COMMITTEE STAFF SUMMARY

Finance and Governance Committee of the Whole

Ordinance (Document number 2026-325): Amend Regulation of Payday Lending Code to update program fees (amend Code Section 7.26.030)

Ordinance (Document number 2026-326): Amend Pay and Park and Non-Pay Private Parking Facilities Code to strengthen compliance and public notice requirements and update program fees (amend Code Chapter 7.25)

Ordinance (Document number 2026-328): Amend Social Games Code to strengthen compliance requirements and update program fees (amend Code Sections 14A.70.060 and 14A.70.070)

Ordinance (Document number 2026-329): Repeal Amusement Devices, Games and Machines Code (repeal Code Chapter 14B.110)

Action Date: September 24, 2026

Committee Action: Referred to City Council with a recommendation it be passed (2026-325); Referred to City Council with recommendation to pass (2026-326, 2026-328, 2026-329)

Votes: 9-0-3 (2026-325); 10-0-2 (2026-326, 2026-328, 2026-329)

Ayes: Koyama Lane, Morillo, Novick, Clark, Avalos, Dunphy, Smith, Pirtle-Guiney, Kanal (2026-325); Koyama Lane, Morillo, Novick, Clark, Avalos, Dunphy, Smith, Pirtle-Guiney, Ryan, Kanal (2026-326, 2026-328, 2026-329)

Nays: N/A

Absent: Green, Zimmerman, Ryan (2026-325); Green, Zimmerman (2026-326, 2026-328, 2026-329)

Impact Statements: Financial and budgetary impacts; Economic and real estate development impacts; Community impacts and community involvement

Prepared by: Christopher Herr, Council Operations Policy Analyst

Committee meetings: September 16, 2026 (recording and transcript); September 24, 2026 (recording and transcript)

WHAT THE ORDINANCES DO:

The ordinances (document numbers 2026-325; 2026-326, 2026-328, and 2026-329) amend various Chapters of Portland City Code Title 7, Business Licenses, and amend and repeal Chapters in Portland City Code Title 14, Public Order and Police.

Document number 2026-325

The ordinance amends City Code Chapter 7.26, Regulation of Payday Lending, as shown in Exhibit A. The amendments increase the required annual permit fee for payday lenders from $1,500 to $2,400. Beginning after 2027, the fee may be adjusted annually on January 1 to account for inflation or deflation, with any adjustment rounded to the nearest $100. The current permit fee must be posted on the Revenue Division's webpage. The amendments also include technical and conforming code changes. The amendments shall be in full force and effective January 1, 2027.

Document number 2026-326

The ordinance amends City Code Chapter 7.25, Pay and Park and Non-Pay Private Parking Facilities, as shown in Exhibit A.

The amendments establish a one-time, nonrefundable operator application fee of $400. Beginning after 2027, the fee may be adjusted annually on January 1 to account for inflation or deflation, with any adjustment rounded to the nearest $10.

The amendments also increase the annual, nonrefundable registration fee from $200 to $400 and clarify that this fee is separate from, and in addition to, the one-time operator application fee. Beginning after 2027, the annual registration fee may also be adjusted each January 1 to account for inflation or deflation, with adjustments rounded to the nearest $10.

The amendments add requirements concerning lot boundaries to clarify when a parking facility must be divided into more than one registered lot. A parking facility must be divided when a vehicle must enter or use a public right-of-way, fire lane, service road, access lane, or emergency lane to reach another portion of the facility. A separate lot is also required when a vehicle must exit the facility and use a different facility entrance to access another portion of the facility.

The amendments clarify that all pay and park and non-pay private parking facilities operating within the City of Portland must comply with, and remain in compliance with, all applicable provisions of Chapter 7.02, Business License Law.

The amendments expand signage requirements for pay and park facilities. Facilities must post a warning instructing motorists not to park if the payment machine is not accepting payment. For facilities that contain both pay and park and non-pay areas, additional signage must identify the portion of the facility in which a parker is located, entering, or leaving. The amendments also establish a minimum lettering height of two inches for all signage required under the applicable provisions.

For spaces reserved for persons displaying a disabled parking permit, the amendments modify the existing signage requirements by establishing a minimum lettering height of one inch for the required sticker or sign attached to the disabled parking sign at the front of each space.

The amendments establish additional documentation requirements when a parking penalty notice is issued. The operator must obtain photographic documentation of the vehicle's license plate, or evidence that the plate is missing, as well as the vehicle's make and model and the vehicle identification number (VIN), or evidence that the VIN is not visible. The operator must also document that the parking penalty notice was affixed to the vehicle or provided directly to the parker.

The amendments require operators to accept checks or money orders as valid payment for parking penalties when payment is received by mail.

The amendments establish a five-minute grace period for parking violations when the parker or registered vehicle owner provides documentation clearly demonstrating that payment was made no more than five minutes after the parking penalty notice was issued. The amendments further provide that evidence of parking validation is equivalent to payment of the penalty and must be treated as such.

Finally, the amendments provide that an operator's failure to respond to a parker complaint, or to the City Administrator, or their designee who carries out the work of Revenue Division, within the required 10-day period may result in the mandatory dismissal of the parking penalty notice. The amendments shall be in full force and effective January 1, 2027.

Document number 2026-328

The ordinance amends City Code Chapter 14A.70, as shown in Exhibit A. The amendments raise the permit application fee from $500 to $1,000. The amendments also authorize the fee, in subsequent years, to be adjusted annually on January 1 to account for inflation or deflation, with adjustments rounded to the nearest $50. The amendments also mandate that the private business, private club, or place of public accommodation in which the social game is conducted within the City must comply with all provisions of City Code Chapter 7.02, Business License Law, and that an application for a social game permit will be denied if the City Administrator finds the applicant to be out of compliance with the Business License Law. The amendments shall be in full force and effective January 1, 2027.

Document number 2026-329

The ordinance repeals City Code Chapter 14B.110, Amusement Devices, Games and Machines, effective December 31, 2026. The chapter currently regulates amusement devices and games, including foosball and table soccer games, billiards and pool tables, shuffleboard, shooting gallery devices, miniature bowling games, electronic games of skill, video games, and other similar machines and devices.

ISSUES DISCUSSED:

- The Regulatory Program's current operation at an annual deficit of approximately $40,500 with the proposed changes reducing the annual deficit to approximately $19,850 (*Note: these figures include Ordinance 2026-327,* that *was referred to the Community and Public Safety Committee on September 24, 2026, by the Committee of the Whole*)
- The Sponsor and Revenue Division identified programs as outdated or no longer necessary and selected them for amendment during work on Ordinance 192204, which, in part, removed registration and fee requirements for portable signs placed in the right-of-way
- Interest in adding public nuisance containment options for surface parking lots in downtown Portland and in exploring whether the existing regulatory program would be an appropriate mechanism for addressing such issues
- Interest in establishing a variable fee structure for parking facilities based on floor area ratio (FAR) to discourage the use of certain downtown properties solely for surface parking, while noting that the current fee structure is designed primarily for cost recovery for a program supported by one full-time equivalent (FTE) position and that a variable fee structure could depart from that approach and require additional administrative work and staffing
- Intent for the fee structure for the affected programs to recover the costs associated with administering the programs, including the one FTE responsible for implementation
- Potential impact of increased pay and park permitting fees on parking costs, with the expectation that the proposed fee increases would have no impact on the cost of parking
- Interest in additional regulation of vehicles that park over the marked boundaries of a designated parking space
- Impact of limited parking access on downtown storefront businesses experiencing workforce and customer challenges
- Review of each identified program as part of the process of evaluating the proposed amendments
- Modifications made in response to public comments regarding pay and park regulations, including changing the grace period from the time a parking payment expires to the earliest time a parking penalty notice may be issued, and reducing the grace period from seven minutes to five minutes
- Interest in exploring options to provide relief for private-sector businesses and small businesses where parking availability or regulations may affect customers' ability to access businesses

PUBLIC TESTIMONY:

One person provided verbal testimony at the committee meeting on September 16, 2026, and four individuals submitted written testimony prior to committee action on September 24th.

General themes of testimony included:

- Concern that many of the proposed amendments to City Code Chapter 7.25, Pay and Park and Non-Pay Private Parking Facilities, place additional administrative and financial burdens on facility

operators, particularly through new signage requirements and additional documentation requirements for parking violations
- Noted that the parking violation fee has not been updated since 2011 and expressed interest in increasing the violation fee in conjunction with the proposed increases to pay and park facility operator permitting fees
- Concern around the predatory practices of Payday lenders

BACKGROUND:

The Revenue Division, within the Office of the Chief Financial Officer, collects revenue to support essential City services and administers regulatory programs intended to protect the public. The Revenue Division currently administers several regulatory programs with staffing equivalent to one full-time employee (FTE), using a cost-recovery model in which program fees are intended to support the costs of administering and implementing the programs.

One of these programs is the Payday Lenders program, that regulates certain payday lending practices and is intended to minimize their potential detrimental effects on individuals and families. There are currently five open Payday Lender accounts, that accounted for approximately 7 percent of Regulatory Program revenue in Fiscal Year 2024-25. The Payday Lender permit fee has not been increased since the program's inception, resulting in a 55 percent increase in the Consumer Price Index (CPI) since the fee was last established. Ordinance 2026-325 updates the application fee to account for inflation and establish an annual inflation adjustment for the fee.

Another program is the Pay and Park program, that regulates parking at pay and park and non-pay private facilities. The program is intended to ensure that parking regulations are applied objectively and with appropriate notice, while providing fairness and convenience for the public. There are currently 11 open Pay and Park program accounts representing approximately 164 permitted lots. The program accounted for approximately 32 percent of Regulatory Program revenue in Fiscal Year 2024-25. The CPI has increased approximately 50 percent since the pay and park permit fee was last changed in 2009. Ordinance 2026-326 makes several administrative and substantive changes to the program, including clarifying requirements and restrictions that must be communicated to parking facility patrons, establishing a photo-documentation requirement when issuing a parking penalty notice, and updating the application fee, which is currently established by administrative rule, to account for inflation and establish an annual inflation adjustment.

The Social Games program regulates the operation of social games, including requirements related to location, participant age, amounts wagered, and other operating conditions intended to protect public peace, safety, and welfare. Oregon law requires jurisdictions that permit social games to regulate these activities. There are approximately 14 open Social Games accounts, that accounted for approximately 3 percent of Regulatory Program revenue in Fiscal Year 2024-25. The Social Games permit fee has not been

updated in more than 50 years. Currently, businesses that host social games are not required to maintain compliance with the City's Business License Law as a condition of obtaining or retaining a Social Games permit. Ordinance 2026-328 updates the application fee to account for inflation, establish an annual inflation adjustment, and require applicants to comply with the Business License Law as a condition of obtaining and retaining a permit.

The Amusement Devices, Games, and Machines program regulates certain amusement devices and games, including devices such as pinball machines and pool tables. Based on available records, the program was added to Portland City Code in 1929. The program is considered outdated, and the permit requirements may impose administrative and financial requirements on small businesses that choose to comply with the program. Small businesses hold the majority of permits under this program. Ordinance 2026-329 repeals the Amusement Devices, Games, and Machines program.