC project, it will likely be restricted in perpetuity.

The Milwaukie Shortstack project is another affordable housing development that will encompass 15 "for-sale" units restricted at 80% AMI and slated to be managed through Proud Ground's community land trust model, which requires ongoing affordability requirements and management for at least 30-years. This project is unique in the affordable housing realm as it offers home ownership opportunities and wealth generation, rather than rental housing. This project is located on Harvey Street.

The selection committee scored the Hillside Park Phase I project highest, however, it also felt that the Milwaukie Shortstack Project warranted an award due to its rare land trust model and the opportunity for home ownership. Therefore, Hillside Park Phase I was awarded \$1.7 million (requested \$2 million) and the Milwaukie Shortstack Project was awarded \$300,000 (requested \$600,000).

Economic Development CET

The city has yet to program the accumulated funds that are broadly dedicated to economic development efforts. The current direction received from Council is to use these funds to provide similar grant programs that are available to businesses located in the urban renewal area (URA). These programs include the storefront improvement program, tenant improvement program, and pre-development assistance program. For additional information, about these economic development programs, please visit the following website:

<https://www.milwaukieoregon.gov/economicdevelopment/economic-development-business-improvement-grants>

Current CET Fund Balances

The table below summarizes the current fund balances for each dedicated CET activities/initiatives:

| Affordable Housing Activities | Economic Development Activities |
|-------------------------------|---------------------------------|
| \$443,472 | \$819,535 |

The economic development funds are programmed for city-wide business grants and placemaking activities; however, the current balance of affordable housing-related funds has yet to be programmed.

Council has previously discussed dedicating these funds to support infrastructure expenses required to make development on the Sparrow site viable. Staff expect these infrastructure costs will use all of and likely exceed the current affordable housing fund balance. Staff are seeking direction from Council as to whether these funds should be dedicated to Sparrow or something else as well as priorities for future fund accruals.

BUDGET, CLIMATE, EQUITY, & WORKLOAD IMPACTS

This is a discussion item that will potentially direct existing funds to best support affordable housing related endeavors.

COORDINATION, CONCURRENCE, OR DISSENT

The city manager’s office, community development, and finance department coordinated on the development of this report.

STAFF RECOMMENDATION

None. This is an overview and discussion item.

ATTACHMENTS

None.

Construction Excise Tax (CET) Overview

Joseph Briglio
Assistant City Manager
March 4, 2025



Background

- Adopted by Council in 2017
- 1% tax on any development over \$100k in construction value
- Revenues go toward Affordable Housing and Economic Development Activities

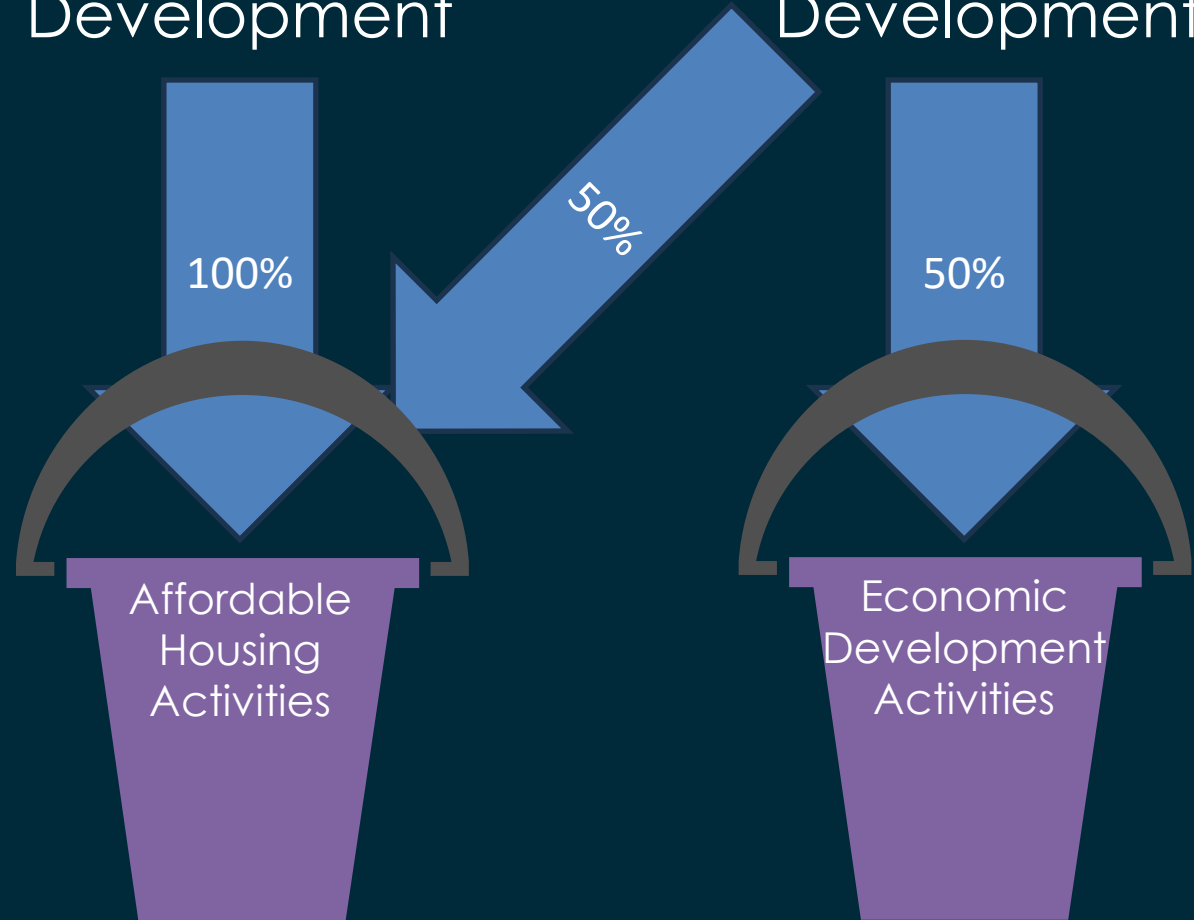




Buckets of Funds

Residential
Development

Commercial
Development

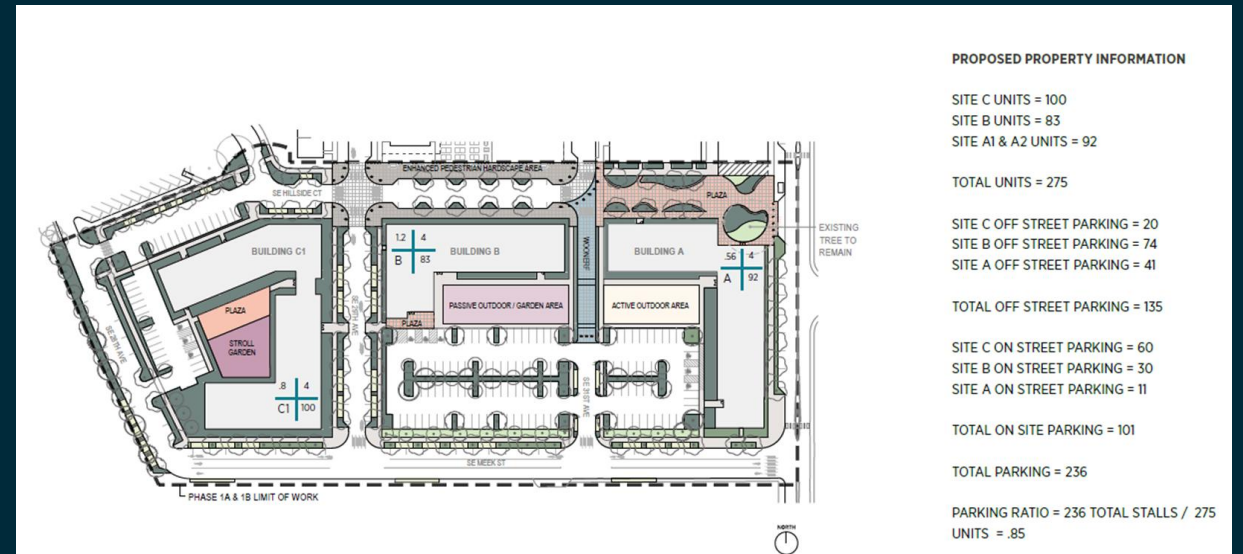


Affordable Housing Activities

Incentivize construction and development, and related programming, for Affordable Housing

Affordable Housing Grant Program

- \$1.7M Hillside Phase I
- \$300,000 Shortstack Milwaukie

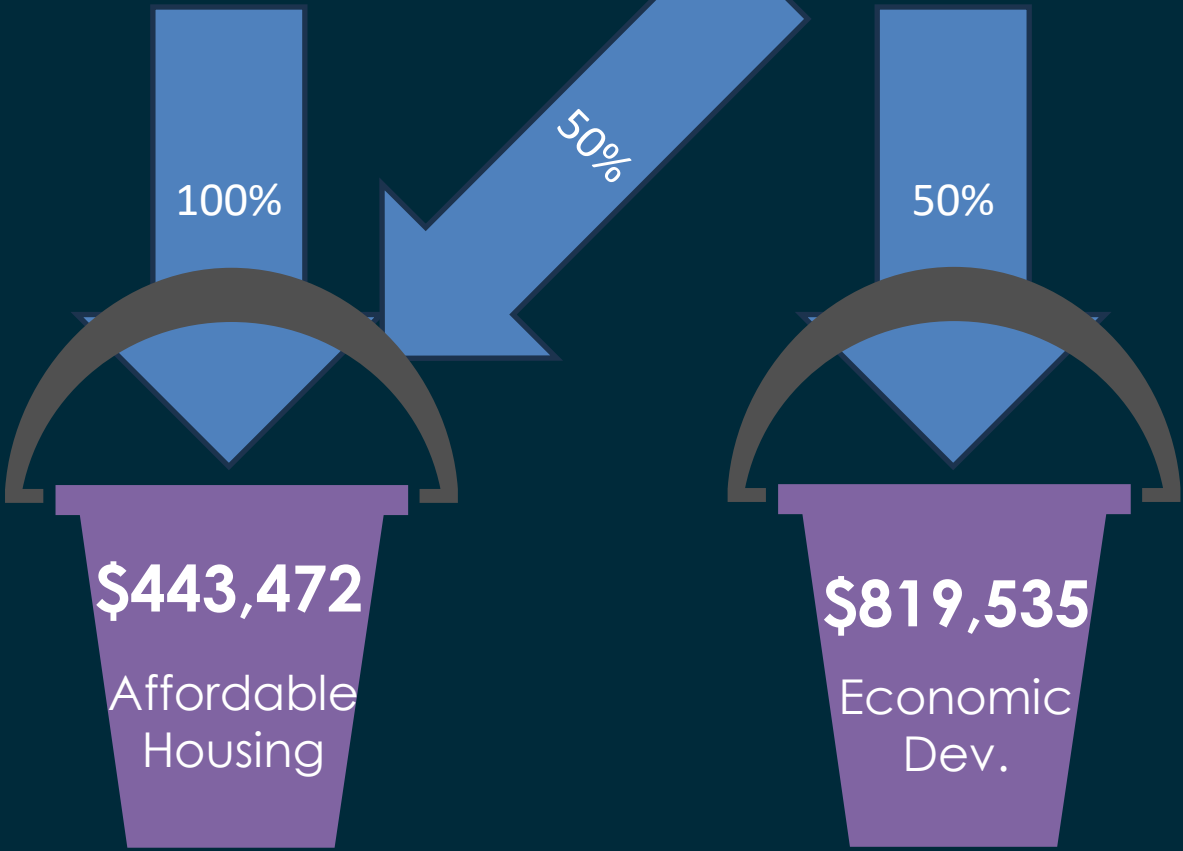




Bucket Fund Balances

Residential
Development

Commercial
Development



Current Staff Recommendation

Affordable Housing Funds

Support the development of the Sparrow Site

- Infrastructure (i.e., Access)
- SDCs & Permitting
- Design & Technical Reports

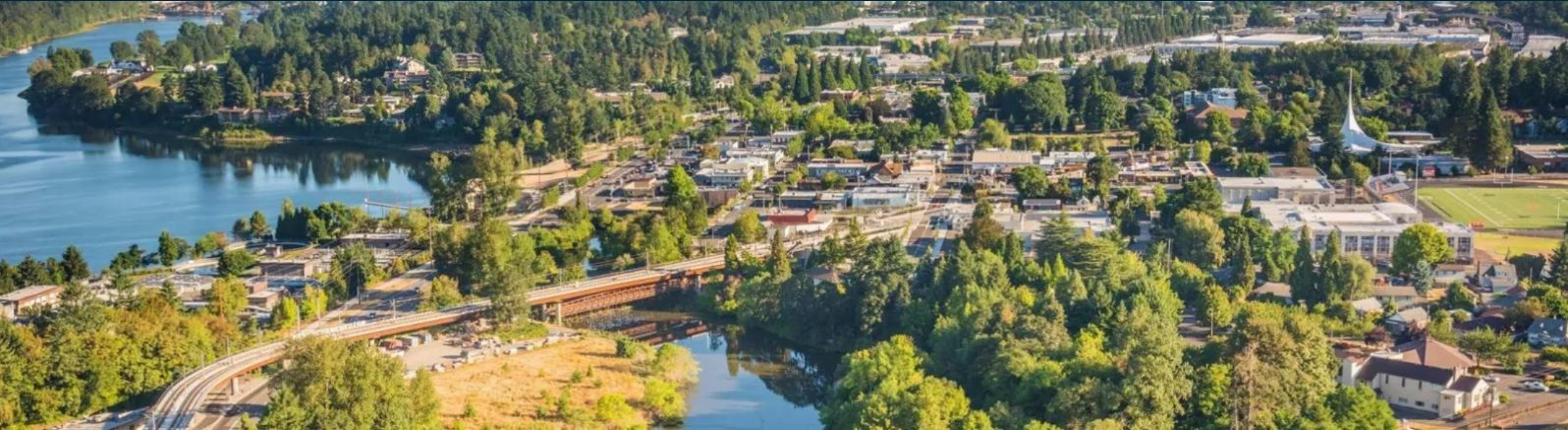


Other Recommendations

- **Revolving Loan Program (HPS)**
- **Funding for Land Banking Strategy (HPS)**
 - **Clackamas County Scattered Sites**
- **SDC Backfilling (HPS)**

Secondary Staff Recommendation

- **Sparrow Support**
- **Revolving Loan Program (HPS)**



**QUESTIONS OR
COMMENTS?**



From: [William Anderson](#)
To: [Joseph Briglio](#); [Mandy Byrd](#)
Cc: [Emma Sagor](#); [Scott Stauffer](#)
Subject: HB 3188
Date: Tuesday, March 4, 2025 5:43:29 PM

WS 2. 3/4/25
Exhibit
Councilor Anderson

Linked here is HB 3188, a bill that might provide a framework for stretching our limited dollars for homeownership. Happy to chat about this more.

<https://olis.oregonlegislature.gov/liz/2025R1/Downloads/MeasureDocument/HB3188>

House Bill 3188

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 83rd OREGON LEGISLATIVE ASSEMBLY--2025 Regular Session House Bill 3188 Sponsored by Representative ...

olis.oregonlegislature.gov

Scott will you please include this in the record?

Thank you!

Will Anderson • Council President
City of Milwaukie
he•him•his [Learn why pronouns matter](#)
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