



CITY OF  
**PORTLAND, OREGON**

**OFFICIAL  
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **12TH DAY OF OCTOBER, 2005** AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Potter, Presiding; Commissioners Leonard, Saltzman and Sten, 4.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Harry Auerbach, Chief Deputy City Attorney; and Larry Sparks, Sergeant at Arms.

On a Y-4 roll call, the Consent Agenda was adopted.

| <b>COMMUNICATIONS</b>   |  | <b>Disposition:</b>   |
|---|--|---|
| <b>1193</b> Request of Paul Phillips to address Council regarding taxpayer money (Communication)  |  | <b>PLACED ON FILE</b>   |
| <b>TIME CERTAINS</b>  |  |   |
| <b>1194 TIME CERTAIN: 9:30 AM</b> – Amend Property Tax Exemption for Residential Rehabilitation and New Construction of Single-Unit Housing in Homebuyer Opportunity Areas to extend the program sunset date, allow the eligibility of condominiums and improve program administration (Ordinance introduced by Mayor Potter; amend Code Chapter 3.102) |  | <b>PASSED TO<br/>SECOND READING<br/>OCTOBER 19, 2005<br/>AT 9:30 AM</b> |
| <b>1195</b> Establish \$225,000 as the maximum price for newly constructed single family house eligible for a limited property tax exemption in a homebuyer opportunity area (Resolution introduced by Mayor Potter)<br>(Y-4)   |  | <b>36340</b>  |
| <b>1196</b> Ensure that the housing units eligible to receive a limited 10-year tax exemption under the City program for New Construction of Single-Family Housing in Homebuyer Opportunity Areas are suitable for families (Resolution introduced by Mayor Potter)<br>(Y-4)  |  | <b>36341</b>  |
| <b>1197 TIME CERTAIN: 10:00 AM</b> – Declare the week of October 8-16, 2005 Archives Week (Proclamation introduced by Mayor Potter)   |  | <b>PLACED ON FILE</b>   |
| <b>CONSENT AGENDA – NO DISCUSSION</b>   |  |   |
| <b>Mayor Tom Potter</b><br>Office of Management and Finance – Human Resources   |  |   |

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| <p><b>*1198</b> Create a new nonrepresented position and classification of Revenue Director and establish a compensation rate for this classification (Ordinance)</p> <p>(Y-4)</p>  | <p><b>179647</b></p>   |
| <p><b>Commissioner Sam Adams</b></p>  |  |
| <p><b>Bureau of Environmental Services</b></p>  |  |
| <p><b>*1199</b> Accept subrecipient grant award from the Columbia Slough Watershed Council, through the Oregon Watershed Enhancement Board in the amount of \$200,000 for land acquisition at the Big Four Corners site in the Columbia Slough Watershed (Ordinance)</p> <p>(Y-4)</p> | <p><b>179648</b></p>   |
| <p><b>*1200</b> Authorize a contract with J.W. Fowler Co. and provide for payment for the construction of the Woods Street Trunk Sewer Emergency Repair Project Phase 1--Engineered Shoring Excavation, Project No. 8084 (Ordinance)</p> <p>(Y-4)</p>                                 | <p><b>179649</b></p>   |
| <p><b>Office of Transportation</b></p>  |  |
| <p><b>1201</b> Call for bids for the construction of the East Columbia to Lombard Connector project (Second Reading Agenda 1168)</p> <p>(Y-4)</p>   | <p><b>179650</b></p>   |
| <p><b>1202</b> Grant revocable permit to Oba! Restaurant to close NW Hoyt Street between NW 12th and 13th Avenues from 7:00 a.m. November 12, 2005 to 4:00 a.m. on November 13, 2005 (Second Reading Agenda 1169)</p> <p>(Y-4)</p>  | <p><b>179651</b></p>   |
| <p><b>Commissioner Dan Saltzman</b></p>   |  |
| <p><b>Office of Cable Communications and Franchise Management</b></p>   |  |
| <p><b>*1203</b> Ratify extension of Qwest Corporation temporary, revocable permit, Ordinance No. 179559 (Ordinance)</p> <p>(Y-4)</p>  | <p><b>179652</b></p>   |
| <p><b>Parks and Recreation</b></p>  |  |
| <p><b>1204</b> Remove designation for five Heritage Trees in the City of Portland (Ordinance)</p>   | <p><b>PASSED TO<br/>SECOND READING<br/>OCTOBER 19, 2005<br/>AT 9:30 AM</b></p> |
| <p><b>1205</b> Amend contract with Multnomah County to provide two full-time Alternative Community Service crews for a maximum of \$109,260 (Second Reading Agenda 1172; amend Contract No. 35752)</p> <p>(Y-4)</p>   | <p><b>179653</b></p>   |
| <p><b>1206</b> Allow Portland Parks and Recreation Urban Forestry Division to accept a \$5,000 donation from PacifiCorp to purchase trees to plant on public property (Second Reading Agenda 1173)</p> <p>(Y-4)</p>   | <p><b>179654</b></p>   |

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**Commissioner Erik Sten**

**Bureau of Housing and Community Development**

- \*1207** Accept a Tenant Readiness Rent Guarantee Agreement grant from the State of Oregon Housing and Community Services Department of an amount up to \$156,000 to assist low-income renters who face barriers to access housing and receive payment (Ordinance)  
(Y-4)

**179655**

**Fire and Rescue**

- \*1208** Accept donation of a 2005 Bombardier Personal Water Craft from the Jeff Morris Fire & Life Safety Foundation (Ordinance)  
(Y-4)

**179656**

- 1209** Donate a 1990 Chevrolet H30 Van to Multnomah County Emergency Medical Services (Ordinance)

**PASSED TO  
SECOND READING  
OCTOBER 19, 2005  
AT 9:30 AM**

- 1210** Accept donation from Han Younghee of exercise equipment to Portland Fire, Rescue and Emergency Services (Ordinance)

**PASSED TO  
SECOND READING  
OCTOBER 19, 2005  
AT 9:30 AM**

- \*1211** Authorize Intergovernmental Agreement with Portland Community College for advanced cardiac life support training (Ordinance)  
(Y-4)

**179657**

**REGULAR AGENDA**

- \*1212** Authorize an Intergovernmental Agreement with Multnomah County to fund 57 jail beds to supplement the County's ability to hold, pre-arraignment, those arrested for certain crimes that affect neighborhood livability who are not otherwise entitled to release (Ordinance introduced by Mayor Potter and Commissioner Leonard)

**Motion to accept amendment to change the start date to November 1:**  
Moved by Commissioner Leonard and seconded by Commissioner Saltzman. (Y-4)

(Y-4)

**179658**  
AS AMENDED

- \*1213** Authorize a Memorandum of Understanding with Multnomah County to establish a Voluntary Substance Abuse Treatment program for the Department of Community Justice to contract for voluntary drug and alcohol treatment services for certain high risk, chronic criminal offenders (Ordinance)

**Motion to accept amendment to change the start date to November 1:**  
Moved by Commissioner Leonard and seconded by Commissioner Saltzman. (Y-4)

(Y-4)

**179659**  
AS AMENDED

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| <b>Mayor Tom Potter</b>   |   |
| <b>Office of Management and Finance – Revenue Bureau - Licenses</b>   |   |
| <b>1214</b> Eliminate issuance of temporary taxicab and limited passenger transportation driver permits and establish new permit application procedures (Ordinance; amend Code Sections 16.40.240, 16.40.250 and 16.40.930) | <b>PASSED TO<br/>SECOND READING<br/>OCTOBER 19, 2005<br/>AT 9:30 AM</b> |
| <b>Commissioner Sam Adams</b>   |   |
| <b>1215</b> Authorize an agreement for services with the Regional Arts & Culture Council to administer public art matters for the City and provide for payment (Second Reading Agenda 1180)<br><br>(Y-4)                    | <b>179662</b>   |
| <b>Office of Transportation</b>   |   |
| <b>1216</b> Create a local improvement district to construct street improvements in the NE 87th Avenue and Columbia Boulevard Local Improvement District (Second Reading Agenda 1185; C-10016)<br><br>(Y-4)                 | <b>179663</b>   |
| <b>Commissioner Randy Leonard</b>   |   |
| <b>*1217</b> Amend the FY 2005-06 budget to appropriate \$164,000 to the Bureau of Housing and Community Development to contract for women shelter services (Ordinance)<br><br>(Y-4)  | <b>179660</b>   |
| <b>Bureau of Development Services</b>   |   |
| <b>1218</b> Amend Erosion and Sediment Control regulations to clarify intent and authority, simplify certain requirements and improve administration (Ordinance; amend Title 10)  | <b>PASSED TO<br/>SECOND READING<br/>OCTOBER 19, 2005<br/>AT 9:30 AM</b> |
| <b>Water Bureau</b>   |   |
| <b>*1219</b> Authorize an Intergovernmental Agreement with the Oregon Office of Emergency Management to provide personnel and equipment to the City of New Orleans (Ordinance)<br><br>(Y-4)                                 | <b>179661</b>   |
| <b>Commissioner Dan Saltzman</b>  |   |
| <b>Parks and Recreation</b>   |   |

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| <b>1220</b> Accept a \$416,347 grant from Oregon State Parks Local Government Grant Program to develop the 1.7-acre Holly Farm property in Southwest Portland into a neighborhood park (Ordinance) | <b>PASSED TO<br/>SECOND READING<br/>OCTOBER 19, 2005<br/>AT 9:30 AM</b> |
| <b>1221</b> Designate three Heritage Trees and remove designation for one Heritage Tree (Second Reading Agenda 1150)<br>(Y-4)  | <b>179664</b>   |

At 12:20 p.m., Council adjourned.

GARY BLACKMER  
Auditor of the City of Portland

By Karla Moore-Love  
Clerk of the Council

For a discussion of agenda items, please consult the following Closed Caption File.

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| <p><b><u>WEDNESDAY, 2:00 PM, OCTOBER 12, 2005</u></b></p> <p><b>DUE TO LACK OF AN AGENDA</b></p> <p><b>THERE WAS NO MEETING</b></p> |  |
|---|--|

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**THURSDAY, 2:00 PM, OCTOBER 13, 2005**

**MEETING CANCELED**

**Previously scheduled land use appeal 05-136553 CU AD, Beaumont Village, was withdrawn.**

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**Closed Caption File of Portland City Council Meeting**

This file was produced through the closed captioning process for the televised City Council broadcast.

Key: \*\*\*\*\* means unidentified speaker.

**OCTOBER 12, 2005                      9:30 AM**

**Potter:** Good morning, everybody. This is the Portland city council. Before we begin, we have a tradition, and we ask a question of the community, and the question is how are the children. We ask that question because we know in many communities around the world if the children are doing well the community is doing well. Normally we have experts in to tell us how the children are doing, and they all happen to be children. We'd made some arrangements this week for some young people to come in, and at the last minute they had to cancel. So we won't have any council kids this morning, but I still ask the community, I ask the folks here in this room, to still consider the question, how are the children, because it's an important issue, we have school funding, we have healthcare, housing, there's just a whole host of issues that affect our children and our community, and I think that we need to be conversant and have that on our minds as we make decisions that affect the future the Portland. So with that, Karla, please call the roll for council. [roll call] [gavel pounded] communications, Karla, please read.

**Item 1193.**

**Potter:** Thanks for being here, mr. Phillips. Please state your name when you testify and you have three minutes.

**Paul Phillips:** Yes. I'm paul phillips. Before you you should have a letter from the social security administration, important information about disability insurance. You told us that you do not want medical insurance under medicare. That's the first sentence, paragraph, on the page. And down there below where I have circled information about medicare. Our records show that your state has freed to pay the premiums for your medicare medical insurance coverage, therefore you will continue to be enrolled. That letter is dated march 25, 2005. The 26th of this month, i'll be talking about this other letter from the senior and disabled services division. Mr. Philips, you asked if you could have a copy of something showing what benefits you will receive with the q.m.b. Coverage. You will not be receiving anything in the mail from the headquarters in salem, so i'm sending you what I have in the manual. The only thing the state is paying for is your part b of your medicare. The state will go back to february and pick up your premiums. And this article is dated june 1, 1998. They have been paying medicare insurance for myself, most people on medicare that's disabled have to pay for it themselves, but the state of Oregon's been paying it some 7 1/2 years. Again, i'll be referencing this the 26th of this month, but apparently even white people, disabled people, don't get medical coverage. They also -- we do not discriminate in employment, services, or activities. Medical should be a right, to be able to get medical treatment. I'll be providing even more doctor statements next week, the 19th, saying that I was denied medical treatment, and there was no explanation as to why. I just thought that in 7 1/2 years, it would be a benefit, being able to get medical coverage, but not in Oregon. Oh, no.

**Potter:** Thank you, mr. Philips. Karla, are there other communications?

**Moore:** That's all.

**Potter:** Ok. Move to the consent agenda. Do any commissioners wish to pull any items? Does anybody from the audience wish to pull any item from the consent agenda? Karla, please call the roll.

**Leonard:** Aye. **Saltzman:** Aye. **Sten:** Aye.



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**Potter:** Aye. [gavel pounded] move to time certain. And items 1194, 1195, 1196 are related, and could you read those, please?

**Items 1194, 1195 and 1196.**

**Potter:** Staff?

**Barbara Sack:** I'm from the bureau of planning, and i've brian from p.d.c., and rita from p.d.c., homeownership coordinator. The three of us are going to be making this brief presentation. The single family new construction tax exemption program is administered by p.d.c., but the planning commission has policy oversight and also adjusts designated areas. So we'll be bouncing around a little bit here. Today we're asking to you consider an ordinance that allows the city to once again offer a tax exemption program for new single-family homes in designated areas of north, northeast, and east Portland called home buyer opportunity areas. We are also bringing to you two resolutions related to the program, one of which sets a new price limit for eligible units and the other, which calls for staff to track the types of units that are receiving the tax exemption. Since this program has not been active for two years, I thought we would start -- first start out with some history and basic information. Here we go. This program was first adopted in 1990 to promote new residential construction in areas that were considered distressed in Portland. At that time, in the late 1980's and early 1990's, Portland's -- some of Portland's neighborhoods were in deep distress. There were hundreds of vacant and abandoned housing units and property values were falling and we were in need of some revitalization. There was a report put out by the vacant and abandoned buildings task force in 1998 which recommended that a tax incentive be offered to promote new residential construction in these areas. So the city adopted this program in 1990. The regulations for this program are found in city code chapter 3.102. The tax exemption is a 10-year exemption on the improvement value of a home. The land is still taxed. These are the home buyer opportunity areas. Originally these were called distressed areas, but as you know a lot of Portland neighborhoods have improved during the 1990's, and the focus of the program went from revitalizing distressed areas to helping home buyers get into housing in neighborhoods that were low and moderate income. Next brian is going to go over the program requirements.

**Brian Morisky, Portland Development Commission:** Thank you, barbara. The home buyer income limit is 100% m.f.i. said at the \$67,900, the level for a family of four. If a family had five or more members we would adjust that upwards, so that larger families would get a larger allowance for income. There's an owner occupancy requirement, so that this unit cannot be rented out. It would need to be owner occupied. And there's a price cap on annual -- excuse me -- a price cap on eligible units, set annually by the planning bureau.

**Sack:** I thought I would go into the foregone revenue. This tax exemption, as do all residential property tax programs, results in foregone revenue to the city. This program -- the foregone revenue to the city of Portland from this program is about \$1 million a year. This tax exemption assists over 2,000 housing units, so this is a subsidy of about \$480 a unit per year.

**Leonard:** Do we exempt the total value of the taxes?

**Sack:** No. Just the improvements. The land is still taxed.

**Leonard:** I'm sorry, I didn't say that right. Is there 100% tax exemption on the improvements?

**Sack:** Yes.

**Leonard:** So is the \$1 million foregone to the city or the city, county and the schools in.

**Sack:** The \$1 million is foregone to the city. To all taxing jurisdictions, it accounts for about \$3 million.

**Leonard:** Ok.

**Sack:** Although there are 2,000 housing units currently assisted by this program, the city has not been able to offer the program for the last two years because the authorization for this tax exemption program in the state statutes expired january 1, 2003. All of our property tax exemption programs are authorized by state statutes, and they are governed by the sunset dates in those state

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statutes. In 2003, city of Portland lobbyists attempted to have the sunset date extended and were not successful. This year, senate bill 847-1 was passed by the legislature and it allows the city to extend the sunset date in our code to January 1, 2015, and it also allows condominiums to be eligible for the program. Senator Margaret Carter and Representative Gary Hanson were cosponsors of this bill and testified at the legislature in favor of it. Next Brian's going to go into what's in our ordinance that will reactive the program.

**Morisky:** Today's ordinance will set a new sunset date of January 1, 2015, and it will expand eligibility to allow condominium units and make some housekeeping improvements, which I'll expand on in a moment.

**Sack:** I thought I would give some background on the request that we allow condominiums to be eligible under this program. The origin of this is that there was a townhouse project in the Boise neighborhood back in 2000 that applied for the tax exemption. City staff recommended denial because the townhouses were on a commonly-owned lot. City council decided that they wanted to grant this tax exemption, and at that time they directed my predecessor to go to the legislature and change the state statute so the condominiums would be eligible for this program. And I think what they had in mind was that projects with townhouses and even detached units on commonly-owned lots could be eligible for the program, because these are often more affordable than houses on their own lots. And I just have a couple of slides here. Here's an example of a project -- a townhouse project on a commonly-owned lot in the Boise neighborhood -- not the Boise neighborhood -- in southeast Portland. It's on Boise Street. And this is a slide of the Cooper Street townhomes in the Lents neighborhood. These units, there are 12 units in groups of three on a commonly-owned lot down by Rose Community Development Corporation. Ok, next Brian's going to talk about some of the housekeeping changes we would like to make to make the program easier to administer.

**Morisky:** We're asking for three changes so that we can administrate this program more efficiently.

A grandfather clause. Secondly, a subsequent homeowner notice on the property, so that if a property was sold that had a tax abatement, the subsequent owner would be notified that they need to apply to make sure that they meet the criteria for the program for that abatement to continue or the abatement would be terminated. And lastly, we're asking to put more prescriptive language in for terminating the tax abatements, because as we've been terminating, the code as written, is not very prescriptive, and we need to ensure there's language in there that clearly states the steps we go through to terminate an abatement, while still maintaining the appeal rights of an applicant.

**Sack:** The last items that are before you for council consideration are two resolutions. The first resolution sets a price cap for the remainder of 2005 for eligible units under the program. And the recommended price cap is \$225,000. We conferred with our homeownership advisory committee, and some developers, and community development corporations on arriving at this price cap. The second resolution before you calls for tracking new units receiving the tax exemption to determine the affect of condo eligibility. There's a lot of concern about families leaving the city and that units receiving our tax exemptions being suitable for families. So we proposed to track the type of units that are receiving the tax exemption for one year and come back in a year to city council if these units aren't suitable for families with some proposals to make them more family friendly. Next Rita is going to talk about how the program benefits potential homeowners and how this program can support the city initiative to close the minority homeownership gap.

**Leonard:** Before you do that, can I ask you, do you get an annual financial sheet from the people buying the homes that initially qualified to determine that they continue to qualify for the duration of the tax break?

**Morisky:** I can answer that.

**Sack:** Go ahead, Brian.

**Morisky:** We only qualify them at the time they initially purchase the home, and that's all that the city code calls for. So if somebody's -- are you asking, if someone's income increased over time?

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**Leonard:** Uh-huh.

**Morisky:** The way the city code, and I believe the state statute reads, there's an initial qualification for that. So when they're originally purchasing the home, it's whether they qualify or not. But no, I don't get annual reports. On homeownership units. On multifamily rental, we do yearly rental audits, but that's an entirely different program.

**Leonard:** What problem would there be to require getting an annual copy of their annual tax return?

**Morisky:** I don't see that that would be that much of a problem, but we'd have to change the code, the program, to state that we desired people meet the criteria on a yearly basis instead of just initially when they -- when they have initial occupancy of the unit.

**Leonard:** Ok.

**Rita Cain-Marker:** Good morning. It's my turn. I'm going to talk about the human side to tax abatement. I think all of you know the benefits of homeownership. You know, homeownership is really the american dream. And it has to do with wealth creation, family stability, and it really does support community revitalization. I think when the mayor came in this morning and talked about our children, you know, homeownership, there are lots of, you know, children that don't have a place to call their own. And so homeownership, you know, is real important. And it definitely helps to revitalize communities. The tax abatement -- last year we looked at minority homeownership, and the report was put together by the homeownership advisory committee, and it talked about the obstacles to homeownership. Even before I talk about, you know, the issues around minority homeownership, it was predicted that by year 2005 the average american would not be able to afford a home. A two-income family household. And so this tax abatement really addresses the affordability issue. And part of our research last year looked at a study fannie mae had done, and it showed that affordability was the most common reason why americans could not afford to buy a home. I think as we look in Portland, around the country, the cost of housing is really going up. And the incomes are not keeping up with -- with these costs. And then that kind of brings me into the adopted city policy last year to close the minority homeownership gap. We adopted a goal to bring 12,000 first-time new home buyers, minorities, into homeownership. We're working on that strategy as I speak today. I mean, it is a strategy that looks at all kinds of avenues to help people do that. And the tax abatement really does do that. It really addresses the affordability issue. And if we're close that gap, making sure that minorities have access to homeownership, this is one tool we need to use to make that happen. I've done some traveling, you know, and this isn't a high mark for Portland. I mean, to do what you're doing, I think it's just admirable. I want to thank you for having the tax abatement before. I'm hoping that we get it back again. The other slide you see, in fact I want to move to the next slide, where we talk about the homeownership rates, and I think you've probably, you know, read a lot of information that talks about the homeownership rates and where they are and that when you compare white families to minority families, there's about a 20% differential that we're trying to work on. That is really to close the gap. You do that by making homeownership affordable for people. Then that takes me to the next slide. What we really try to do in this next slide, the next slide really showed that, you know, we have the purchase price of \$225,000. And without the tax abatement a person would have to have income of \$77,435 without the abatement. But if you look at that next line that shows the abatement, your income would be at \$64,901. And you can kind of look at that chart across -- you know, looking at the \$200,000, you know, \$175,000, even taking it down to \$150,000, and we have a new columbia, or some of those homes that people can buy at \$150,000. But as you can see, without the tax abatement, you know, it's \$51,000. And so then you take it, using that tax abatement, then you're looking at a person who has income of about \$44,000. So it says two things to me. I know it says that to you, is that we can put more people into homeownership. Ok? Because of where that income is, it provides that. And in another instance, we have opportunity for

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more people to get more house for their money. So i'm here to just ask you to do that, because as I work on the minority homeownership initiative, this will be one -- one part of the piece of the puzzle. You know, addressing affordability issue. Thank you.

**Potter:** Rita, I had a question in terms of, do you folks have any measurable goals in terms of the percentage that you want to see increased? If minority homeownership is at 38%?

**Cain-Marker:** Yes.

**Potter:** How do we -- what will this program do? Does this program have any performance measurements to help increase that?

**Cain-Marker:** It does. In fact, when we look at the tax abatement, it is really tied to income, you know, 80%. So when that question came up, are we going to have people making lots of money into this program, no, because we are going to look at where people's incomes are. And part of everything that we have done with the tax abatement with any new construction, I mean the first thing that we talk about is homeownership. And not only to increase homeownership overall, but to increase homeownership for minority families. And so, for example, when we did new columbia, this whole thing around new columbia, we made a strong effort to make sure that we had, you know, people of color that were at the housing fairs, you know, and I think that's one thing that brian's going to track this year is race, to make sure that we're hitting that market. And hopefully when we bring on, you know, our strategies for increasing minority homeownership, that would all be inclusive. So we're working on it.

**Potter:** And brian, how will you track that?

**Morisky:** I've a database, and when people apply for the program we will get that information from them. So we'll track income, ethnicity, we'll track bedroom size on the home, so we can see what sort of bedroom size that we're creating family-friendly housing with that program, particularly with the condominium aspect. I'll track income, ethnicity, bedroom size --

**Potter:** What about the size of the families themselves?

**Morisky:** Yes, thank you. Number of people in the household and number of children in the household.

**Potter:** Good.

**Morisky:** And female head of household.

**Potter:** Good.

**\*\*\*\*\*:** Yeah.

**Potter:** So in a year from now, we'll be able to take a look at those numbers?

**Morisky:** Yes. And we actually instituted that with the system development charge exemption program in the last year. That wasn't tracked before. And now it's been almost a year, so we should have some good data on that. So it's very important to us to -- it's a metric, to see if we're being successful in meeting the city's goals.

**Potter:** Good.

**Sten:** I'm glad to see this back up and running. It's a 10-year tax abatement, right?

**Morisky:** Yes.

**Sten:** Do we have any sense, with the 2000 families, how many are coming back on the tax rolls? It's important to remind people, the idea is to get people into the home, get them established at a level they couldn't get to otherwise, keep the kids in the city, and having them paying taxes eventually. 10 years is not that long in the scheme of the city. I wanted to underscore that. Do you have any sense of how many are -- it's over 10 years old, right, so --

**Sack:** Yes. The program is over 10 years old. There's between 100 and 200 units a year going back on the tax rolls. So this is -- this is going to be ongoing. So although there will be more units coming on if the program is reactivated, there will be quite a number going off.

**Sten:** I think that's important to underscore. And then what happens upon sale, if you sell before the 10 years are up?

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**Sack:** That's the point of the subsequent home buyer notice. You get the remainder of the tax exemption. You don't get a new one.

**Morisky:** I can address that.

**Sack:** Yeah.

**Morisky:** Multnomah county would notify me in the case of a change of title, or if the tax bill was going to an address that's separate from the physical address of the housing unit. At that point, that's when this improved termination language comes online, that the first thing I would do is send someone a registered letter that says this situation has happened, you can either, a, certify that you meet the criteria for the program, or, b, we would go through the steps to terminate that abatement.

**Sten:** Do we have any sense how many are selling on a regular basis?

**Morisky:** I can address that almost anecdotally from what's happened with the multifamily units that i've gone through and terminated, it doesn't seem to be that many because people want to keep an abated unit. One thing that triggers the home sale or a condominium sale is that the abatement is going to end. I'm the one that someone would call if their going to buy a condominium and they want to verify that it was abated and I will verify the status of it and just as importantly when that abatement going to end because its been my experience --

**Sten:** Well it's interesting this is anecdotal but my sense is that its 10 years and then it runs out. The average house in portland sells every four or so if you look at the way the world works these days and so we are I think stabilizing - - and originally the intent of this was to stabilize neighborhoods with a lot of vacant housing. We spent years working at how can we turn this into more of a buyer opportunity because these neighborhoods are generally stabilized and gentrified. And so that's a good in that sense it's working as well. Thanks.

**Leonard:** Then how do you track when somebody sells?

**Sten:** You have to stay in the council meeting to know that.[laughter]

**Leonard:** What's that?

**Sten:** We just answered that question.

**Morisky:** Oh, I can answer that again. I'd be glad to.

**Leonard:** I remember the answer now.

**Morisky:** Do you? Ok. I'm glad to answer again if you want.

**Leonard:** I remember it.

**Sten:** Multnomah County notifies them.

**Potter:** Other questions from the commissioners? Thank you folks. Good presentation.

**Morisky:** Thank you.

**Sack:** Thank you.

**Potter:** 1194 - oh is anybody signed up to testify on this?

**Moore:** Yes we do we have - if you come up three at a time. We have mary bradshaw, Allison handler and Leland kenoyer.

**Potter:** Thank you for being here. when you speak please state your name and you each have three minutes.

**Mary Bradshaw:** Good morning. I'm mary bradshaw and I work with the housing authority of portland. I'm the homeownership coordinator for new Columbia. Which has been mentioned this morning already. And I'm here today to express support on behalf of the housing authority for the limited tax abatement program. It is something that is a very vital tool I the way that we have planned the homeownership piece out at new Columbia. New Columbia's homeownership is very focused on providing a variety of levels of affordable homeownership were very focused on doing outreach and connecting to be able to support the city's goal on closing the minority homeownership gap. And I think something that is turning out to be quite true, new Columbia is a place for children. I come to the point now to tell people that if you don't like children new

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Columbia is not the place for you. we will have more children than adults when the site is completely built out. The reality is that homeownership is rapidly moving out of reach for many many households here in portland. Monthly costs for food, transportation, child care and more seem to stay the same but home prices are rising. The LTA is a very powerful tool especially for low to moderate income households. Initially it increases buying power for those already pushed to the margins in this robust and competitive real estate market. But I think something that I want to underline is the long term impact in those 10 years. When your talking about families that have limited discretionary income leftover after they realize their dream of homeowner ship, the LTA gives that little extra push. It's that savings for the capital improvements. It's a savings for reinvesting back in your house. The home improvement changing a bathroom, building a play structure out in the back yard. And its helps to build that long term equity and financial stability that is the win win. This program is a vital way for us to stabilize our neighborhoods. Its an also vital way to stabilize our schools and stabilize our families. At new Columbia we're approximately a third done. People are moving in their in the apartments. People are moving into their homes. Halloween decorations are going up. Children are playing in the parks their playing on the sidewalks their playing everywhere. Folks are sitting on their porches. Potlucks are being planned and new Columbia really is becoming a home for people. Our early demographics show that new Columbia is a place of great diversity and economically and culturally as everybody had hoped it would be. Almost 80% of our homeowners/households are under a 100% MFI and 60% are under 80% MFI. So were hitting who hoped. 42% are households of color and 62% have children. This program would not have be possible without your support. New Columbia would not be possible without the generous support of the city. Both for the project as a whole and our homeownership efforts. So but we are not done. I'm here today to say the LTA is a valuable program and I hope you reauthorize. Thank you.

**Allison Handler:** I'm Allison handler, I work for the portland community land trust as the executive director. And I'm here to share some comments and support of the LTA program. This program is absolutely critical in making homeownership possible for the families that have purchased homes through the community land trust. Pclt as you know makes homeownership possible by removing the land cost from the housing equation. Our job is to own land and hold it in trust and lease it on a long term basis to the households who own their homes on our land. And by removing the land costs from homeownership, pclt is able to offer homeownership prices that regular working families can afford. We've partnered with 49 households to enable them to purchase land trust homes and enjoy the benefits of home ownership at prices they can afford. Of those 49 households, 19 have the good fortune to purchase while the LT program was in effect. So let me give you just a thumbnail sketch of those households whose homes are tax abated. 17 of the 19 had incomes at closing that are less than 60% of area median adjusted for their household size. Of those 7 are households with incomes that were less than 50% of the area median. 15 of the 19 households were households with children and 13 of them were female headed households. 14 are minority homeowners. 7 are African or African American. 4 are latino households and 3 are households with more than one race. And I'd say frankly that's a success story and our goal closing the minority homeownership gap. I want to point out that many of pclt's homeowners do not think of themselves as low income they work hard they support their families they have jobs working for the county, working for the VA, working for disability services, working in the school system and are jobs happen to pay a modest wage. It also happens that housing is the arena in which many of us with average incomes feel impoverished in a market that's as hot as portlands. Many folks of modest means are really good at living on a limited budget and supporting their families but homeownership is increasingly out of reach. And the LT program frankly helps to even out that playing field. If the LTA program hadn't been available, I suspect that some of the families that I just described would have been priced out. Even of land trust homeownership. And our program is

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able to offer absolutely some of the most affordable homes in portland. PCLT is a project partner as new Columbia the LTA is very critical of the success of that project in providing affordable homeownership and to our ability to do so there. I wanted to add one last item is that pclt almost had an affordable condominium project to apply for the LTA this year. Unfortunately it didn't work out. We are actively seeking a condominium project and we will apply for tax abatement for that project when it comes online. Thank you.

**Lelan Kenoyer:** Hello, my names lelan kenoyer resident of southeast portland. My concern is my wife and I purchased a home in a portland neighborhood designated as distressed. It was our understanding until the time of closing November 2003 that a 10 year tax abatement would apply. The home was marketed and sold under this assumption. Purchasing a single family new construction home covered under the limited tax abatement program was incentive for us to buy. The current property tax is a financial hardship and as far as the specific action was to send the bill to the legislative to extend the single family new construction limited tax abatement program in the next session.

**Potter:** Thank you.

**John Miller:** I'm john miller executive director of host development. I'm also chair of the homeownership advisory committee, a subcommittee of the housing and community and development commission. First I'd like to briefly describe to you how the limited tax abatement has made a big impact on host's mission results. This program was in effect when we were building and selling homes at Charleston place. A 100 home subdivision in st johns. The program had a significant impact on our mission. Majority of our home buyers would have had great difficulty buying without the tax abatement. A fact that became very clear in the fall of 2003. At that time we were told that the lta was sun setting at the end of the year. We had 20 homes presold and under construction at that time we were told that we needed to complete the homes by the end of the year or those homes would not be eligible for tax abatement. We took a look at the mix and we discovered that 14 of the 20 would not qualify to purchase the homes without tax abatement on the homes. So we rushed as fast as we could and we got all the homes done by the end of the year. And all 20 homebuyers were able to purchase. Most of all were very proud of the results of Charleston. Of the 100 homes that we built 84% were sold to families making less than 80% of median income. 54% were minority homebuyers. 49% were single parent households and 97% were first time homebuyers. We also sold primarily to families and in all we add the 108 in counting kids to the neighborhood. This program provided a huge boost toward homeownership for minority homebuyers and families with children. We exceeded all of our goals which happen to run parallel with the goals of the city. Specifically, slowing family flight and closing the minority homeownership gap. So that's what this program has meant to a small nonprofit organization trying to make a difference in our community. Sadly our effort is but a drop in the bucket compared to the needs. In order to make a real difference we need to get the for profit community engaged as well. At the homeownership advisory committee we discussed the \$225,000 price cap at length and we unanimously support the cap as its presented and here's why. Right now builders can easily build and sell homes for this amount and much more. Its also important to know that skyrocketing landcosts are making it very difficult to build homes for much less then \$225,000 in this market. But for the maximum effect of the program we need to engage the for profit builders to cater to families looking to buy in the city - excuse me - but unable to find affordable homes. This program makes moderately priced homes affordable to families and as we have seen in particular to minority families. The homeownership advisory committee believes that the \$225,000 price will enable purchase by a greater number of families before they flee for lower cost housing outside of the city. Also, we will see more development in reemerging areas. Non profits take advantage of the program and will continue to do so but it is critical for for profit builders to take advantage of the

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program as well. Host and the homeownership advisory committee support this program as written. Thank you.

**Deborah Johnson:** Good morning my name is Deborah Johnson. I am also with host development I am the home salesman outreach manager. So John has already stated about our goals and ambitions that coincide with the city councils. I would like to speak in terms of who's walking in the door and looking for housing. The people who are walking in the door are exactly as our goals are stated. Their single parents, their people of ethnic diversity and they are certainly people of lower income. These people qualify for houses that are not there, they qualify for house that are not being built at that price. Host is doing our best to meet that goal. But his tax abatement really makes or breaks whether or not they can afford these houses. I was talking with several different potential homebuyers and it really on a month to month every day basis it makes a difference in their pocket book whether or not they can afford these houses. And they are people who are working everyday just like we are doing good jobs wanting to be good community members they want to sit on their porch and watch their children play with each other and get to know their neighbors. There's been a lot of focus here today on new Columbia but I will also mention that we are really looking hard at lents over in the southeast community. That is another urban renewal district that needs a lot of attention a lot of focus. I know you've been there and very attentive to it. And were really like looking to establish homeownership and really establish good communities here in portland. I will also mention that in terms of the condominiums that is another status trying to build affordable housing here something below 225 is very, very difficult especially with the cost of land and different dues that are due. So the potential for condominiums is great and these are not the single family, I'm sorry, studio spaces. These are family size condominiums with three bedrooms, four bedrooms that make it possible for a family to own a house get into the homeownership and be able to grow from there. Thank you.

**Jeff Fish:** Jeff Fish, Fish Construction NW, Inc., president. I've built in the City of Portland for over 30 years. I first built a home lender the limited tax abatement program in 1991 and significant amount of what I built between 1991 and when the program sunsetted went to people buying that are tax abatement. I pretty much want to echo what everybody said before especially what mr miller said about prices and getting the for profit builder involved. There are a lot of us out there that have been involved in the program in the past. And I wanted to pick up on a couple of things that were asked or talked about earlier. Commissioner Leonard when you asked a question about the improvements being taxed the inflation of the improvements gets taxed also over that 10 years. So as the county assess that up that inflation gets taxed along with the land. At least that's the way the program worked before. This session about condos, I think were going to see far more condo development because of the nature of where land prices are going, nature of what kind of lands are out there in regard to single family especially multi family zoning. I've got two projects that I'm going to be doing as condo which I have never done before. So I think bringing condo in the program is very important. I like the homebuyer notice provision because although I haven't really witnessed it, some of the other people have I know there has been some confusion when people sold homes down the road whether it was tax abatement or not. I think tracking that's a good idea. I was looking at the percentage of homeownership on the video I think it was 57% was the best category. The national average is somewhere around 65 - 67% as, if I'm not mistaken. So anything we can do to get more homeownership is great. Those of us in the for profit end of this like the program, were proud of the program, were proud we can produce housing in program. If I'm not mistaken when the community land trust got started the first home sold under that program was a home that we built. Which I'm real proud of the fact that we got somebody into project or into a home through that program. I would like you to look at the people who are missed under the limited tax abatement program. I didn't have any customers that way but I know other builders had some people that got trapped in the confusion. There's a gentleman earlier talked about his



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situation so I think that's worth looking at. And the last thing is having worked now a couple years with mr morrisky both in this program and the exemption program, he's done a great job. He's brought a lot more information for us and in had added to that program, both those programs as far as being able to work with the city so I just want to give a little recognition to him. Thank you.

**Potter:** Thank you.

**Sharon Nasset:** Thank you my name is Sharon Nasset. I am a broker, real estate broker here licensed in Oregon and I do not represent any group or any association. I am 100% against tax abatement. Tax abatement goes against the market and we take our neighborhoods which have the most affordable entry level housing and continue to stack entry level housing in that neighborhood. Therefore the income and the stability of the neighborhood does not have a chance to rise. A entry level house is not a new home. When you aim the entry level houses and you put a cap on it, you build inferior houses without hardwood floors, no windows on the side no decks and no landscaping. The people who acquire the house often cannot afford curtains. And as is stated a lot of time when the tax abatement gets near the end, they often times do sell. Usually looking for a house that was in their means. If instead you have incentive with there are several incentives such as semi silent seconds to have the people who are already in housing to move up stay in the neighborhood have their economic their, they can afford the hardwoods and all the other things. They then will have stability in the neighborhood and have left an entry level home which the other person can afford. By taking these homes and making them inferior, people come in all the time and say I'm not going to leave my little bungalow I have a basement, I have hardwood floors, I have a cinder block fireplace, I have all these amenities as well as a full size lot. What their building is not for me it is not for the market. And by doing that what happens is people stay on their property much longer so the interest - entry level [tape ended] when they do look around they keep adding to it, making it more expensive. Number one reason people move, better education of their children. Second reason, they cannot find secondary housing. So they take their money and they leave the neighborhoods. By putting entry level housing only in some areas instead of equally in all areas of town, people tend to go to that end of town, they take away the property from the people who are currently there and would otherwise purchase the home because they can not afford it because there was no entry level housing in other ends of town. They live there, they upgrade the property, they look around because they now love it, their invested in the neighborhood and they've been there for a while and there's no secondary house. They take their money and they leave after driving the market up so high that the people who actually live there cannot afford it. If you did semi silent secondary loans for 15-20% or for up to 15,000 which is usually the life of the loan, you would be able to hold back have people go into the neighborhood and build brand new houses that they want and then be given that if they needed in the end for when they leave.

**Leonard:** So Sharon so the problem is that we have a whole swath of the population that cant afford to buy a house.

**Nasset:** Correct.

**Leonard:** And if we did what you suggested they could not afford to buy a house. By excusing the property taxed their income level then becomes enough to be able to purchase a house. So what is your solution to the population that can't afford a house under your plan?

**Nasset:** Well I have sold several tax abatement houses cause I specialize in north and northeast. And the way there are several different way besides silent seconds that they offer at pdc for people to get into the first house. But the problem is is people are not moving up into a secondary house opening up the entry level.

**Leonard:** No, that's not my point. My point is you only make so much money and you can give interest free loans, low interest, double loans as - to a point then you have to get to the place where you make enough to buy a house, if you don't without the abatement what are you saying happens to that population?

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**Nasset:** By making an incentive for the people who are in entry level housing to go into a secondary housing you open up the housing that they can afford. You open up the tiny little bungalows and the small houses that the people who originally got there by making a market that's secondary for those people to move into. So now if I'm told that there's houses that I can buy in that area and if I would take my money and spend there, and you'll give me a silent second of up to 20,000 so now I can buy a house that's a little more. I'm going to move into that house and can afford it and can afford to not have a cap on it and have hardwood floors and skylights and terra cottas and I'm going to have money to spend in the neighborhood and I'm and going to up left that house. So now you have one house that freed up and I went into the one house that you were giving to - that you were helping another person get into and that house is now better looking, has more aesthetics has other things added and you have freed up the lesser expensive entry level housing. Entry level housing is not a new house usually that's your secondary house. And by doing that you have people who - homeownership is the number one way to keep you out of poverty, totally for it, it's real estate, love it. But the market is not a first time homebuyers house is being brand new and that's why its not working as well as it could. With incentives to have people go to a secondary house either building incentives or putting silent seconds something they don't get back and things along that line and not putting a cap on it like they said. Plenty of new houses are being built that are very, very expensive all over town. Their not being built in the neighborhoods that we need people of money to come into the neighborhood so they can hire the kid to mow the lawn and babysit and walk the dog and build the deck. Instead, a lot of times, no offense, like I said I sell a lot of those houses, I deal mostly with first time homebuyers, they can't afford curtains. I come there a year later, they have a kitchen table, maybe a couch and a bed.

**Leonard:** Thank you.

**Potter:** Thank you.

**Nasset:** Thank you.

**Potter:** Karla.

**Moore:** That's all who signed up.

**Potter:** Is there anybody here wishes to testify on this matter that didn't sign up?

**Saltzman:** I actually have a question I should have asked earlier.

**Potter:** Go ahead.

**Saltzman:** I guess Barbara is the one to ask. How did we come up with these geographic home opportunity areas? Is there a geographic limitation by state legislative action or?

**Sack:** Only 20% of the land area of the city can be in these homebuyer opportunity areas. When this program was first started, Mike Sabin my predecessor, looked at census data, age of home, income, used census data to determine which areas should be under the program. We also when we - these program boundaries are adjusted periodically and they've been adjusted several times. We also target residential areas where there's some vacant land. And also as part of our community plans as part of the Albina community plan on the outer southeast community plan we have suggested changes to the boundaries. So it's a matter of study. You look at a number of factors. Generally the areas have to be low to moderate income, there has to be some available land.

**Saltzman:** I was particularly wondering about the area that's bounded by 205, Sandy Boulevard and I84 and then 122<sup>nd</sup> on the east, seemed to me it would be maybe in the future we should push that eastern boundary further east. There's definitely a lot of poverty out in that area, a lot of homeownership opportunity I was thinking.

**Sack:** Right. I did some field work when we last suggested the boundaries and that's an area that's moderate income where there's some available land. Because we have taken some areas out of the program. Areas like inner southeast where the housing prices have risen too high and there's too little land. You know to make the program operate. Also, there's been some gentrification there.

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**Saltzman:** Does planning commission have the ability to adjust these boundaries without coming to Council or they come to Council?

**Sack:** Yes. The planning commissions suppose to adjust them every 3 years or at least look at them every three years and the staff would present some recommendations and also we would take testimony. If there was, if someone wanted to appeal the adjustment of the boundaries they would come to city council, but that hasn't happened so far.

**Saltzman:** So within 3 years you'd look at this again?

**Sack:** Right. In fact we want to look - if the programs reactivated we want to look at this program, the boundaries again we're interested in maybe designating more land in east county.

**Saltzman:** Thanks.

**Potter:** Other questions?

**Leonard:** Are we voting on this today.

**Potter:** We're voting on the later two. This first is an ordinance that moves to a second reading next week.

**Leonard:** Well I - the one thing that strikes me that may improve this program is I can imagine a circumstance that would not be unusual where one may qualify as a single parent or even a family for this program when they apply initially to buy a house and then somewhere during the duration of the 10 years the single person marries or the family has two wage earners where they earn more than the median income. And the effect of not asking to get an annual tax statement to make sure they still qualify is there may be others out in the community that would qualify for the plan program but can't because there aren't any houses available. So I'd be interested in requiring that after one qualifies for this buys the house that they have to submit an annual statement of their income, which would be just a copy of their 1040 to make sure they continue to qualify and if they don't there's no good reason that they shouldn't pay taxes on it and then open up an opportunity for somebody. I would guess there's a waiting list?

**Sack:** No. This program is open to new single family homes in the designated areas. There's no limit on the number of applications. But it's limited by the fact that these have to be new homes. Someone can't have an existing home and qualify income wise and get the tax exemption. The reason this program was started was to get new housing production, new single family housing production in the neighborhoods. And there was actually no income limit when it was started and there's no income limit in the state statutes. So I believe how most of our homeownership programs work is you just ask that the household initially meet the income limit.

**Leonard:** I see.

**Sack:** For one thing the taxes will be going up on this property even though the taxes on the improvements are abated you know the what could be taxed will rise over the 10 years so the tax hit might be considerable in year 11.

**Leonard:** I just think that there could be nothing damaging to a good program like this then at some point to read in the paper that somebody's getting a tax abated house that has an income level of 100,000 plus dollars a year. I'm struggling whether that's a good idea or not.

**Saltzman:** Part of the rationale of this abatement is to give people more disposable income so at what point is too much too much. To me frankly if they go from a family of four making 60-70,000 to a family of four making \$100,000, I'm okay with that. So I guess you get into those areas too.

**Potter:** Other questions? So ordinance 1194 moves to a second reading. Do we have a date for that?

**Moore:** It will come back on the regular agenda next week.

**Potter:** Ok. And then item 1195 is a resolution. Could you please read the resolution and then we'll vote.

**Item 1195.**

**Leonard:** Aye. **Saltzman:** Aye.

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**Sten:** I just want to thank both the community members and our staff for the hard work. It would have been very easy to let this go, given what the legislature did. I think it's important that you did not. I'm pleased to vote aye.

**Potter:** Aye. [gavel pounded] please read item 1196.

**1196.**

**Leonard:** Well, i'm very supportive of strategies that endeavor to create opportunities for people in our community that would otherwise never be able to buy a house to buy one. I'm reminded of the neighborhood I grew up in, in inner northeast Portland, irvington, now considered to be a pretty nice place to live. When I grew up there, it was not. And I know that the kids I grew up with that I still see and I all remark how our own parents could never afford to buy the house in the neighborhood we grew up in now, and I think this is a way to create an opportunity for people, because the market does not work for people, a lot of people, in our community. It just doesn't work. It drives them out of the city. I've seen it happen. And so I applaud the goals of this program and heartily support it. Aye.

**Saltzman:** Well, i'm very supportive of more family-friendly housing in this city. In fact, at our city council budget retreat last week we adopted family-friendly cities and education, school funding as one of our top priorities for this coming budget year. I think it reflects all of our growing concern that we need to make sure that we're not only the home for the retired or the creative class, but really the home for people raising children as well, because that's so important to the vitality of who we are as a city, and it's so essential to our school district, too, because every student counts in so many ways, that this is -- i'm glad we'll be finally tracking it, so we can start to have analytical basis on which we can make better policy decisions to make Portland more family friendly as he grow and -- we grow and become a better city for all. Aye.

**Sten:** I think this is terrific. New columbia is a place where you can see right now who are buying these homes, and as rita's chart showed the difference, this is what squeezes people in. I'm confident over time we'll see it. I'm glad we're tracking this more, too, how much the wealth creation, the stability, keeping the kids in Portland schools actually does save it money as a community, as well as helping those families get on to their feet. At this point in time there is nothing even remotely comparable in this country to homeownership for families to build some wealth and stabilize themselves, which ultimately is not only a great thing for them and their kids, it's a great thing for the city's bottom line. It's important, too, as we look at these tax abatements that are 10 years, we start to see that -- and they should be debated hotly, they are, and I think that's terrific, but we should also see what they do over time. And what is really about is shaping the kind of city that we would like to have, which is one in which working people at relatively fixed wages can own their own castle and be Portlanders and keep their kids stable. The number one thing that indicates whether a child is going to succeed in school is how much they move. And so all of these things, I think, come together in this program, which there's a lot more than 10-year tax abatement, and people should take a good look at it. Again, thanks. I vote aye.

**Potter:** Portland's known as a livable city, but I think what this program does is it -- is enhance who gets to call it a livable city. So that it's more inclusive than perhaps some other communities around our country and around this region. I, for one, will be looking to see how we increase minority homeownership, single parent homeownership, because I don't want Portland to become a bedroom community or a retirement community. I want to be a community that has families and children and schools. So I think this is one of those steps that is very important for our community. I support it. I look forward to future discussions about how this is changing the livability of Portland to be more inclusive. I vote aye. [gavel pounded] Karla, please read the 10:00 a.m. Time certain.

**Item 1197.** [no audio - 10:36 to 10:43]

**Potter:** Mr. City Auditor.

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**Gary Blackmer:** Good morning mayor, members of council, Gary Blackmer, Portland City Auditor. I'm bringing up a couple people from my office. This is the Oregon archives week and we wanted to express our thanks to the council for considering this matter it's a important element of my office. We appreciate the states interest in this because archives week is time to focus on the importance on archives and archival material and to recognize the people in programs that are responsible for maintaining our vital historical records. The citys own archive system was first created in 1976 and its now widely used by employees and citizens in researchers as well. our collection dates back to the founding of portland in 1851 and we have nearly 4,000 cubic feet of city records and nearly a quarter million photographs of portland. These records have been used by students in developing and writing their dissertations. City bureaus use them daily in their work in understanding what happened in the past with portland and city council actions. And both young old and people in between have used it to look back at their own cultural heritage. They really are an important public resource. And I want to introduce diana banning on my immediate right, she's our archivist and she works out at the Stanley parr archives and records center to preserve those records. And my far right is tim hunt whose the city's records manager. His responsibility is to work with all the bureaus to make sure that our records are identified for permanent storage when their eventually not used - needed to be used immediately by the bureau as well as all the other records in between, so that we comply with state records law. We have been introducing a new system to all the employees over the last few weeks, our efiles system. Which provides internet access to employees to see records that the city has generated over it's 154 years and to be able to look at actual council actions. We have thousands of electronic documents now so the council can actually search on - employees can search on council resolutions and ordinances and be able to get information on past actions. Later this month were going to make those, the internet access available to the public. So people can see what records we have out there and be able to use it for their own research. One of the things we want to do is invite you to come out and see the records live because were having an open house on October 28<sup>th</sup> and you can come out and see all of our records the photographs that we store and get a tour. It's a great opportunity to see some of our heritage. So I'd like to invite you and your staff and anyone else and also I encourage you to take every opportunity to think about the past and what we can learn from that as we go forward. I would urge you to approve this resolution.

**Potter:** Did you want to say anything?

**Tim Hunt:** I agree with gary and thanks for your consideration.

**Saltzman:** I want to ask diana, what do you think is the most interesting maybe the most unique thing we have in our archives?

**Diana Banning:** That's quite a question. I would say singly would be our complete collection going back, council documents. It's a beautiful collection that gets used over and over again represents items given to council for consideration. It can be a bill of sale that's presented or a petition that lives everyone in the neighborhood. It's a good representation of what portlands all about.

**Saltzman:** It goes back all the way to 18--?

**Banning:** 1851 the first council session.

**Blackmer:** We had a request from the fire bureau for information about fires in portland and forest park had a large fire back in the 40's, 50's?

**Banning:** There's been a couple but - -

**Blackmer:** And so they were actually able to look at the records and get a sense of the scale of that fire in order for them to do planning in the future for other fires so something that we had there that we didn't see immediate value but ultimately it did prove to be extremely valuable for their emergency planning.

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**Potter:** I read two books this summer on history of portland and they drew heavily upon the archives for the information. A little tidbit I thought was interesting was the original city charter required all able bodied men to spend two days of the year working on the roads in portland and one day a year on the roads in the region. And I was going to make that a suggestion to commissioner adams because he's in charge of transportation but I think that the past can be very instructive for us. So thank you for bringing - -

**Leonard:** Please don't tell him that he'll be hauling people out of their houses on work things - [laughter]

**Potter:** So thank you very much. Karla please read the first item for the regular agenda.

**Item 1212.**

**Potter:** Commissioner Leonard.

**Leonard:** We're going to have a panel. Multnomah County sheriff this one or the next one - his folks. How many panels do we have? Maybe just the one.

**Potter:** Yes, please go ahead.

**Charlie McKinney:** I'm Charlie mckinney in the mayor's office. Before I introduce this ordinance I want to just introduce assistant chief grubbs and sheriff giusto. They have been instrumental in working on our group in developing the parameters for our jail initiative here. There are other people that are not here that were very diligent in assisting us and that included the deputy city attorney dave Worboril, commander rosie sizer, lieutenant jay heidenrich from the sheriffs office, deputy district attorney William pearson, who was by trunks represented on our work group. This ordinance that you have before you is the end product of our work group. Back in august the mayor asked me to facilitate a group of city and county staff experts to develop the parameters for the jail initiative that you authorized in the budget when you approved the 05-06 budget. You set aside 1.8 million dollars for both the reservation of jail beds and provide treatment for chronic offenders, substance abuse treatment. This ordinance authorizes an interagency agreement with Multnomah county that we have been referring to as project 57. Project 57 reserves 57 jail beds for the exclusive use for the city of portland. The cost of those 57 jail beds over a 12 month period will be \$1.3 million dollars. We have developed with the sheriffs office, with the district attorneys office and the portland police bureau, the parameters as to who will be held in those particular beds. They will be for the most part used for people who are prearrestment, held from the point of their arrest until they're arraigned in court, and then they will fall back into the general population of the jail and be released as appropriate, based on their matrix core. Five beds though have been held for special handling of people post-arrestment. If there are people the judges have said they would like to see retained in the custody and the Portland police bureau feels they're warrant being retained in custody, we'll pay for those people to be held postarrestment. The individuals -- the profile of the individual arrestee that we have selected to be held until arrestment include people who are subject to a probable cause arrest, not an old warrant, but a fresh new arrest on one of eight specified charges that we've included in the intergovernmental agreement. And they include commercial burglary, d.u.i. while suspended or revoked, or a felony d.u.i., which means three prior convictions of d.u.i., auto theft, drug trafficking, possession and manufacturing in a drug-free zone, prostitution in the prostitution-free zone and trespasses in one of our inclusion zones. These charges were selected because they have very high negative impact on neighborhood livability, closely related to substance abuse and drug trafficking. And they have such low early release matrix scores in the jail that no one arrested for these particular charges are held in custody. They're issued a citation in lieu of custody and released on the spot of their detention. We feel by holding these people until they're arraigned that there's a greater likelihood they will make subsequent appearances in court and complete the adjudication of their charges. We also feel that most of the people arrested on these kinds of charges will have an extensive history of failure to appear in court on previous charges. We think that one of the deterrents to chronic crime

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is periods of short certain incarceration from the perpetrators of the crime. If you have questions, we'll be happy to try to address your issues.

**Leonard:** I wondered if the Sheriff wanted to make a couple of remarks?

**Bernie Giusto:** Just a couple remarks, thank you, mayor, and city council for having me today. I want to thank you for leadership and thank charlie for his being the taskmaster of this agreement, not an easy one to strike. Jails are complicated places. Charlie kept us working, moving forward. Also want to thank the county commission, and commissioner serena cruz is here today, I want to thank them for their cooperation in making this project happen. They don't accept your financial support, I don't get to work with you on this experiment. I think its important to understand the direct relationship between the number of jail beds and property crime rate in this city or any city. And I've provided you with a chart I hope today its pretty self explanatory. I'm sorry it's in black and white and I'm looking forward to the cobudgeting project that the city and county are going through so that we can borrow your color printers when we become full partners so I can provide you with color. Since 1997, when we had 1442 beds, property crime rate was at a high in this city, in this county, and as we added jail beds those two lines separated, meaning crime was falling, and as the beds started to shrink we're starting to see those lines come together again. It's as predictable as almost anything is in public safety. You should know that this is a unique experiment in this state and certainly maybe a unique experiment almost anywhere in the country, where a government who typically doesn't pay for something that another government supplies has chosen to do so in the interest of its citizens and in the interest of safety of its citizens and your to be congratulated for that. The litmus test of this experiment for the future will be not who paid for what but are neighborhoods actually safer and do people feel safer. Sometimes the crime rate matters in how people fee in terms of their safety, sometimes it doesn't. But if your, it's your car, your house is being burglarized, your identity is being stolen, I can tell you right now that it has an impact. If it's your insurance being canceled, because you can no longer report crimes because of the property crime rate, insurance companies will no longer insure you. Your citizens notice that. What's key here is measurable results. We'll give you that. You've asked for measureables. We're going to give you measurables. We'll be back to talk to you after the first quarter, to tell you how were doing, what were doing and what the results have been in specific areas hopefully in specific precincts, I'll leave that to the police bureau. But let me tell the real value of your purchase today, and the long-term value. We're going to get into the lives of people whose criminal behavior continues to cycle downward. If we get into them early enough, we'll make significant changes in people's lives that otherwise are going to be lost. As charlie said, when he said nobody's staying in jail for the crimes, he enumerated, he wasn't talking figuratively, he was talking literally. Somebody who's been in jail for the same crime 10, 15 times, soon learns there's no accountability. Here in that moment of clarity, in our jail now, we get a chance to get them into services, money for drug treatment will certainly help. We get a chance to make a difference. We're not making a difference when people are there 15, 20 times. We've lost them. So when voters, taxpayers and citizens ask you to think out of the box, check with me, because you can be congratulated for your forward-looking concern. I'm happy to answer questions.

**Leonard:** Thank you, sheriff.

**Potter:** I was going to have chief grubbs, do you wish to make comments?

**Stan Grubbs:** Thank you mayor. My name is stan grubbs, for the record. Operations for the portland police bureau. Working together with our partners from Multnomah county, and I do want to commend mr. Mckinney for bringing the various groups together. This was a long and arduous process, and he deserves much accommodation for his patience, I think, with all of us. But we look at this project also as an opportunity to provide an -- to deal with an immediate need throughout our community, dealing with our long-term offenders. This is a new and additional tool for our police officers. It provides them a respite from their frustrations, though it may not be the cure-all, you

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know, it is not the number, the magic number that every officer would like an opportunity to have to lodge everyone at one time, it starts to open the door. It provides an opportunity and I take a look at this project as well as the second part of this with our treatment program is going to provide an incredible service to the citizens of portland and provide us an opportunity to deal with a long-term problem.

**Potter:** Thank you. Questions?

**Saltzman:** Yeah. I'm very supportive of this overall, but two questions in terms of the types of crimes that an individual will be held until arraignment. I guess first was identity theft. We talked about identity theft. I guess I run down this list here and I don't see anything that leaps out and says identity theft. Is commercial burglary considered i.d. theft?

**Grubbs:** Would you like me to answer that? Commissioner Saltzman, the list of crimes that were identified was a series of meetings that we had, and also i'll probably ask deputy district attorney wayne pearson, perhaps, to weigh in on this if necessary, but using the sheriff's office matrix on those persons that were lodged for specific crimes, in the initial outlay of this, we're going to target those crimes that there are higher incidence where a person would be released, say, with a citation, would not be held in custody. In reviewing the material provided by the sheriff's office, actually those arrested for identity theft were quite low. It did not raise to the level of the eight that are listed here right now. The uniqueness of this program and the management committee, as mr. Mckinney has set up, it's a two-tiered process. We will be meeting weekly, so that we're constantly adjusting this based upon the persons that are lodged. If we see a spike, for example, for those persons arrested for identity theft, it provides us that opportunity to immediately readjust those that would be held for identity theft.

**Saltzman:** For the sake of fairness we list prostitution and attempted prostitution, but don't have solicitation or attempted solicitation of prostitution. Seems to me, that would be fair if -- nothing clarifies the mind either as waiting in jail until arraignment on that solicitation issue.

**Leonard:** Unless you had your car taken and have to come home and explain to your wife.

**Saltzman:** Right. If you impound the car, both title holders have to show up on Monday morning to reclaim the car, that's very effective.

**Leonard:** There's a clarity of mine that goes along with that.

**Saltzman:** But so could spending the weekend in jail. As I said, I think to be fair, solicitation should be included as well as prostitution.

**Wayne Pearson:** Wayne pearson with the Multnomah county d.a.'s office. Prostitution includes solicitation. So you're charged with prostitution if you solicit either as a buyer or seller. So we've got that dialed.

**Saltzman:** Did you want to add anything on the i.d. issue?

**Pearson:** Just that what was already said was completely accurate. We looked at the numbers and there weren't that many i.d. thieves being matrixed released prior to arraignment. We tried to focus on the jail statistics of who was actually not making it to that first appearance, which I think we all agreed was very important to the process.

**Saltzman:** Thanks.

**Potter:** What about repeat offenders, then? How does that affect -- was that also a consideration in terms of --

**Pearson:** Exactly. Repeat offenders get a higher matrix score as a result of having coming through the system a multiple of times, especially if they've failed to appear. So we felt as though we were really targeting the people who come through the system the first time, get them into treatment as quickly as possible, get them hooked up with a lawyer, and maybe impact that cycle that so affects our communities.

**Potter:** Additional questions? Thank you. Do we have other folks to testify on this?

**Leonard:** Ms.Cruz, are you part of -- oh.



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**Potter:** Well, thank you for your work. I think it was excellent. Charlie, thanks for taking the lead on it.

**McKinney:** You bet.

**Harry Auerbach, Office of the City Attorney:** While your in process, you're going to want to substitute the attachment so you have the agreement with the correct term starting date.

**Potter:** And I need a motion - -

**Leonard:** I don't have that.

**Potter:** - - to replace the mou. And who can speak to the minor revision.

**Auerbach:** It's just to fix the starting date, I believe.

**McKinney:** The original start date was october 1. The county commission won't get around to adopting this for another week or so. So we're making it november 1 as the start date. Then there was an error made in numbering the sections within the m.o.u., -- or the i.g.a., and we just changed that to fix that.

**Leonard:** I move the amendment.

**Saltzman:** Second.

**Potter:** Karla, call the vote on the amendment.

**Leonard:** Aye. **Saltzman:** Aye. **Sten:** Aye.

**Potter:** Aye. [gavel pounded]

**Potter:** There were additional people to testify on this?

**Moore:** Nobody signed up on this one.

**Potter:** Is there anybody here who wishes to testify on this matter? [inaudible] you know, this isn't really a question and answer part. This is to provide input to us on the issue. So if you wish to testify to us, but it's not to question the district attorney or anybody else. Thank you. Karla, please call the vote.

**Leonard:** Well, I want to thank very much charlie's work on this. I mean, he has done yeoman's work, and I appreciate very much the involvement of the mayor and his commitment to this. And, you know, I want to -- you know, I thought about whether or not to say this or not, but I do think it's an appropriate thing to say. I hope it's not lost on anybody, that the two folks on the council, who were most identified what the debate in the community last year with respect to the joint terrorism task force believe very strongly in this proposal. And the reason is that this actually does something to create a safe community without violating our precious personal rights. I think that's an important thing for people to recognize. There's nothing that I feel stronger about in my life than people feeling safe. And people in this community have not felt safe for very good reasons. I'm fortunate to be, you know, as all of us up here are, physically probably not as prone to being accosted as others are downtown and other parts of the community. It makes me even more angry, though, when I find that the elderly or women or vulnerable people are the subjects of some of those crimes that we're talking about here that this deals with. This gives us the ability -- the police bureau -- the ability to do something I would think without which they've been absolutely frustrated. I cannot imagine being charged with the responsibility of protecting the community and having their hands tied behind their back to do that by identifying people, arresting them for crimes against other people, and then seeing them back on street within hours. That is got to be beyond frustrating. And I empathize with that. And i've seen some of that, too, because as some know i've developed a great relationship with officer jeff myers, who coincidentally is on the front page of "the Oregonian" today, and i'm a fan of his work. He's limitless in his energy, but I really like that. He's helped me understand by working with him, and actually walking with him on his beat, that we needed to have the tool of jails along with treatment to get to some of the problems in our community. And I would urge anybody who hadn't walked around with jeff to do so. I mean, he's absolutely, in my opinion, figured out the key for successfully reducing crime in our community with his dirty 30 program, which this program is based on. I think that the police bureau and officer

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myers are doing everything they can, but we haven't done enough, the county, city, and the state. This is a step in that direction for us to be able to have the resources to allow the police to do their job and for people in our community to feel safe. And I really very much appreciate the mayor's initiative on this that was announced yesterday. I'm proud to have some small role in helping him achieve his goal of creating a safer downtown, but safer Portland, too, in general, that I think this will help happen. So again, I appreciate all the work. This has taken a lot of work to get this done, a lot more than I ever envisioned to get this done. I certainly can't say enough for the help that the sheriff has given, serena cruz has had to straighten me out a couple times on another matter. I take direction well, by the way. And but we've gotten there and i'm really pleased with this. Aye.

**Saltzman:** Well, i'm very pleased to support this, too. I want to thank commissioner Leonard for originally sort of thinking of this idea when we were doing our budget process last year. And mayor Potter for -- and the rest of the council -- for embracing the idea, and mayor Potter for coalescing this yesterday, and it will be part and parcel of that downtown initiative as well, but provides safety for citizens throughout our city affected by these crimes that happen all too often and all too often by a very small number of people by making those same crimes over and over again. The idea to have 57 beds to support commissions of the Portland police bureau, not subject to the frustrating limitations and variations on the matrix release program, I think is going to go a long ways toward hopefully doing two things. First of all, is getting people who need treatment into treatment, but also, as was said, getting those people who are repeat offenders, chronic repeat offenders, into our system and in a place where they're not able to threaten the citizens of our city anymore. So i'm proud to support this. Aye.

**Sten:** I'm pleased to support this as well. These are chronic problems. This alone won't solve it, but I do think it's a terrific step in the right direction. We should try things. I mean, if a system is not working, you need to try different things. This I hope will be successful. I know it's the right thing to try. I really appreciate commissioner Leonard and mayor Potter bringing it forward. This is a first step on how do we get police and sheriff, who I think have always had the good intention to work together, more systemically working together, and make things work better. I just wanted to thank commissioner cruz for being here, helping push us, and I vote aye.

**Potter:** And before I make a few comments, I just wanted to let sheriff giusto know that your black and white printer has one advantage, doesn't distinguish between green and blue. [laughter] perhaps that's the way we need to be thinking in the future. So we just may abolish our color of printers and go back to the black and white. But I am very pleased with this. You know, we've had several ordinances this morning that deals with the livability of Portland. And I think this is one more ordinance that will really make a difference out in the neighborhoods of Portland and downtown Portland, in every area, but the thing I really like about it, it's not an ordinance about throwing people in jail. It's an ordinance, to me, and especially combined with the subsequent ordinance we're going to hear after this, is giving people some options in their lives. You know, that moment of truth is, is when they're arrested, but also I think followed up by the fact that we can actually provide a service to them that will help them deal with their problems. And so having been a cop many years, I know that just arresting people doesn't solve the problem, that when you can help them deal with their problems, then they're much less likely to repeat their offense. And I think that society and the individual is better for the -- for that. So a lot of people to thank on this. I think it's a great example of the city and county working in a collaborative fashion. All of the commissioners have been involved in this, but originally this was the child of commissioner Leonard, and I think he deserves the credit for creating the momentum that made this happen. Thank you, commissioner Leonard on that. And charlie, thank you for sticking with it and actually volunteering to make this happen. So we've got now the road ahead of us. This helps with the paving, but we've got to drive down it. I'm very anxious to move forward on this, because I believe it's just one more thing that Portland can do with our partners at the county, the district attorney's office, office of neighborhood

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involvement, in every area I think people can recognize what their role is in protecting our community. And certainly I think this is going to help move community policing forward, because it requires partnerships. It's not just something that one agency can do by itself. So I look forward to it. And thank you all that have worked on it. I vote aye. [gavel pounded] Karla, please read item 1213.

**Item 1213.**

**Potter:** Who wishes to start?

**Charlie McKinney:** I'm charlie mckinney, mayor's office. If you thought trying to put the jail packers together was difficult, let me tell you this one's really tough, but we've had a lot of really highly capable, experienced people from both the city and county helping us do this. I think we've got an excellent product before you. I want to introduce commissioner serena cruz from Multnomah county, very helpful to us at the very end to put the somewhat hard pieces together. And samantha kennedy, the city's coordinator for the access program that operates out of the office of neighborhood involvement. They were very, very, very helpful in putting this together. Also, I want to thank kathleen. I don't know whether she's here or not. She's from the county's office of community justice. And without her we could not have put this thing together. And also, deserving special recognition is deputy district attorney lori abraham, commander rosy sizer, and ray hudson, who's the addictions program manager for Multnomah county. Initially when you set aside the \$1.8 million for jail beds an treatment, the thought perhaps was to -- that the people that would be incarcerated in the jail beds would be the ones that would benefit by the \$500,000 in treatment money. Because we're holding the people in project 57, only until their arraignment, that means they're held for approximately two days. Pre arraignment arrestees aren't subject to drug and alcohol testing, nor do they receive what they call a substance abuse triage. So we really don't know when our people -- before our people are released whether or not they have a substance problem and whether or not they need treatment. And if they do need treatment, the kinds of treatment that they would need. So we knew that the \$500,000 was not going to be appropriately or effectively just on those people brought in on project 57. So we experimented with -- or tested, hypothesized, different scenarios, including having parole and probation and some of the community-based outreach teams that the county has refer clients to -- for one of the project -- one of the treatment -- city-funded treatment services. Then we looked at the possibility of just having our access program, who works very closely with the Portland police bureau, and knows the people -- know that -- they know the people on the streets who need the treatment and get them to be the referral agent. So with \$500,000, that doesn't buy us a whole lot of treatment, so what we finally decided to do is to have the access program serve as the gatekeeper for all treatment referrals. Top priority will be given to people who are recommended by the Portland police bureau and by samantha who does a lot of outreach on the street, particularly in old town/chinatown. We wanted to be sure, though, that just because -- because access concentrates on a downtown area, that we didn't want to preclude the possibility of having people from other precincts also referred to this money for treatment. So the Portland police bureau has agreed to do that, to add people from the outside precincts. Essentially what will happen through this interagency agreement is the city will be buying alcohol and drug treatment services from private service providers that the county has -- currently has on contract with them. Between the access program, Portland police bureau, and the various county agencies, they identify people that are in need of treatment and have demonstrated potential to benefit by treatment, they will be referred to samantha, samantha will give them a case number, and they'll be referred into treatment. For all practical purposes, the people that will get the treatment are chronic criminal offenders who have a need for substance addiction treatment, have a demonstrated potential to benefit from the treatment, and have a willingness to enter the treatment. The volunteer issue is very important. And of course being recommended by the Portland police bureau. So that's just about what the program is all about. We're call it the

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volunteer substance abuse treatment program. Some of you probably wonder how much treatment is this \$500,000 going to buy us. We estimate that it will get us 140 outpatient slots, 15 residential treatment slots, and five residential treatment slots for people who not only have substance abuse problems, but very serious mental health issues that go along with it. So like I said, this is not a whole lot of money and doesn't get a lot of treatment, but it's -- it's certainly light-years ahead of where we are now. So if there's -- samantha, if you have anything you want to add.

**Samantha Kennedy:** I'll just open it up to questions if you have them. To me it's just an unprecedented collaboration that we have going on out on the streets with the police, myself, with county mental health, with all of the social service agencies, with housing and so forth. I'm not aware that we've ever had that before. So i'm so grateful we finally have solutions on the street. It might not be everything, but it's a huge first.

**McKinney:** Before I ask commissioner cruz to make a few remarks, I want to mention that in our discussions about the treatment, we learned that many of the people that are in need of treatment and would be getting into our treatment services also need stable housing, food, medical care, case management, and this was the piece that commissioner cruz brought to the table by committing the county resources to help the city find services like those supplemental services for our clients. So not only are we buying treatment service from the county, but they're also providing this access to these supplemental services that are so critical to the success of drug and alcohol treatment for these people. Commissioner?

**Serena Cruz:** Thank you, charlie. Good morning, mayor Potter, commissioners. As you know, i'm county commissioner serena cruz. I'm honored to join you today. I want to start out of lots of thank-yous. Thank you to the entire council for your support during the budget cycle as well as today with this dual initiative. It's a tremendous step forward. I'll talk about that some more in a minute. To commissioner Leonard for visioning that this type of partnership is possible, for taking the leadership on that. We at the county commission are very grateful for your ability to see how this could take place. Mayor Potter, you and your staff, charlie and austin, pulled it together. I witnessed the second portion. I wasn't around for the other one. I hope I didn't make this too difficult, but I really appreciate the work that your staff took to pull this together to make what seemed like a possible partnership real. And anytime you try to make something reality turns out that it's lot more difficult than you first thought. But I think that's one of the highlights of what we're -- what you're all doing today, and what we will do next week, is that we're busting down the barriers between the county and the city for the behalf of the citizens. The folks in Portland don't care whether the city pays for those jail beds or that the county provides those jail beds. What the folks care about, that they're safe, getting the services that they ought to in their communities. If all we were doing was adding resources to jails and alcohol and drug treatment by your commitment, that would be good, but we're doing something even better in these agreements today and next week. These agreements are incredibly focused, result oriented efforts, that we'll be able to report to the public at the end of the year and show them how well they've kept them safer. And that we've targeted these resources, not just broadly in our system, which again would do good, but we're targeting them very carefully so that we can focus on those folks who are not only entering the system frequently, so they're costs in the sense, but also just like mayor Potter said earlier when people get a shot through treatment at a stable lifestyle, they're returning to their neighborhoods, to their families, to their communities, stronger, wealthier, healthier, and more connected. And that makes all of us stronger and safer. And you all know the statistics. For every dollar that we put into outpatient treatment, we get \$10 back. For every dollar we put into inpatient treatment, we get \$4 back. So your investment today is a tremendous investment into the future of this community. And so you get a sense of perspective, the county gets \$2 million on the criminal side. This is half a million toward that \$2 million, which is -- and focused. So it's a great benefit in the context of what we're -- what we're all trying to do together. And I think it connects with the work that we're doing

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on the 10-year plan in homelessness. We're going to get the work done for folks in this community.

So honored to have been a part and appreciate very much what you're doing today. So thank you.

**Potter:** Commissioner cruz, I want to thank you for your leadership on the county side. That's been very appreciated. Perhaps even more importantly, getting commissioner Leonard straightened out.

**Cruz:** That's too big of a task for anyone, isn't it? [laughter]

**Leonard:** You wanted that hand -- you're one of the handful who can claim credit for that.

**Saltzman:** We may call on you again.

**Potter:** Thank you very much. And thank you for what you're doing, too. It's just absolutely wonderful. And i, too, am thrilled by the cooperation that is occurring at the street level. That's great.

**Kennedy:** Well, there's cooperation on the streets for the people. I have people now standing in front of my office waiting to come in.

**Potter:** Wow.

**Kennedy:** I had four lined up last week. They voluntarily came in.

**Potter:** I hope the media takes notice, doing stories on this.

**Kennedy:** It's heart warming, dazzling.

**Leonard:** Excellent.

**Potter:** Thank you all. Thank you again, charlie.

**\*\*\*\*\*:** Thanks.

**Potter:** Is there anyone signed up to testify on this?

**Moore:** No one else signed up.

**Potter:** Is there anyone here who wishes to testify on this matter? Karla, please call the vote.

**Moore:** We have an amendment.

**Auerbach:** You need to substitute because of the change in the effective date.

**Leonard:** I move the amendment.

**Saltzman:** Second.

**Potter:** Please call the roll, Karla, on the amendment.

**Leonard:** Aye. **Saltzman:** Aye. **Sten:** Aye.

**Potter:** Aye. [gavel pounded] Karla, please call the roll on the vote.

**Leonard:** In the 2001 session of the legislature, I was on the ways and means committee of public safety, and we were charged with cutting the public safety budget by 5%, which included the department of corrections, which operates the prisons in the state. And one of the items that were identified to cut by the then head of the correction department, dave cook, was prisoner programs, which was the line item name. And under that heading fell treatment programs. And treatment programs, by and large, included basically former felons, ex-cons, coming back to the prison to hold various meetings, a.a. and otherwise, n.a., with incarcerated individuals. And we on this committee took testimony and had these guys, these men, come in who were ex-cons to explain to us why what we were proposing was not a good idea. It was by all accounts -- randy miller was the chair of the committee, and it was a republican-dominated committee, but universally everybody walk away saying it was the post powerful set of hearings any of us had ever seen in the legislature, because we actually were able to hear how -- from these guys that made me feel stature-wise very small. They were often over 6'5" with tattoos over their entire body, who had led a life of crime, got into treatment, and were now treating fellow addicts and alcoholics. And it was the most poignant hearing we'd ever heard, because we got that -- it was exactly what commissioner cruz just said, that this wasn't an expense, it was an investment. I mean, and the host hardened republicans got that there was a return on that investment by spending the money on treatment in reduced property crimes. You could actually put a value on it. Not to mention the humanity involved with giving the people the opportunity who had never had the opportunity to free themselves of their

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addictions. This program that we're embarking on really reflects that whole kind of theory that the department of corrections still uses. I am convinced that most of the crimes that are targeted that we see here, the prostitution crimes, the theft crimes, are based in one form or another either from some kind of a mental health issue or by and large, sometimes an underlying issue, but by and large drug and alcohol addictions. That we can give people an opportunity to find a better way is what we should be doing. The first ordinance we passed is what I think are the hammer. This ordinance is the carrot that gives people the opportunity to have a chance to find who they really are and lead a better life. One there's productive and contributes to society as opposed to one where they prey on weaker people to survive. So i'm really very proud of this. I again appreciate charlie's work. I underestimated how difficult this part was. You know, I thought it was a fairly simple task. Was it was not. So thank you for doing the hard work on this. It wouldn't have happened without your work on it, i'm convinced. And thanks to commissioner cruz for her work. Aye.

**Saltzman:** Aye. **Sten:** Aye.

**Potter:** Well, I just want to share what commissioner Leonard said in terms of the hard work it took to put this together. I'm just so impressed that we owe we we knew what we wanted to do in terms of outcomes, but getting to that point, I think, required a lot of work, and I think quite frankly just sort of putting some of the turf issues aside and focusing on what is in the best interest of our community. I think this is the result of that. So i'm extremely pleased by this. I support it because it does give people a chance. And having had the privilege to meet with a number of former addicts through the rap program that the county and central city concerns runs, i'm very impressed with people who have been in the depths of that personal hell and were able to pull themselves up. And I think this is the opportunity we're going to give people, is to get out of their personal hell and to do something with their lives, to be contributors in our society, to have families, to have a life. So we can't underscore the importance of this. Even though it's a relatively small amount of money in terms of what it can do, I think it's a strong symbolic effort, and I think goes to have direct results. I look forward to hearing about those results, both from the people who are working on it, as well as our good citizens who deserve a good, safe community, and we think this is a step in that direction. So thank you one and all. Aye. [gavel pounded] also thank you commissioner cruz, again, for helping out randy Leonard. Ok, item 1214, please.

**Sten:** Mayor Potter, just a quick time check. Do you know how long this one will take the reason i'm asking, i'm signed out, I have to leave at noon. I notice we have 1217 and 1219 which require four votes. If this is a long item, I think those are relatively quick, and --

**Potter:** This one moves to a second reading, so we could -- 1214, so we could hear it after the others.

**Sten:** If that would make sense. I'll leave that to your discretion.

**Potter:** If it's ok with the council, let's skip ahead to item 1217 and item 1219.

**Item 1217.**

**Potter:** Commissioner Leonard?

**Leonard:** Thank you. This proposal was drafted in conjunction with commissioner Sten's office, and commissioner Sten, and is complementary to his work on the 10-year plan to eliminate homelessness in Portland. I'm certainly am not one to make suggestions to commissioner Sten on that strategy. He's, in my opinion, the leader on the state on these issues, but I do think that -- that we have to have built in into our strategy kind of a safety net for people who fall through the cracks. Because notwithstanding our best efforts, and there are good efforts, and the amount of money that we spend, and we spend a lot, there are some people who for a variety of reasons, and I could spend a half hour talking about measure five and measure 50 and the causes of homelessness and increased untreated mental illnesses in the community, again related back to the prior two issues that we talked about, untreated addictions, but having said that this -- what this is is truly just a safety net to make sure that in the -- especially in the depths of winter we don't unwittingly and

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without any malice cause people to be out on the street that need a place to sleep. And so I appreciate the help from commissioner Sten in drafting this the way we did, so he's empowered to make the best use of that money so we're addressing those that do fall through the cracks. Thank you.

**Sten:** Mayor Potter, if I could just --

**Potter:** Yes.

**Sten:** Very briefly, I want to thank commissioner Leonard for paying attention to this. And I always can use suggestions. I mean, let me dispel that myth. I don't want to take I long time, because the council's been brief, but the 10-year plan looked very hard at our homeless systems, which I think are good, but in one key instance, absolutely critical, they're not doing the job. We have over 2,000 people homeless for more than a year, who we're describing as chronically homeless, and using about half the money. To try and get those folks off the street and into permanent housing we have to do things differently. The system itself will continue to have the same results if we act the same. And so given the limited resources, we transferred \$164,000 that was going to emergency shelter and put it into a very targeted program that gets people -- women into permanent housing. So far 30 of the 34 women who were in that shelter are either permanently housed or very close to being permanently housed, and the new system sets up 15 apartments that actually are jumping-off points. We believe it will be much more effective in getting people into permanent housing. I continue to believe the salvation army does wonderful work, work without which we could not survive as a community, and their emergency shelter is terrific. We just decided that the public funds were not able to go there at this point. What this money will allow us to do is to work with salvation army and other providers, and if there's a hole in an emergency shelter we will be able to fill it immediately. If not, we'll plug the money into continued permanent work, and this will make sure that a calculated gamble, I suppose, that we've taken to try and push this system harder will not result in people not having a place to sleep. And so for me, I think it's a terrific move on commissioner Leonard's part.

**Potter:** Is there staff presentation on this?

**\*\*\*\*\*:** There is not.

**Potter:** Is anyone signed up to testify on this?

**Moore:** Two people. Nancy Stevens and sky collie.

**Potter:** Please come forward. Who's the other person?

**Moore:** Nancy Stevens and sky collie.

**Potter:** Could you please come forward? Could you perhaps remove that chair just a --

**Nancy Stevens:** Good morning. My name is Nancy Stevens. I've lived in Portland and around Portland for most of my 80-some years. And I have always had an interest in being a volunteer, a volunteer in many of the organizations in Portland. My background, and I'll quickly state it, was in nursing and training in social work at the University of Washington. All my married life I've been fortunate enough to have been able to raise a family in this area, and to be a volunteer in many of the agencies in Portland. I've worked with homeless people. And when I moved out to Yamhill County a number of years ago I helped establish two homeless shelters and worked as a volunteer in them for a number of years. In Portland, I did the same kind of work before moving out there. And now I'm back as an older retired person and a couple of years ago I read about the problems at the Salvation Army women's shelter, that there were not enough beds there to take care of the number of women. And because my husband and I, with our modest means, try to support in whatever way we can financially these areas, I like to know what they are and how they're operated. So I went down to the Harbor Light shelter, under an appointment, met with Mr. Owens and his wife, and looked at all of the facilities there and spoke to their social worker, who is still employed there. I was very impressed with what they were doing, although there were only beds for 34 women, they were able to support them and give them shelter and a place to do their laundry, a place to lock up their

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belongings, whatever they had under their beds, and a place to shower. I have tried to help raise funds to keep the support for the social worker, whom I learned a year ago, last january, to be exact, had to be dismissed because the funds were cut off, for a social worker who is helping some of those women get out of that situation. Because of my background I know there are many people who can't be helped to get off the street. We have, goodness knows, how many in the population. I know that it's more than 10%, and some people say as high as 30% who are mentally ill, who are wandering the streets. I was shocked to find that the funds had been cut off, and that it was a one-year grant to see how it worked in getting the people out of that shelter. So I tried to find funds in the time I was here in Portland, unsuccessfully I might say. This year I just found out that the shelter itself was being closed and closed down. Now, I understand there's some finger-pointing going on between the city of Portland and the shelter on whether or not that shelter should be closed down, and that at the present time there are only mattresses for some 20 people being put down there, where the women cannot get their showers, cannot do their laundry, and will be back on the streets in the morning. And I feel that it's very sad situation. I would compare it with when we closed down the mental hospitals in --

**Potter:** Ma'am, you'll have to wrap it up here. You're a minute past your three minutes.

**Stevens:** I beg your pardon.

**Potter:** If you could just wrap it up.

**Stevens:** I would just urge you to again help -- help with that shelter, which operates efficiently and well. I know there are other places in Portland. I know it's a long-term plan, but it's like closing down the hospitals to close these women out for the night. Thank you.

**Skye Kahli:** Good morning, honorable mayor Potter and council members. My name is skye Kahli. As a formerly homeless woman nearing 55 years, and a recent arrival to Portland, I have more than five years of hands-on knowledge and experience with a self-managed grassroots homeless women's shelter model in seattle known as share wheel. Wheel, women's housing enrichment and empowerment league, is recognized by not only the city offices of human services and housing, but also the city council and the mayor's office to be an indispensable, good faith, incredible partner, in formulating fiscal and public policy to carry out seattle's continuum of care strategy. I would say as an aside that it seems to me that there could be a greater presence and voice of homeless people at the table when you formulate your fiscal policies rather than being content to simply win the narrow victory of having a place at the table. Wheel has in the past, and may now, I don't know, receive funding from both the city of seattle, h.u.d., mckinney act, and homeless emergency shelter programs and also catholic community charities under whose auspices it's incorporated. In other words, wheel and share, share being the men's arm, are a faith-based, grassroots organization. While I do support as a temporary stopgap measure, honorable council member Leonard do-over proposal, to restore the \$164,000 in emergency shelter money, and to let that contract out to bid competitively, publicly, fairly, I do so with the caveat that we must all step out from behind the mask of bureaucratic denial, status quo cronyism, and resistance to change so that we can concede -- we can begin to move forward by conceding the plain, common sense truth that the salvation army's harbor lights emergency shelter model, air quotes, is without equivocation, not only broken and obsolete, it is manifestly and shamefully undignified and dehumanizing. Unless you have been there yourself, trapped, warehoused, paternalistically talked down to, none of us can conceive nor accurately manning the myriad ways, large and small, observable in the city's in which this breaks down women's spirits, rather than as in the wheel model, in helping homeless women in a physically and social environment, culturally sensitive, a self-actualizing attitude in peer-to-peer solidarity, compassion and respect. I urge this council to contact and consult about best practices with your peers on the seattle city council. I urge your housing division to immediately schedule a week-long eyes on the ground site visit to seattle so that you may learn from your sister city in the north, may learn for themselves and see why self-management of



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emergency shelter ought to be encouraged and implemented, fast tracked in Portland as soon as possible. Clearly harbor lights is not only -- is not the only possible, nor cost efficient fiscal policy, or --

**Potter:** Ma'am, you have to wrap up.

**Kahli:** I have one more sentence. Moreover, as the wheel program has demonstrated to skeptical minds, self-management empowers homeless women and men to consciously renew and redirect their lives.

**Potter:** Thank you. Is there anybody signed up to testify?

**Moore:** One more here.

**Potter:** Ok. You have three minutes. State your name for the record.

**Teresa Teater:** Good morning, mayor, and council members. Teresa teater. Homeless advocate, here in Portland, sisters of road cafe, streets roots, etc. I'm here to testify in favor of better oversight for the harbor lights and funding. When I first came to this state almost 10 years ago next year, I was homeless almost immediately after a family situation fell through. And I tried to utilize different organizations in the town and the situation hasn't changed in 10 years. Last year I worked on the 10-year plan to end homelessness, and I was assigned the part of the barriers of -- research from the barriers to self-sufficiency, in contacting executive directors at every organization, including former avenues of youth, etc., and found out what the barriers were within these institutions. Grievance policies, etc. People pretty much had a lot of problems in these agencies. So i'm suggesting that you do have some -- if you're going to hand out the money, better oversight on internal review of the persons that are receiving the money, how they're receiving it, how they're feeling using it f they're being treated with dignity, not dehumanized while they're in the process. I'll give you an example. The other day during the marathon, runners were stripping off their clothes, throwing them over the guardrail down on front street. And the homeless people were waking up, because clothes were raining on them. All right, free clothes: They jump up, and a guy goes, oh, they're too small. Every runner is a skinny person. You need to cater to the needs the person and their situation and not just say, here, here's something free, take it, if you don't like it, too bad. So I thought I needed to share that with you. Please gear the programs to the person. I had to leave Portland and go live at a rest stop in my car for a year and a half out by wilsonville and come up with my own living situations, through gold's gym, try not to look homeless and carry a day planner and try to get jobs and stuff. So just saying, it doesn't work for everyone. Not everybody has a car. Anyway, thank you. Appreciate the money that you put into the organizations. Thank you very much.

**Potter:** Thank you.

**Moore:** That should be all.

**Potter:** That's it? Is there anyone who wishes to testify on this matter that didn't sign up? Come forward, please. Please state your name.

**Michael Reed:** Michael reed.

**Potter:** You have three minutes.

**Reed:** Thank you, mayor Potter, commissioners. Three years ago I moved in over on northeast --

**Potter:** Did you state your name?

**Reed:** Michael reed.

**Potter:** Thank you.

**Reed:** Three years ago I moved over on northeast lawrence where there used to be a streetlight, and I have petitioned many times for city hall to see about getting the streetlight back, which was there 10 years ago. My roommate, he's lived there for 23 years.

**Potter:** Mike, is this in regard to the homeless shelter?

**Reed:** It's in regards to the homeless people, period.

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**Potter:** But what we're taking testimony on right now is the homeless shelter in downtown Portland for women. If this doesn't pertain to this, we have certain commissioners that will be leaving shortly and we need to have their vote on this issue. I'll be glad to listen to you after we get these two votes. Ok?

**Reed:** Ok.

**Potter:** Thank you. Please call the roll.

**Leonard:** I appreciate the support of the council on this. I wouldn't presume to prescribe how the strategy should be implemented to end homelessness, however it appears to me that there aren't the resources necessary to do all the things I think need to be done. This ordinance empowers commissioner Sten and the bureau of housing and community development to have the flexibility to negotiate an agreement that addresses concerns raised here. The bottom line is we don't want to not be able to have a place for somebody to stay for lack of resources, if it's because we've developed better strategies, that's great, but if it's because we don't have the resources to provide the housing that's what this intends to address. Aye.

**Saltzman:** Aye.

**Sten:** Well, again, I appreciate the support, and a lot of the things we've talked about today are related, the drug treatment, the other issues. And I just wanted to share with the audience that I thought the testimony was terrific. There's a lot of points there that we do need to think about and work on. This is not -- there's not an easy obvious way to do some of these things. We have through the first six months of this year, which is the first six months of this effort, moved approximately 350 chronically homeless people into permanent housing, which is about double of what we expected to get done the first year. So -- that's because the greater community is working on this. I think the extra help and attention and support from the council will go a long way in sending the right message to all of those people doing the real work as opposed to me up here that we see what they're doing and are going to keep the resources coming to continue progress. Aye.

**Potter:** I want to thank commissioners Leonard and Sten for this. I think -- i'm very comfortable with this ordinance. I think it's going to get us the best possible resources for homeless women, and I look forward to the implementation of it. Aye. [gavel pounded] please jump ahead to item 1219.

#### **Item 1219.**

**Potter:** Commissioner Leonard.

**Leonard:** Thank you. This actually formalizes. This is the red tape that you hear about, as a matter of fact, that oftentimes prevents well-meaning and well-intentioned governments from doing anything. With the talent at the water bureau, with thomas land at the bureau of licenses, and our office of emergency management, navigated those perilous waters, and actually sent folks ahead of having this done on the -- in our attempt to cut red tape. They are, as we speak, there at 35 water bureau employees along the equipment they need to operate as a miniature water bureau. They have the staff, expertise, and equipment, and are -- I just talked with the deputy -- acting director, interim director, last night, who is there, and their work is very much appreciated by the citizens of new orleans as they are working. They have people going by, saying "we love you, Oregon." and there are -- I would encourage people who want to kind of keep abreast of what they're doing to go to the water bureau blog [www.Portlandwaterbureau.com](http://www.Portlandwaterbureau.com), or [www.bullrunwater.com](http://www.bullrunwater.com), either one will get you there, and they're posting daily their experiences down there. And it is phenomenal and inspiring, and I appreciate the people that put this agreement together at the state and at the city. As I said, there were some roadblocks, but we were focused on navigating them and we did, and on faith, sent them, hoping this would all work out, and it did.

**Potter:** Is there a staff presentation on this?

**Leonard:** No. They're all in new orleans.

**Potter:** Is there anyone signed up to testify?

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**Moore:** No one signed up.

**Potter:** Is there anyone here who wishes to testify on this matter? Karla, please call the roll.

**Leonard:** Aye. **Saltzman:** Aye.

**Sten:** It's great. Thanks commissioner Leonard. Aye.

**Potter:** Yes, thank you commissioner. Aye. [gavel pounded] ok, we'll go back to our regular order. Please read item 1215. It's a second reading and a vote only. 1214. Excuse me.

**Item 1214.**

**Thomas Lannon:** Good morning, mayor and council. I'm Thomas Lannon with the revenue bureau. The ordinance before you today is a straightforward ordinance, so I'll be brief. The current code allows for -- actually requires the taxi supervisor to issue taxi permits on faith, taxi driver permits on faith that includes shuttles, town cars, really all operators. We want to move away from that model toward a model that's a little more responsible in terms of making sure that we've got the department of motor vehicle check and criminal background check completed on all applicants before they actually get an opportunity to drive. So this ordinance would allow us to do that. Side note is that most of the violence that you have in this industry is passenger on driver, hence the cameras that we worked so hard to put in the vehicles. This is merely a -- really a -- an opportunity to make sure that we're doing our due diligence in terms of the drivers. Staff is here to answer any questions that you might have.

**Leonard:** Where are we on the cameras in the cabs?

**Lannon:** I believe they're fully installed.

**Leonard:** They're fully installed?

**Potter:** Yes. I rode in one the other day that had one.

**Leonard:** Excellent. Thank you.

**Lannon:** Thank you.

**Potter:** Questions? Ok. Thank you, Thomas. Is there anyone signed up to testify on this?

**Moore:** No one signed up.

**Potter:** Ok. Is there anyone who wishes to testify on this matter? Ok. This is a nonemergency and moves to a second reading. Please read item 1215.

**Item 1215.**

**Potter:** This is a second reading, a vote only. Please call the roll.

**Leonard:** Aye. **Saltzman:** Aye. **Sten:** Aye.

**Potter:** Aye. [gavel pounded] please read item 1216.

**Item 1216.**

**Potter:** This is a second reading, vote only. Please call the roll.

**Leonard:** Aye. **Saltzman:** Aye. **Sten:** Aye.

**Potter:** Aye. [gavel pounded] please read item 1218.

**Item 1218.**

**Potter:** Is there a staff presentation on this?

**Leonard:** There is. Good morning.

**Tom Carter:** My name is Tom Carter, bureau of development services, senior planner. With me is Bill Freeman, who supervises the site development section that administers erosion control manual and code. The city's had title 10 in effect for about 5 1/2 years, in running the erosion control program. During that time these are amendments intended to improve the operation of the program and reduce certain costs. It's the result of negotiations among all the affected bureaus that administer title 10, which includes the water bureau, pdot, p.d.s., and b.e.s., and the planning bureau has interest in it, and also the parks bureau administers it for their own projects. We also involve the public in this. And have taken these amendments in front of the citywide land use group and held an open hearing. We haven't had any comments from the public on these amendments. So they appear to be noncontroversial, at least with the public. The main changes are that when someone

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wants to use a method not in the erosion control manual they need to apply to us. In the past b.e.s. was supposed to set up a board to do this. We've only had one such application in five years, maybe two by now. And because there wasn't a board, b.d.s. Handled it by inviting representatives to consider the change. So this proposal moves that function into b.d.s., where we already have an alternative methods review board for the building code understand defines a process for considering erosion control method changes. We will also create an appeals board, so if in the case of an appeal, an alternative method appeal, there's an appeal from the board decision, people have some place to go to appeal that decision. Another change is that today only b.d.s. can initiate changes to the manual, and to the code. And this will allow the director of any bureau to initiate changes to the manual, but the changes would only be instituted if all the directors of the bureaus agree. So it's only for the manual. B.d.s. retains control over the title. And finally, today we exempt sites where excavation or ground disturbance is done only by handheld equipment from having to give us an erosion control plan. But not from the other provisions of the code. And that has proven to be very difficult to administer. Our inspector is not there to see the excavation generally. So we have problems with that. And in negotiations with the other bureaus, we decided to propose that. We exempt sites with less than 500 square feet of disturbance area. These are smaller, smaller disturbance areas, they're less likely to provide -- to produce erosion problems. So it allows us to focus our efforts on the sites where we expect more trouble, or where trouble is more likely anyway. And we would not exempt sites in e zones, greenway overlay zones or the steep slopes. So they would still have to produce a plan also. So this will -- if people do not produce a plan, this does affect something of a concern, I know, to commissioner Saltzman. He's been concerned that people know who to call if they have a complaint. So we have a sign program, sites with disturbance having an erosion control sign. This will change the sites posting a sign, because the posting of the sign is linked to people giving us a plan. For sites where the developer creates an erosion control plan or signs an erosion control plan, we charge them for review of the plan and for a site visit. When we make the initial site visit, we post a sign. So today the sites that don't have a sign are the sites where they asserted that they're doing their excavation by hand. With these changes, the sites that will not have signs will be sites where the disturbance is less than 500 square feet. So there is a change I wanted to highlight, its affect on the signs, before you --

**Saltzman:** But still need prior approval for sites less than 500 square feet?

**Carter:** Yeah. They still have to come to us. We would not impose that requirement if they fall below our thresholds, not in an e zone, so on and so forth.

**Saltzman:** Because I prefer to see the signage requirement remain, that a sign be posted saying erosion control hot line, call --

**\*\*\*\*\*:** Right.

**Leonard:** Our interim director, paul scarlett, could you join us?

**Carter:** So, you know, I did want to highlight it, because it did change where the signs are missing.

**Saltzman:** I guess prefer consistency, and I think it serves an important public awareness function, and also it does give our best eyes and ears on erosion control problems, which gives our neighbors the ability to know who to call.

**Carter:** True. I would like to highlight, though, that these are, you know, functionally what we've found, is that these smaller sites, particularly on flat lots, very seldom give us much trouble. We still will respond to complaints. We -- you still can't let sediment run off your site, all of the other requirements still apply, and people will still be getting the education we give them for erosion control, but we're trying to focus our efforts on the sites where historically we've seen -- or had more concern and getting away from trying to figure out, you know, how are you doing your excavation, which it's difficult to inspect that, but it's very easy to know how big a site you're disturbing.

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**Saltzman:** I have no problem with anything you're proposing, but eliminating the signage with the erosion control hot line, I mean that's how a complaint-driven process has to work in something as important as erosion control.

**Carter:** Paul might be able to speak to that, and bill has experience the signs. Maybe they can give you additional background.

**Paul Scarlett:** Paul scarlett, interim director. The focus is to deal with the environment and the impacts from erosions. And the determination made with the threshold of 500 square feet is that predominantly there hasn't any major negative impacts. And so they fall into an exempt category. Typically with exempt we don't require those additional requirements of signage. The plans can be looked at to make that determination. It doesn't devoid a customer or neighboring property, resident walking by, to notice that there is an issue to contact the bureau. Then we would follow up with an inspection to determine that there is a problem and request erosion control measures to be in place. There is a fallback measure of people being able to call us, on any given site, even the ones without signage. It's based on a threshold.

**Potter:** How would they know to call if there was no sign there to indicate who to call?

**Scarlett:** Certainly that's a good question. Call in the city's resource line to find out what is the number, which department to contact for erosion control issues. I'm sure there are other ways for people to figure out what number to call. Looking on the internet to see which section in bureau of development services is another way to find out. Any call will be routed to the same place, just not the same as the hot line. We do have a requirement of posting permits also, so there are numbers on the site. But granted, it's not as obvious as with the erosion control hot line signs.

**Potter:** And so what was the purpose of this, then? Is it to reduce the workload on b.d.s.?

**Carter:** Actually, well, it's actually primarily to let us focus our efforts where we've historically had the most trouble, and to reduce the costs for those sites that historically produced the least work. It's \$150 to \$300. We're also trying to make it consistent with the stormwater requirements, part of our discussion with b.d.s. At the time, a 500-square-foot impervious surface limit. Trying to make the numbers the same so it's more understandable to our customers. In looking at this, we just found that we were taking permit fees from a lot of sites where, you know, we were nominally reviewing the plan that has almost nothing on it. We are showing up at the site. The inspector is going to the site, and I presume being helpful, posting a sign. For many, many of these sites, there's no -- there's no subsequent problem. So there's no -- there's no need for a call. It just seems that it's not a very efficient use of the resource.

**Potter:** Other questions?

**Saltzman:** Well, I guess I stand by my advocacy that a sign is a good thing when it comes to erosion control hot line.

**Carter:** You do understand we have a lot of signs on all of our other sites, just this category of site that would be exempted from the sign.

**Saltzman:** Yeah, but I also understand there's a whole lot of infill and redevelopment going on in this city, many of which involves smaller site disturbances, and many of which, you know, can produce erosion. And at a time when we're trying to heighten public awareness of the impact of erosion on water quality, fish and wildlife habitat, and we're spending, you know, billions of dollars literally to deal with these problems, I think it helps to have our citizenry know who to call. Most of the times it's people, you know, walking their dog, out for a neighborhood stroll, looking out their kitchen window, and I think unless it's like front and center obvious, call this number, I mean most people don't know who to call in the city and, you know, sad to say very few people know about our city 823-4000 number. There's nothing like a good sign that says erosion concerns, call this number. It's a nominal cost. Can't be more than \$5. How much do we charge for the sign?

**Carter:** The signs are inexpensive, but the cost for us to take the sign to the site is expensive.

**Leonard:** Yeah, but isn't it --

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**Saltzman:** Can't you have the applicant put the sign up?

**Scarlett:** No. The city inspector, after reviewing the plan, realizes that erosion control measures is needed, takes the sign out and posts it once they're verified, erosion control measures are in place, but in cases where we think it wouldn't -- there isn't going to be a problem with erosion control, then we're saying no sign, hence lower fees, permit fees. There's a correlation.

**Leonard:** It isn't that your point isn't good, but there are a lot of things we'd be like to be able to do, and this is not a good use of our resources and allows us to charge a lesser amount to the customer. It's trying to be practical about how we apply our rules and not use a one size fits all approach, because we know that doesn't work.

**Carter:** We did talk about handing the signs out. The thing is nobody has to sign this. It's not like a permit that needs to be posted. And so our history with that sort of thing is not very successful. That's why today it's our inspector goes out, checks that things are in place, and puts up the sign.

**Saltzman:** This is the first reading. So I guess I'll ponder this a little more between now and next week.

**Leonard:** Do you have pictures of any of the sites we're talking about that would be exempt, as an example?

**Carter:** I don't.

**Leonard:** Could you get mr. Saltzman one? Is it possible to do that?

**Scarlett:** Bill freeman is the manager for the site development section that runs that program.

**Leonard:** Ok.

**Scarlett:** He can speak more to that.

**Scarlett:** Bill freeman, site development section supervisor. We could come up with a number of pictures since we collect them all the time for those specific types of cases, over 500 square feet or less.

**Saltzman:** Ok. We'll talk in between now and next week.

**Leonard:** Make sure you deliver that to his office.

**Potter:** Thank you folks.

**\*\*\*\*\*:** Thank you.

**Potter:** Is there anyone signed up to testify on this, Karla?

**Moore:** No one signed up.

**Potter:** Is there anyone here who wishes to testify on this matter? This is a nonemergency. It moves to a second reading. Please read item 1220.

**Item 1220.**

**Saltzman:** Mr. Mayor, member of the council, i'm pleased to bring forward this ordinance that will allow us to basically develop a brand-new park, neighborhood park, in west Portland. Actually near the p.c.c. sylvania campus. We've talked a lot about livability today as it relates to public safety and other matters. And I know that we all consider neighborhood parks to be another in dispensable element of neighborhood safety. We purchased this property in 2002 with the helps of the Portland parks foundation with a grant from the Oregon state parks. Today we're pleased to say that with the assistance from again the parks foundation, and a state grant that we are hopefully going to accept today, as well as assistance from many neighborhood activists, such as amanda fritz, we're pleased to be able to move ahead and actually develop this into a park. I think this is a good example of what we've talked about, this budget year, that when we need to, that acquiring park land, even if we can't afford to develop it at the time, is a priority, and land banking, exactly what we did with this property for some three years, is a proper strategy to deal with meeting the needs of more neighborhood parks in park deficient areas of our city and in other areas where we're having high growth. I'll turn it over now and let you kick off the presentation with doug macy and amanda.

**Mary Rose Navarro:** Thank you very much. I just want to quickly acknowledge the funding source of this grant, Oregon state parks and recreation, the local government grant program, which

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is actually funded through lottery dollars, and want to say that grants from this funding source, the local government grant program, this is the second grant we're getting from them for this project. We've gotten a \$250,000 grant to acquire the property, and now this grant to develop it into a neighborhood park. And as the person who wrote the grant closely reviews criterias for that grant program, one thing that really made this project rise to the top is the various partnerships, the strong community support, the partnership with the parks foundation, and the various partners that have really made this happen. Has made it a very strong grant proposal and something Oregon state parks is really promoting. So with that, i'm going to introduce amanda fritz and let her get started on the presentation.

**Amanda Fritz:** Good afternoon. I'm amanda fritz, representing the west Portland park neighborhood association, who are the community leaders on this park. It's something that we have been working on since 1994, when we identified this property as the only likely location for a park in the west Portland park neighborhood. West Portland park was plotted in 1889. At that time it had -- it wasn't in Portland and it didn't have a park. And so with the development of this park, west Portland park neighborhood will finally have a city park. We're very happy about it. So the neighborhood contacts for the park, it is a park deficient area, as there are many park deficient areas of town. Ours is next to the Multnomah county library at capitol hill. And within one block of marquam elementary school. It is near a metro designated town center, the only metro concept area put on the metro map at the request of citizens. That's one of the reasons we were able to get the state grant, because it's in a planning process, a planning area. Has excellent access. It's on a tri-met frequent bus service line. And it has sidewalks for one of the sidewalks in the neighborhood which the city purchased for a million dollars 10 years ago so that children will be able to walk to the park. The neighborhood is atypical of what people think in southwest. We have about 4,000 people living in our neighbor. 50% apartments and 50% single family residences. Our income is 13% less than the city's median. 45% of our students qualify for school lunches. We're the only title one school on the west side at this point. There are at least 14 different languages spoken at the school, and 14% of our residents were born outside of the units. When my daughter was in second grade, at marquam elementary, eight years ago, there were children who were born in 13 different countries in her class. So it's quite the diverse neighborhood. We're home to two mosques and assisted living facility, marquam elementary and jackson middle school, and several group homes. The holly farm property was purchased, thanks to commissioner francesconi, and the parks department, the trust for public lands, who worked really hard just to acquire the land, but then the parks foundation came in to develop this Portland. We in the neighborhood are grateful to the foundation for making this park not just a land-banked area waiting for development, but something actually going to happen. There is huge local support for this park. One of the things we did to prove that support, when mary rose called me and said, is the neighborhood still interested in having a park, we wanted to show how interested we were, so we got 400 pledges of \$10 in two months from all over the city. And not just people who live near the park, not just people in southwest, the east Portland parks committee and the neighborhood chairs out there, bonnie mcknight, linda robinson, linda bauer, alicia reese, they understand that we need parks all over the city and we need to help each other to get parks all over the city. So when we got the 400 pledges they included people who promised to give just \$10 from a lot of different places to help us prove that we really do support this park. We did a little bit of fundraising, pruned holly and made door hangers. We did this outreach, southwest community center and outside the library where we had children envision what might go into the park. We followed the southwest neighborhood parks process put together by the parks committee. We worked really hard prior to this park being developed to figure out a process by which all parks could be master planned. We have three public meetings which were very well attended. We had over 100 people participating. We included the students at marquam and jackson, in helping to figure it out. We participated in the grant

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interviews, and we had the project -- we've been a part of the project committee with joey pope and linda and michael and bill especially getting a lot of volunteer time to help to figure out how to fund this project, with both local support, city dollars, grants and the foundation's buying power, or fundraising power. And including our business partners, and this --

**Doug Macy:** Good afternoon. I'm doug macy. It's been our privilege to work with the neighborhood with the parks foundation and the park bureau to really create what we think is a remarkable little parks. Only 1.7 acres, but probably the biggest 1.7 acres in this neighborhood. So the design is clearly a response to the -- to the neighborhood's concerns, if this is a park that accommodates children, families, the entire community can come together in this park. It's designed specifically as an outcome of the input that we got, and we had a nice staff, who's donated a good deal of time on this project, really enjoyed that interaction. We take great inspiration in our designing of these places from the client group, and the client is really the people who live in this neighborhood. So I think it's going to be a wonderful, small contribution to the overall park system. A huge contribution to this neighborhood. And it's been -- really been our privilege to be part of it.

**Linda Lavulett:** Good afternoon. It's nice to see all of you again. I'm with the Portland parks foundation. But for the record, i'll mention that. The foundation was formed four years ago. And when it was, the parks bureau, as you know, invited the foundation to take on as a project with them to save the land at this site. The only appropriate land really in that seriously park-deprived neighborhood for such an endeavor. And really not exactly knowing what we were getting into. The foundation board wholeheartedly said, yes, with we'd like to work with the neighborhood that's so active and with the parks bureau, and we're all about partnerships, so let's really partner on this project. And I really want to reference commissioner cruz's earlier comments this morning about partnerships, what they're like when you get into them, how important they are. And that really for the public and all those kids and adults and seniors who live in that neighborhood, they're not worried about where the money comes from or how it got there. They need a park. They want a park. So it's very exciting that we can talk about, on the screen, the partnerships that have made this happen. Now mary rose has already mentioned several of them, as has amanda and doug. I won't bother to repeat those, but you can see it's a long list, and it includes, of course, the main trio of the parks bureau, the foundation, and the neighborhood, who have been involved in every stage, because what you'll see in the next slide, we won't go to it quite yet, but when we look at the construction project, we have to remember the whole budget for the project is \$2.2 million. And about half of that was the land. You've already heard what some of that -- where that came from. \$370,000 of it came from the parks foundation fundraising. We're very excited that for a new organization we could be the vehicle for which the excited members of this community -- and it really was just a few members of this community -- who stepped up in a very big way. By that community, I mean the Portland community. These were not, people in the neighbor, 400 people, \$10 each, that's fabulous, but another individuals, foundations, and businesses in this community have given almost \$700,000. That's quite remarkable. We're here today to celebrate this partnership. I want to particularly thank the city for the money to do the right-of-way improvements and thank all of you on the council for your part in improving that one-time funding. It's very exciting. We've mentioned the schools in the area and the library. They were involved in the planning and design phase. As you know, from talking with the foundation board, we're very excited to, you know, help manage that phase and to completely fund the planning and design phase, which we were able to do with the incredible contribution of the walker macy firm, really a third of the cost of the planning and design phase was pro bono. As you can see there were other partners. The designer was pro bono, and also a substantial pro bono contribution from the engineers. With that, we'll go to the next slide. You can see -- they were supposed to be lined up, and the last one we saw the numbers were lined up, but i'm sure you understand they still add up.



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What they add up to is the fact that the state grant went for about \$833,000. They would fund up to half of that. We had to match it. Really it's the foundation fundraising, as I mentioned, from this group of 10 individuals, businesses, and foundations, which for all phases of the project is close to \$700,000, but for the construction phase is the amount you see on the screen. We've talked about the pro bono component, the neighborhood component, of course money from the parks bureau to participate in helping to manage the construction, and again thank you for that pdot money. So we're very excited that the state has stepped up to the plate to join us. And last, thank you so much.

**Leonard:** Thank you. Thank you. Anybody to testify?

**Moore:** No one signed up.

**Fritz:** If I might follow up. I'm amanda fritz again. One gets so few opportunities to thank community volunteers, that i'd like to do an oscar thank you speech to thank the people that worked really hard for 11 years in this. The neighborhood president had to leave. He was here for a while, but he's been the facilitator and coordinator for many things in our neighborhood for a long time. The staff at the southwest neighborhoods office. The parks committee folks I mentioned. Harriet roth is my cochair on the steering committee, a neighbor, a teacher who lives near the park. Kristin helped select the consultants, and has been wonderful in many ways. The Portland community college. We had three junior representatives on our steering committee. We had patty from the Multnomah county library participating. The principals at the schools, and several local businesses, especially the salt of the earth mcdonald's and the barbur capitol starbucks who have donated in-kind workers. It's been a community effort, a wonderful partnership between lots of factors across the commune, the city, the parks bureau and the foundation. So we're very grateful. Thank you.

**Potter:** What's this large map out here?

**Fritz:** This was something -- when we were selling the holly wreaths at the -- the door hangers at the community center, and actually we sold them in december outside of the Multnomah county library, which was kind of cool, we had young people come up and draw pictures of what they envisioned might be in the park. Actually that did inform some of the design concepts when we came to actually plan the park, we tried to look at what things were they interested in.

**Potter:** Good. Thank you very much. Is there anyone signed up to testify on this?

**Moore:** No one signed up.

**Potter:** Ok. This is a nonemergency it moves to a second reading. Please read item 1221. 1221.

**Potter:** This is a second reading, a vote only. Please call the roll.

**Leonard:** Aye. **Saltzman:** Aye.

**Potter:** Aye. [gavel pounded] last item for the morning. The land use appeals schedule for tomorrow afternoon has been withdrawn, so we're adjourned until next week.

At 12:20 p.m., Council adjourned.