



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 23rd DAY OF AUGUST, 2000 AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi, Hales, Saltzman and Sten, 5.

OFFICERS IN ATTENDANCE: Britta Olson, Clerk of the Council; Harry Auerbach, Senior Deputy City Attorney; and Officer Chuck Bolliger, Sergeant at Arms.

Item No. 1220 was pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

- 1168** **TIME CERTAIN: 9:30 AM** – Approve the Interstate Corridor Urban Renewal Plan (Second Reading Agenda 1161 introduced by Mayor Katz)

Disposition: Ordinance No. 174829. (Y-5)

- 1169** Declare Council intention to create a \$1 million annual fund to support early childhood development as a complement to infrastructure investments made in urban renewal districts (Resolution introduced by Commissioners Hales, Saltzman, and Sten)

Disposition: Resolution No. 35914. (Y-5)

CONSENT AGENDA - NO DISCUSSION

Mayor Vera Katz

- 1170** Approve the re-appointment of Ed Ferrero, Steve Preston and Dale Johnson to the Towing Board of Review for a second full term appointment (Report)

Disposition: Confirmed. (Y-5)

- 1171** Accept contract with C & R Mechanical, Inc. for the installation of a new boiler system at Union Station as complete and release retainage (Report; Contract No. 32754)

Disposition: Accepted. (Y-5)

- 1172** Approve the appointment of Lloyd Lindley to the Design Commission (Resolution)

Disposition: Resolution No. 35913. (Y-5)

- *1173** Amend contract with Magellan Behavioral Healthcare, Inc. previously CAPE Employee Assistance Program, providing counseling assistance to employees of the Bureau of

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Fire, Rescue and Emergency Services and the Bureau of Police (Ordinance; amend Contract No. 30786)

Disposition: Ordinance No. 174751. (Y-5)

***1174** Pay claim of Maurice Harmon (Ordinance)

Disposition: Ordinance No. 174752. (Y-5)

***1175** Pay claim of Jenny Lopez (Ordinance)

Disposition: Ordinance No. 174753. (Y-5)

***1176** Pay claim of Kimberly Melville (Ordinance)

Disposition: Ordinance No. 174754. (Y-5)

***1177** Pay claim of Patty Thomas (Ordinance)

Disposition: Ordinance No. 174755. (Y-5)

***1178** Pay claim of Blanchette Villavicencio (Ordinance)

Disposition: Ordinance No. 174756. (Y-5)

***1179** Authorize the selection of contractors to perform telecommunications wire and cable installation and other related work through a request for proposal process (Ordinance)

Disposition: Ordinance No. 174757. (Y-5)

***1180** Increase purchase order with SIMPLEX for a remote voice command center in The Portland Building at a proposed cost of \$22,437 and provide for payment (Ordinance; PO 1023621)

Disposition: Ordinance No. 174758. (Y-5)

***1181** Amend agreement with Peck Smiley Ettlin Architects for the construction of Fire Station 1 and provide for payment (Ordinance; amend Agreement No. 32413)

Disposition: Ordinance No. 174759. (Y-5)

***1182** Contract with the lowest responsible bidder to remodel the 15th floor of the Justice Center for the Police Bureau and provide for payment (Ordinance)

Disposition: Ordinance No. 174760. (Y-5)

***1183** Create one Program Coordinator position in the Police Bureau (Ordinance)

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Disposition: Ordinance No. 174761. (Y-5)

Commissioner Jim Francesconi

- 1184** Accept contract with Silco Construction Co. for renovation at Washington Park as substantially complete and authorize the final payment with retainage to be released in full upon authorization of the Project Manager (Report; Contract No. 32148)

Disposition: Accepted. (Y-5)

- *1185** Contract with Burlington Water District for fire prevention, suppression and emergency response services for FY 2000-01 (Ordinance)

Disposition: Ordinance No. 174762. (Y-5)

- *1186** Contract with Alder Creek Lumber Company, Inc. for fire prevention, suppression and emergency response services for FY 2000-01 (Ordinance)

Disposition: Ordinance No. 174763. (Y-5)

- *1187** Accept donation of a thermal imaging camera for the Bureau of Fire, Rescue and Emergency Services (Ordinance)

Disposition: Ordinance No. 174764. (Y-5)

- 1188** Accept donation of \$500 from the Portland Wheelmen Touring Club for the Bureau of Fire, Rescue and Emergency Services (Ordinance)

Disposition: Passed to Second Reading August 30, 2000 at 9:30 a.m.

- *1189** Accept from the Port of Portland a pedestrian and bicycle path easement along NE Marine Drive as part of the 40-Mile Loop Trail (Ordinance)

Disposition: Ordinance No. 174765. (Y-5)

- *1190** Contract with Don Ganer & Associates for \$27,750 to provide an update of the Parks System Development Charge Program (Ordinance)

Disposition: Ordinance No. 174766. (Y-5)

- *1191** Authorize the Director of Parks and Recreation to appoint Deborah Lev at the fourth step of the Senior Planner salary scale (Ordinance)

Disposition: Ordinance No. 174767. (Y-5)

- *1192** Authorize revocable permit to Opus Real Estate America II LLC to maintain a stormwater detention facility under the Springwater Corridor (Ordinance)

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Disposition: Ordinance No. 174768. (Y-5)

- *1193** Authorize acceptance of Jamison Square, also known as South Park Square, in the River District from Hoyt Street Properties LLC for park purposes (Ordinance)

Disposition: Ordinance No. 174769. (Y-5)

Commissioner Charlie Hales

- *1194** Agreement with Lloyd District Transportation Management Association for \$150,000 to provide transportation-related services (Ordinance)

Disposition: Ordinance No. 174770. (Y-5)

- *1195** Amend the Local Agency Agreement between the City, State of Oregon and Tri-Met for work related to signal priority project (Ordinance)

Disposition: Ordinance No. 174771. (Y-5)

- *1196** Authorize the Purchasing Agent to sign a purchase order as a contract with Project Software and Development, Inc. for Maximo Work Management System software for \$175,000 without advertising for bids and provide for payment (Ordinance)

Disposition: Ordinance No. 174772. (Y-5)

- *1197** Amend agreement with HNTB Corporation for additional professional, technical and expert services for the Lower Albina Overcrossing Project (Ordinance; amend Agreement No. 32920)

Disposition: Ordinance No. 174773. (Y-5)

- *1198** Contract with the U.S. Army Corps of Engineers in order to fund a Loaned Federal Executive (Ordinance)

Disposition: Ordinance No. 174774. (Y-5)

- *1199** Revocable permit to Berbatis' Pan to close SW Ankeny between 1st and 2nd on September 15 through 17, 2000 (Ordinance)

Disposition: Ordinance No. 174775. (Y-5)

- *1200** Correct legal description for a certain portion of vacated SW Whitaker Street (Ordinance; amend Ordinance No. 167519)

Disposition: Ordinance No. 174776. (Y-5)

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- *1201** Authorize agreement with Tri-County Metropolitan District of Oregon for design and construction management services for North Interstate Light Rail project (Ordinance)

Disposition: Ordinance No. 174777. (Y-5)

- *1202** Contract with RMCAT Environmental Services for \$22,850 to demolish the structure on the premises at 8516 SE Alder Street and provide for payment (Ordinance)

Disposition: Ordinance No. 174778. (Y-5)

Commissioner Dan Saltzman

- 1203** Accept completion of the 122nd Avenue sub-basin sand filter demonstration project, Project No. 5785, and authorize final payment to M&M Excavation & Construction (Report; Contract No. 32941)

Disposition: Accepted. (Y-5)

- 1204** Accept completion of the NE 42nd Avenue between Weidler and Broadway emergency sewer reconstruction, Project No. 6839, and authorize final payment to Moore Excavation, Inc. (Report; PO No. 1023792)

Disposition: Accepted. (Y-5)

- *1205** Contract with CH2M HILL for professional engineering services for the design of the Columbia Boulevard Wastewater Treatment Plant wet weather headworks facility, Project No. 5512 (Ordinance)

Disposition: Ordinance No. 174779. (Y-5)

- *1206** Authorize agreements for the conveyance of one property from Randall Olsen to the Bureau of Environmental Services, subject to certain conditions being fulfilled, and authorize acceptance of deeds and payments of expenses (Ordinance)

Disposition: Ordinance No. 174780. (Y-5)

- *1207** Authorize a contract with the lowest responsible bidder for the Fanno Basin multi-use path, Project No. 6828, and provide for payment (Ordinance)

Disposition: Ordinance No. 174781. (Y-5)

- *1208** Authorize a contract with the lowest responsible bidder for a gas chromatograph/mass spectrometer to be used at the Water Pollution Control Laboratory (Ordinance)

Disposition: Ordinance No. 174782. (Y-5)

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- *1209** Authorize a purchase order to serve as a contract to Dunn Construction for the NE 52nd and Tillamook emergency sewer reconstruction project, Project No. 6866, for \$135,000 and provide for payment (Ordinance)

Disposition: Ordinance No. 174783. (Y-5)

- *1210** Authorize application to the Oregon Department of Environmental Quality for a Section 319 grant in the amount of \$75,000 for restoration of Heron Rookery wetlands in North Portland (Ordinance)

Disposition: Ordinance No. 174784. (Y-5)

- *1211** Authorize an agreement for Multi-Agency Benchmarking Study by and between Orange County Sanitation District, King County Department of Natural Resources, Sacramento Regional County Sanitation District, East Bay Municipal Utility District, Central Contra Costa Sanitary District and City of Los Angeles Bureau of Sanitation (Ordinance)

Disposition: Ordinance No. 174785. (Y-5)

- 1212** Approve annual agreement with Multnomah County for Vector Control services for the Bureau of Environmental Services and authorize payment (Ordinance)

Disposition: Passed to Second Reading August 30, 2000 at 9:30 a.m.

- *1213** Amend contract for technical staffing through the Wetlands Conservancy to meet increasing demands for watershed revegetation (Ordinance; amend Contract No. 32616)

Disposition: Ordinance No. 174786. (Y-5)

- *1214** Authorize a contract with Central Northeast Neighbors for a bulky waste cleanup project in the amount of \$288,209 (Ordinance)

Disposition: Ordinance No. 174787. (Y-5)

- *1215** Authorize an Intergovernmental Agreement with the Metropolitan Service District so the City can receive \$45,000 to further the food waste collection pilot program (Ordinance)

Disposition: Ordinance No. 174788. (Y-5)

- *1216** Contract with CH2M HILL for professional engineering services for the design of the Columbia Boulevard Wastewater Treatment Plant solids processing building odor control project No. 6844 (Ordinance)

Disposition: Ordinance No. 174789. (Y-5)

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- *1217** Authorize a contract with PricewaterhouseCoopers LLP for Bureau of Environmental Services audit consulting services and provide for payment (Ordinance)

Disposition: Ordinance No. 174790. (Y-5)

- *1218** Appropriate funding for contract with AGRA Earth and Environmental for FY 2000/2001 for overflow materials testing services (Ordinance)

Disposition: Ordinance No. 174791. (Y-5)

- *1219** Authorize a contract with URS Corporation for professional design services and payment for the Northwest CSO Force main system, Project No. 5507 (Ordinance)

Disposition: Ordinance No. 174792. (Y-5)

- *1220** Amend Graffiti Nuisance Abatement Code (Ordinance; amend City Code Sections 14.140.B.2 and 14.140.040.E.2)

Disposition: Ordinance No. 174828. (Y-5)

Commissioner Erik Sten

- 1221** Accept completion for Washington Park drainage improvements by Kasev Cooper Excavating, Inc. and make final payment (Report; Contract No. 32604)

Disposition: Accepted. (Y-5)

- *1222** Authorize call for bids for mail extractor and provide for payment (Ordinance)

Disposition: Ordinance No. 174793. (Y-5)

- *1223** Authorize a contract with Youth Employment Institute to provide a summer work experience program (Ordinance)

Disposition: Ordinance No. 174794. (Y-5)

- *1224** Amend contract with CH2M HILL to provide hydrogeologic and computer modeling services for the Columbia South Shore Well Field, at a cost not to exceed \$100,000 (Ordinance; amend Contract No. 32818)

Disposition: Ordinance No. 174795. (Y-5)

- *1225** Contract with Neighborhood Partnership Fund for \$46,000 to provide technical assistance and training to Bureau of Housing and Community Development target areas in a variety of subjects, including community organizing, economic development and resource development and provide for payment (Ordinance)

Disposition: Ordinance No. 174796. (Y-5)

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- *1226** Contract with Central City Concern for \$110,00 to support its community development activities and provide for payment (Ordinance)

Disposition: Ordinance No. 174797. (Y-5)

- *1227** Contract with the Senior Job Center for \$139,939 for the Senior Home Repair and Maintenance Program and provide for payment (Ordinance)

Disposition: Ordinance No. 174798. (Y-5)

- *1228** Contract with Oregon Human Development Corporation for \$28,087 to provide targeted resources and services to Hispanic residents at Glisan Street Shelter and Clark Center and provide for payment (Ordinance)

Disposition: Ordinance No. 174799. (Y-5)

- *1229** Contract with Unity, Inc. for \$59,697 for housing placement services and provide for payment (Ordinance)

Disposition: Ordinance No. 174800. (Y-5)

- *1230** Contract with Unity, Inc. for \$121,320 for outreach services to homeless individuals with mental illness and provide for payment (Ordinance)

Disposition: Ordinance No. 174801. (Y-5)

- *1231** Contract with School District No. 1 for \$416,973 for the Home Repair Training Program and provide for payment (Ordinance)

Disposition: Ordinance No. 174802. (Y-5)

- *1232** Contract with Southeast Uplift for \$52,000 to undertake neighborhood revitalization activities along SE Foster and provide for payment (Ordinance)

Disposition: Ordinance No. 174803. (Y-5)

- *1233** Amend contract with Cascade AIDS Project and the Southwest Washington Health District to increase funding and extend expiration date (Ordinance; amend Contract No. 32767)

Disposition: Ordinance No. 174804. (Y-5)

- *1234** Contract with Community Energy Project for \$104,977 for the Weatherization Workshop and Senior Weatherization Programs and provide for payment (Ordinance)

Disposition: Ordinance No. 174805. (Y-5)

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- *1235** Contract with REACH Community Development, Inc. for \$25,880 for education and capacity building around lead-based paint hazards and provide for payment (Ordinance)
- Disposition:** Ordinance No. 174806. (Y-5)
- *1236** Contract with Legal Aid Services of Oregon for \$40,700 for the Legal Aid Services of Oregon, Fair Housing Enforcement and provide for payment (Ordinance)
- Disposition:** Ordinance No. 174807. (Y-5)
- *1237** Contract with National Development Council for \$60,000 for professional services consisting of technical assistance and financial packaging services in the area of alternative financing linked to the Community Development Block Grant and provide for payment (Ordinance)
- Disposition:** Ordinance No. 174808. (Y-5)
- *1238** Accept a transfer of the Jean's Place Supportive Housing Program McKinney Grant funds from the Housing Authority of Portland for operating costs at Jean's Place and provide for receipt of payment (Ordinance)
- Disposition:** Ordinance No. 174809. (Y-5)
- *1239** Contract with Unlimited Choices for \$144,694 for Adapt-A-Home Project and provide for payment (Ordinance)
- Disposition:** Ordinance No. 174810. (Y-5)
- *1240** Contract with Outside-In for \$34,307 for the transitional housing and case management for homeless youth with HIV/AIDS and provide for payment (Ordinance)
- Disposition:** Ordinance No. 174811. (Y-5)
- *1241** Contract with Portland Community Reinvestment Initiative, Inc. for \$100,000 for activities in the development of affordable rental housing and provide for payment (Ordinance)
- Disposition:** Ordinance No. 174812. (Y-5)
- *1242** Contract with the Community Development Network for \$20,350 for the funding of citizen involvement and public participation and provide for payment (Ordinance)
- Disposition:** Ordinance No. 174813. (Y-5)
- *1243** Contract with Transition Projects, Inc. for \$1,452,735 for shelter and services for homeless men and women and provide for payment (Ordinance)

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Disposition: Ordinance No. 174814. (Y-5)

- *1244** Contract with Housing Development Center for \$50,000 for the Contractor Support Program and provide for payment (Ordinance)

Disposition: Ordinance No. 174815. (Y-5)

- *1245** Contract with Hacienda Community Development Corporation for \$40,000 to support its community development activities and provide for payment (Ordinance)

Disposition: Ordinance No. 174816. (Y-5)

- *1246** Contract with Central City Concern for \$469,022 for the omnibus contract to provide homeless services, including alcohol and drug services, employment services and homeless facility maintenance, and provide for payment (Ordinance)

Disposition: Ordinance No. 174817. (Y-5)

- *1247** Contract with worksystems, Inc. for \$776,667 to provide workforce development activities and provide for payment (Ordinance)

Disposition: Ordinance No. 174818. (Y-5)

- *1248** Contract with Northwest Pilot Project for \$209,955 for housing assistance for seniors and provide for payment (Ordinance)

Disposition: Ordinance No. 174819. (Y-5)

- *1249** Contract with Peninsula Community Development Corporation for \$57,000 for the Portsmouth Vision 20/20 Target Area Project and provide for payment (Ordinance)

Disposition: Ordinance No. 174820. (Y-5)

- *1250** Contract with Outside-In for \$22,985 for the Outside-In Needle Exchange program and provide for payment (Ordinance)

Disposition: Ordinance No. 174821. (Y-5)

- *1251** Contract with Central City Concern for \$299,752 for the CHIERS Outreach Program and provide for payment (Ordinance)

Disposition: Ordinance No. 174822. (Y-5)

- *1252** Contract with JOIN for \$52,193 for the JOIN-outreach to homeless campers and provide for payment (Ordinance)

Disposition: Ordinance No. 174823. (Y-5)

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- *1253** Extend term of ordinance granting AT&T a long-distance telecommunications franchise (Ordinance; amend Ordinance No. 162822)

Disposition: Ordinance No. 174824. (Y-5)

- *1254** Grant a temporary, revocable permit to McLeodUSA Telecommunications Services, Inc. and establish terms and conditions (Ordinance)

Disposition: Ordinance No. 174825. (Y-5)

- *1255** Grant a temporary, revocable, permit to Williams Communications, Inc. and establish terms and conditions (Ordinance)

Disposition: Ordinance No. 174826. (Y-5)

City Auditor Gary Blackmer

- *1256** Amend contract with Poorman-Douglas Corporation for billing and mailing services (Ordinance; amend Contract No. 28619)

Disposition: Ordinance No. 174827. (Y-5)

REGULAR AGENDA

Mayor Vera Katz

- 1257** Modify Multnomah County recommendations, consider budget request and direct Portland Development Commission to amend the process by which urban renewal areas are created, regarding participation on the part of affected taxing jurisdictions (Resolution)

Motion to strike language referring the County's budget request to OMF and instruct OMF to incorporate results of this resolution into the financial forecast.
Moved by Commissioner Sten and seconded by Commissioner Hales.

Disposition: Resolution No. 35915 as amended. (Y-5)

- 1258** Express City Council opposition of November 2000 Ballot Measure 2, creating process for requiring the Legislature to review Administrative Rules (Resolution)
Rescheduled to Thursday, August 24th, 2:00 p.m.

Disposition: Resolution No. 35916. (Y-4)

- 1259** Express City Council support for Ballot Measure 5, the Gun Violence Prevention Act Initiative (Resolution) **Rescheduled to Thursday, August 24th, 2:00 p.m.**

Disposition: Resolution No. 35917. (Y-4)

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- 1260** Express City Council opposition to November 2000 Ballot Measure 7, requiring payment to landowner if government regulation reduces property value (Resolution) **Rescheduled to Thursday, August 24th, 2:00 p.m.**
- Disposition:** Resolution No. 35918. (Y-4)
- 1261** Express City Council opposition to Ballot Measure 8, the State Spending Limit Initiative (Resolution) **Rescheduled to Thursday, August 24th, 2:00 p.m.**
- Disposition:** Resolution No. 35919. (Y-4)
- 1262** Express City Council opposition to Ballot Measure 9, the Student Protection Act Initiative (Resolution) **Rescheduled to Thursday, August 24th, 2:00 p.m.**
- Disposition:** Resolution No. 35920. (Y-4)
- 1263** Express City Council support for Ballot Measure 87, amending the Oregon Constitution to allow political subdivisions of the State of Oregon to regulate the location of Sexually Oriented Businesses through Zoning (Resolution) **Rescheduled to Thursday, August 24th, 2:00 p.m.**
- Disposition:** Resolution No. 35921. (Y-4)
- 1264** Express City Council opposition to Ballot Measure 91, the Federal Tax Deductibility Initiative (Resolution) **Rescheduled to Thursday, August 24th, 2:00 p.m.**
- Disposition:** Resolution No. 35922. (Y-4)
- 1265** Express City Council opposition to Ballot Measure 93, the Taxes and Fees Initiative (Resolution) **Rescheduled to Thursday, August 24th, 2:00 p.m.**
- Disposition:** Resolution No. 35923. (Y-4)
- 1266** Support and endorse the Coalition Against Unnecessary and Unfair Constitutional Amendments campaign on Ballot Measure Nos. 98 and 92 (Resolution) **Rescheduled to Thursday, August 24th, 2:00 p.m.**
- Disposition:** Resolution No. 35924. (Y-4)
- *1267** Authorize execution of an Intergovernmental Agreement with the City of Hillsboro to provide funding for temporary improvements to Hillsboro Stadium to accommodate the 2000 Portland State University football season (Ordinance)
- Disposition:** Ordinance No. 174831. (Y-5)
- *1268** Authorize execution of an Intergovernmental Agreement with Portland State University (PSU) to provide funding for temporary improvements to Hillsboro Stadium to accommodate the 2000 PSU Football season (Ordinance)

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Disposition: Ordinance No. 174832. (Y-5)

- *1269** Amend tax levy for the City for the fiscal year beginning July 1, 2000 (Ordinance; amend Ordinance No. 174625)

Disposition: Ordinance No. 174833. (Y-5)

- *1270** Accept a grant from the U.S. Department of Justice Bulletproof Vest Program (Ordinance)

Disposition: Ordinance No. 174834. (Y-5)

Commissioner Jim Francesconi

- *1271** Amend a grant from the US Public Health Service for the Bureau of Fire, Rescue and Emergency Services, accepting an additional \$200,000 (Ordinance)

Disposition: Ordinance No. 174835. (Y-5)

Commissioner Dan Saltzman

- 1272** Amend City Code to create the Office of Sustainable Development by combining the Portland Energy Office and the Bureau of Environmental Services, Solid Waste Division (Second Reading Agenda 1024; amend Code 3.111.010, 3.111.020, 3.111.050, 3.13.020, 3.13.030, 17.102.190)

Disposition: Ordinance No. 174830 As Amended. (Y-5)

Commissioner Erik Sten

- *1273** Loan Agreement with Rosemont Senior Housing Associates Limited Partnership for \$5,000,000 of Community Development Block Grant float funds to redevelop property for senior rental housing at the Rosemont project site and provide for payment (Ordinance)

Disposition: Ordinance No. 174836. (Y-5)

FOUR-FIFTHS AGENDA

- *1273-1** Accept encumbrance of Broadway Cab, Inc. Taxicab Company permit (Ordinance)

Disposition: Ordinance No. 174837. (Y-5)

At 11:47 a.m., Council recessed

AUGUST 23, 2000

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 23rd DAY OF AUGUST, 2000 AT 3:00 P.M.

THOSE PRESENT WERE: Commissioner Saltzman, Presiding; Commissioners Francesconi, Hales and Sten, 4.

OFFICERS IN ATTENDANCE: Britta Olson, Clerk of the Council; Kathryn Beaumont, Senior Deputy City Attorney; and there was no Sergeant at Arms.

1274 **TIME CERTAIN: 3:00 PM** – Tentatively grant appeal, with conditions, of the Sunnyside Centenary United Methodist Church against Hearings Officer's decision to revoke the conditional use permit that allowed Wednesday/Friday evening meals and also established limits on the night shelter, day care center, Sunday/Wednesday worship services and the Indochinese Socialization Center, located at 3520 SE Yamhill and 1030-1035 SE 35th Avenue (Findings; Previous Agenda 1033; LUR 99-00768 CU)

Motion to adopt the signed Compliance Agreement: Moved by Commissioner Hales and seconded by Commissioner Francesconi.

Motion to adopt the findings as amended: Moved by Commissioner Hales and seconded by Commissioner Francesconi.

Disposition: Findings Adopted. (Y-4)

At 3:05 p.m., Council recessed.

AUGUST 24, 2000

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 24th DAY OF AUGUST, 2000 AT 2:00 P.M.

THOSE PRESENT WERE: Commissioner Saltzman, Presiding; Commissioners Francesconi, Hales (he left at 3:53 p.m.) and Sten, 4.

OFFICERS IN ATTENDANCE: Britta Olson, Clerk of the Council; Linda Meng, Chief Deputy City Attorney; and Officer Chuck Bolliger, Sergeant at Arms.

- 1275** **TIME CERTAIN: 2:00 PM** - Hear appeal of Lorena J. Williams (PIIAC #00-02/IAD #99-297) to the Police Internal Investigations Auditing Committee, per City Code 3.21.085(4)(d) (Report introduced by Mayor Katz)

Motion to deny the appeal: Moved by Commissioner Francesconi and seconded by Commissioner Hales.

Disposition: Appeal Denied. (Y-4)

- *1276** **TIME CERTAIN: 2:30 PM** - Waive Title 33, Planning and Zoning, to implement a temporary Shared Parking Pilot Project in Northwest Portland (Ordinance introduced by Mayor Katz)

Disposition: Ordinance No. 174838. (Y-4)

REGULAR AGENDA

Commissioner Jim Francesconi

- *1277** Adopt City Code establishing Fair Wage Policy for certain formal service contracts to increase minimum wage and benefits and establish FY 2000-01 rates (Ordinance; add new Code Chapter 3.99)

Disposition: Ordinance No. 174839. (Y-4)

At 4:40 p.m., Council adjourned.

GARY BLACKMER
Auditor of the City of Portland



By Britta Olson
Clerk of the Council

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

AUGUST 23, 2000

Closed Caption Transcript of Portland City Council Meeting

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

Key: **** means unidentified speaker.

AUGUST 23, 2000 9:30 AM

Katz: Let me go through some housekeeping items. There is a four-fifths item before we adjourn this morning. We took care of items 1168 and 1169. That goes together. And item 1257 also at the same time. I need to note that. Item 1272 is at a 10:30 time certain. So we'll read that with all the time certain. And item 1258 and 1266 will need to be heard on thursday because of the pac agenda item today. This is the first time all of us have been here. Item 1272 has an amendment, and I will—I'll pull 1220 off the consent agenda calendar. And I am still on vacation, so I will be with you this morning, but I will not be with you this afternoon. Okay. Let's do the consent agenda item. Any items to be removed off the consent agenda item? All right. I will move 1220 off the consent agenda item. Roll call.

Item 1220

Katz: I wanted to pull this off because we don't usually get a chance to hear from hugh, and we've been working on with the graffiti removal task force with hugh's help and elise marshal's on an amendment that changes how we'll be treating some of the graffiti in the city. So, hugh, why don't you go ahead and talk a little bit about it.

Hugh McDowell, Office of Neighborhood Involvement (ONI): i'm hugh mcdowell. I work out of the office of neighborhood involvement. I apologize for being late. One of the problems we have in the upper level is the way the current ordinance reads is that if I can see a building has graffiti on it, we talk to the owner. They have the choice to clean it up themselves or to give us permission to clean it up. The problem with upper level is we can't do that with the crews we have. There are safety and liabilities that—issues that come with that. And the crews aren't trained to do that. So we can only basically do lower-level graffiti. So the—what the ordinance changed, to change the ordinance, one—it now reads it will allow us to on any building that is unsafe on upper level that we will not give them the option to sign off on a permission slip. That will be at my discretion, and what happens is if it's unsafe, we won't allow them to sign a permission slip to do upper-level graffiti. They could have to clean it themselves. The reason i've done it this way, in the last year we looked at 22 buildings in the downtown area that had upper-level graffiti, and in a course of nine months, 17 of those 22 buildings self-police. They clean themselves up. App doesn't do it, they're under the same restrictions we are. So the majority of the people that have upper-level graffiti are doing it themselves. It's allowing us to say no, you can't have permission from us to clean it up. If they refuse to clean it at that point the upper level, we'll hire a private contractor to clean it up. At that point the rest of the ordinance reads the same. The ordinance states if you leave it on beyond a certain point we post the building, they have ten days. At that point we would assess them the cost of clean-up, plus a lien on the property, \$250 fine. That hasn't changed. The ordinance change allows us to enforce this. So we felt this was the simplest way to do it. There's one other piece, the last page, originally when we did the ordinance we had a piece on there that talked about putting stickers up identifying people that were in our database. Stickers themselves have become a target for graffiti, so we're pulling that off. We now have—everybody has permission—we have them in a database so we don't have a sticker.

Katz: Questions? Anybody else want to testify on this item? I thought it was important, as this is a nuisance area that I think we're staying pretty much on top of.

**** can I say something too? I've been to all the neighborhoods but one. Graffiti has not been mentioned a lot. I don't think this would have been the case four years ago. We're seeing major changes in the community. I want to comment publicly the police and the d.a.s and the public in general. Everybody has stepped up to the plate on this. Portland is a beautiful city, and the city is trying to take ownership back. And I think it's starting to happen.

Katz: The neighborhood officers in southeast and northeast, as well as central, are really into trying to find the perpetrators and—perpetrators and getting them into the court system. Thank you. Anybody else want to testify on this? Roll call.

Hales: This is a good program. It's doing a good job. Appreciate it. Thank you. Aye.

Saltzman: Very good program, and commendable efforts of our police and our office of neighborhood involvement and the district attorney's office to reduce graffiti, period, which is great. Aye.

Item 1168.

Katz: Okay, everybody. This is the second reading, and I made an announcement at the kaiser facility that we weren't going to have any further testimony. We stayed until, what, 10:30 that night and heard anybody and everybody who wanted to testify. So we'll go right to roll call.

Francesconi: There are two fundamental reasons to support the creation of this district. The first is, this is a way to finance the city's portion of a regional transportation strategy. A time I might add that we have no state strategy to finance one of our most important infrastructures. We've seen and people come here from across the country, public investments of this nature are critical to our quality of life. The—yes, there is going to be more cars on interstate, as some of the critics have claimed as a result of this. But without this investment, there's going to be more cars consuming our air, quality of our water, the quality of our life everywhere, not just on interstate. So we need to continue this. The only way it will ultimately make sense is getting it to vancouver, but that will happen someday. So that's the first reason. The second reason is that this is a different kind of—this is a different kind of urban renewal district, one of which has never yet been created in this city. Hopefully lents will follow in this pattern. But this urban renewal district is really not a bricks and march terror economic development urban renewal district. This urban renewal district, and it's reflected in the purpose statement, that one of the very purposes of this urban renewal district is to benefit the existing community. It's not to replace the jewish community and the italian community that was done when we began urban renewal in the history of this city. Now, we have—are raising great expectations by the creation of this district, by the size and scope, which will have significant impact on the provision of city general services through the general fund, and county services that we will discuss later. So citizens of north Portland, we are taking a gamble on you, and on city staff that has gotten off to a terrific start, that we can cross racial barriers in a way that has never been done in the history of this city before. That we can actually allow existing residences to create wealth by investing in homeownership programs, so we don't disperse the african-american community, so we can include the latino community, that we can do job creation strategies that actually have existing small minority and poor business owners own the land and flair businesses, so they can benefit from the gentrification that will occur. This is what we are trying to do here in this urban renewal district. We're also trying to benefit the schools by providing a source of revenue to the school districts, by developing potentially school property, developing jefferson, developing unused portions of land at kenton and the other four elementary schools, so we can help benefit the citizens, open access to the school buildings and land, and provide a revenue source for the schools through this urban renewal district. We are also hoping to create connections to people and to the natural environment through regional and pedestrian transportation connections at—to the columbia slough, to the willamette river, at swan island. These are all things that will benefit not only north Portland, but will benefit the entire city. So, folks, we have some enormous challenges here, because we have so raised expectations. And I want to do my

part, especially in these areas that i've listed, to help make this a reality. It's going to be very, very difficult to do. But it's an effort that is worth making. Aye.

Hales: When we got here this morning there's this document sitting on our desks with this long list that says, principle source document supporting findings and conclusions of the interstate corridor urban renewal plan, a bunch of dry stuff here. And yet buried in that actually I think is the real difference, I agree with your comments, jim, for me the real difference between this urban renewal district and others, and between this action the council is taking and some others that past councils have taken, this was really their idea. This was really the neighborhood's idea. When I first got here on the city council, there was a planning project underway, and it's the third document mentioned here on this list, the albina community plan. It sounds like one more government document for people who came into this discussion later. It was the first real exposure I had as a new member of the council to the neighborhood planning process, and it was a pretty amazing and effective piece of work. And it was driven by the people in north and northeast Portland who imagined a better place. Who said, the highest and best use for the main street in our neighborhood, whether it's martin luther king boulevard or interstate avenue, is not boarded up storefronts and topless bars, but real neighborhood businesses with real life and activity and new residents living above the store. This wasn't some planner's idea or some council member's idea, it was the idea of people in that community. And they worked very hard on that plan, and mayor, during your term and mine, I think it's one of the most successful planning efforts we've done. And it was also unusual, and i'll get to this when we talk about the next item, the people that worked on that plan really understood public services more holistically than we do in terms of what are county service and what are city service and what are tri-met services. They had a pretty clear and complete idea of what a better community and better public services would look like, and that's why it was actually a joint effort of the city and the county. The albina community plan has almost been forgotten now. It was a joint effort of the city and county. The last time we had done that. I think that, first of all, is a great reason to vote for this action item this morning. Because this is an implementation of that vision by community activist and neighbors who wanted a better north and northeast Portland. Secondly, it is the boot strap by which we pull transit a little farther up the scale in Portland. People in Portland are starting to get used to the idea that streets are for more than just moving cars, that they're for commerce, they're for conversation, and they're even a place to live. A main street is even a place to live in more and more of our neighborhoods. Interstate avenue in this vision, crafted by the community, will be that kind of place. So this I think is an excellent plan for interstate and the other boulevards and other portions of this district that are embraced by it. And that's an important note. We're focusing on a lot on interstate and the light rail line itself, but this plan will do good in other parts of that district of the city as well. And that's really a testament to the effort that's been made, mayor, by you and by the Portland development commission. That's has been one of the best staffed and best served planning efforts i've seen, and I really want to compliment the Portland development commission staff who worked—I was at a lot of the meetings where this plan was being developed. I saw how open they were, what good listeners they were, and I really want to applaud that. My commendations to everyone who's work order this plan. I look forward to seeing it become real. Aye.

Saltzman: If I can steal a line from richard brown's weekly meetings, there's been a lot of hope and hard work that's gone into this urban renewal area plan before us. It's a very good document. It's a bold vision, and much hard work remains to be done to make this a reality. I just want to mention sort of two areas—two hopes I have that will be the result of this effort. The first hope is first that the issues of gentrification, condemnation, as we all know, are very much on the forefront of this issue. Condemnation happened yesterday to many of the african-american people who lived—lived in the community for 30, 40 years, the condemnation of the early 60s and '70s. So I think it's important we not lose sight that this is in large part a very important part of town to the african-american community,

and it's truly my hope as a result of the development that will occur here, the business development, the residential development, the commercial development, that this community, the african-american community, still remains there 25 years down the road. That we do not see a plaque saying, this is once where the african-american community in Portland lived. So we need to keep our eye on that ball too and make sure we don't lose sight of the importance of this area and the importance of the issues of gentrification and condemnation and to ensure, as I said, we have something more than a plaque to memorialize the existence and the strong contribution to our city the african-american community has made. The second hope, i've talked to staff about this, is ensuring development that does occur in this area is sustainable with regard to its environmental impact and public health. The city right now is in the process of developing language to foster sustainable development in the north macadam area. And we've had some text that's actually in the framework plan. We'll be seeing that as a city council shortly. I hope there will be an opportunity, a similar opportunity to include the same sort of commitment that we're doing in the north macadam area in the interstate area too. I don't think there's any problem with this at all, so I do look forward to working with them to develop specifics, policies that will ensure alpha silts paid for with public dollars are safe, long-lasting and resource efficient. Having said that, those are my two hopes. We have a lot of hard work, and with the 54-member urban renewal committee at our side, we will and hopefully strong economy and a commitment by everybody to make this work, we will have many dividends in the future. I'm pleased to support this. Aye.

Sten: I'm also going to be a very enthusiastic vote for this. I think this is one of the most significant opportunities at this point, despite all the hard work, it's sometime an opportunity to do something. We haven't done it yet, but I think we're really—we're pointed in the right direction. I think this follows nicely on the creation a little while back of the lents urban renewal district, and in the past and—some have been good and some have been bad, but urban renewal has always been about knocking things down and building up whatever that day's vision of what the future needed happened to be. And that's where all the pain comes from, when that vision turns out to be a little wrong years later, like knock down all the beautiful house and put in things that don't get built in the case of some land in northeast that's still vacant from that condemnation 20, 30 years ago. But this is a very different vision. It's a different time. I hope that history will be kinder to this vision than we are to the one that people did in a well-meaning way 30 years ago, but which was wrong. I think what fundamentally distinguishes this urban renewal district and you can see it both in the process and in the results so far, but it is just a beginning, is this is really more about people. Urban renewal is by statute, and definition, about doing physical things. But the intent behind doing those physical things in north Portland is to try and make the neighborhood better for the people who live there and to try and connect that neighborhood and get its strengths more accessible with light rail and other things to the rest of the region. I think that's really what this is all about. Whether or not we succeed or fail, I think we'll succeed in building things. There's no question about that. Whether we succeed in the very lofty goals of trying to make sure that that—the economic benefit goes to people who live there will depend on organizing and how this connects to people. And really when you talk about gentrification and displacement and all these issues, they really amount to, are we reaching out and meeting the people who are soon to be displaced, and I would say very bluntly, I suspect they would be displaced without an urban renewal district if current trends continue. So the urban renewal district may speed up economic processes, but at the same time it gives tools if we really get out ahead of this. I think we have to have a concerted community-led effort that we fund at the city to probably go door-to-door and try to talk to people about, are you in a position to buy a home? If you're not and you'd rather be renting, or you have a sense that you can get a rental that you'll be able to stay in, and all those types of things. That's the direction we're headed. It's going to be difficult because it's never been done before, but it has to be about people, and I think that's what this is really all about. The other thing I

would point out is if anybody certainly watched my arguments whether they're right or wrong on this council about urban renewal district, I tend to often be arguing about how much money is going to different pots in these types of things. And so—in this case I would be the first to say if I had a magic wand I might divvy the money up differently than the—than this urban renewal district is divvying it up. What you don't hear is the council doing this. In this case—I want to complement the mayor and the development commission, we've had such an extraordinary process—I didn't think you could pull it off, with 54 people 0 a congress with however many meetings and heated discussions for however many hours, this plan—it's not that I think—a lot of times we process things but really they're coming from city hall or they're coming from some other source. In this case there's no question that that 54-person group, which doesn't agree on everything, came to the best consensus they could, so I don't care come in and say, i—we ought to move a million bucks around. We ought to do it the way they said. I think that is the indicator that perhaps the people orientation that will make this physical tax tool worthwhile is on the right track. So I also, after—after thanking the mayor and pdc, i'd like to thank the citizens who had faith f. They went to a lot of meetings it might make a difference, and in my opinion it has. Sit just the beginning, but i'm delighted to vote aye.

Katz: Thank you. Just a little bit more history. I think commissioner Hales, you remember the two of us were the only two at the time on the council that are present here in may of 1993, we gathered north and northeast community activist and neighborhood leaders in my office, because we wanted to purchase the old walnut park facility. We had a vision with the community to renovate it into a walnut park community policing and retail facility. And the council finally decided that, yes, this was an urban renewal area, and this was probably a very good use of funds. And so we filled the new stores with neighborhood businesses, added a community policing facility, then helped build a boys and girls club with the help of the legislature and the urban renewal district, and reclaimed a local street known as crack alley with a lot of new homes, thanks to the work of our community-based development organizations. And so walnut park really did spark a renaissance along mlk boulevard. Today we're going to go much further than that. And it's more than a corner or just a street. We're going to be able to improve the quality of life of all residents in north and northeast Portland. At the last week's hearing, I was very gratified to hear how many of the residents supported the vision for this urban renewal district. And hoped—had big dreams about what it would do for the businesses and for the neighborhoods in the urban renewal district. We also heard that people want to find new strategies to ensure urban renewal will really help those living in the community. And I think we talked a lot about the troubled past of urban renewal and how proud I was of residents, african-american residents in the community coming back and saying, yes, we'd like to do this, but, again, this time do it right. And that's part of the message. We must do it right. And we know, as all of you have said, that's going to be a tremendous challenge. I do have confidence in the 54-member steering committee, and in pdc that they will live up to the challenge. I just need to tell you it wasn't only the task force that participated, they had workshops over and over again on a lot of these issues, and i've gotten calls now from residents who want to be part of a 55 or 56-member task force. And pdc and the staff did incredible outreach into the community, and I hope commissioner Sten, as you described it, that that process will continue. So that we can successfully address the issue of gentrification. No other city has done that. So it will be up to the task force, the Portland development commission, and to all of us to make sure that we address both the physical and the human infrastructure needs, but also keep our eye on making sure that we don't displace the residents who call this home. A couple of thank yous. I too attended many of the meetings of the steering committee. Those were not easy meetings. The committee was extremely diverse. Yes, there were 54 members on it, and I want to thank all of them for their participation and for their commitment to state—stay with this process until it was completed. You've helped us create a new face on urban renewal that will put jobs, housing, parks, and recreational opportunities where you want them. Not where we want them, but where you want them.

I also want to thank my bureau. I don't usually have the opportunity to thank the Portland development commission. John Southgate, Karen Williams, Lisa, I also want to thank the facilitators. There were others. And all the staff from all the other bureaus for their extraordinary effort who spend much time and much patience to make sure that this process was a success. I don't think that we heard anybody testify that night that the process was flawed. So for all of these reasons, and all of these hopes that I have and share with all of you, we will make this work. We'll have to find new tools that we currently don't have, but we will make this work. And I'm very proud today to vote aye. You're anticipating something, because it's awfully quiet in here. [laughter] [applause] okay. Next item.

Item 1169

Katz: Okay. I did announce at the last urban renewal district that because we were bringing—now two resolutions before us, that we'll have some public testimony. We heard a lot about it at that time, but we will hear it again. And I've also asked Tim to come up and talk a little bit about the budget. Anybody—who do we have to testify? Let's get Tim up first.

Tim Grewe, Chief Administrative Officer, Office of Management and Finance (OMF): Tim Grewe, chief administrative officer for the city. You have before you today two resolutions that respond to Multnomah county's request for \$2 million from the city to support early childhood development programs. We're—which I consider to be an offset of what they define as a financially—adverse financial impact upon the county. Resolution 1257 filed by Mayor Katz fulfills the requirements of Oregon revised statutes to respond to the county's recommendation on the formation of the tax increment district. It also responds to the county's request for the \$2 million per year. It does that by proposing the request be included for consideration in the 2001-2002 budget process. The second resolution, 1169, states council's intent to establish an early childhood development fund starting in 2001 too, with the initial city contribution of \$1 million. The resolution does not address future year contributions. However, Multnomah county's request was for recurring allocations. Assuming that this initial \$1 million allocation becomes an ongoing program for the city, and is subject to inflationary adjustments like other general fund programs, of say, 3.2%, this initial contribution would increase to approximately 2.12 million by the projected end of the north interstate urban renewal district in 25 years. Under this scenario, a total of approximately \$37 million would be contributed for support of this program, or the 25-year period. The council recently completed a new two-year budget. The budget stretched to find funding for new council priorities. In the general fund reductions in administrative support services and—in large part provided the resources to meet new or expanded critical services within the community. We're in the process of closing the books for last year. Preliminary findings are that the year-end balance is approximately \$30,000 greater than the beginning fund balance for the fiscal year in which you are in. We are proud of the accuracy of our balanced estimates being within \$30,000. We know and I think you can appreciate that that's cutting it way too close for us to be comfortable. I know from experience that the year-end river end balance is often a good beacon of the financial condition of the—that the city can expect to experience as it moves into its next budget cycle. Although the forecast will not be updated until October, we currently expect that it will indicate that we will be challenged to cover current service levels. That forecast will need to incorporate any service requirements associated with the new district in the coming years. It will also need to incorporate an additional \$424,000 in property tax revenue losses that the city will experience associated with the formation of a new district. Added to a tight financial outlook is an array of future financial uncertainties. First and foremost is the coming election. We will also be an arbitration with the fire union in October, and we are continuing to negotiate with U.S. West on franchise fee adjustments due to a rebate ordered by the PUC. Given an uncertain financial future, we urge council to be cautious and—in implementing new general fund programs. To that end, we have several recommendations. First and foremost, is to delay action on this matter until the forthcoming budget process is—as indicated in the resolution. Council could still continue deliberations with the county

to develop a coordinated strategy which could be then formed— then form the basis of your budget deliberations. Should council decide to commit funding today, we recommend that you modify that commitment to reflect the actual near-term revenue loss to the county. Our projections indicate that the county will lose \$131,000 from this tax base in 2002. Climbing to approximately \$1 million in 2006. In—a \$1 million recurring contribution for the next five years would provide the county with \$4.2 million, which we estimate to be \$2.1 million greater than the actual revenue estimate that they will—loss they will experience. We recommend the council consider a schedule of payment that's patches projected loss to the county over the next five years. Finally, with any action taken today or in the future, we recommend that the council be clear that the program may be subject to nonappropriation in the future. That means future year funding will be based upon the city's ability to pay. To sum rise, formation of the district will have an adverse revenue impact on both the county and the city, no question about that. Conversely, formation of the district as you just indicated in the prior action, will benefit the residents of both the county and the city. Through capital improvements as well as housing and job development. We have recommended proceeding with the district because we believe those benefits more than offset the financial implications to both the city and the county. However, if the council deems it's necessary to offset the county's loss, in the manner— in this manner, we recommend that you match payments to the actual revenue loss over the first five years. I also recommend that you be clear that this would be subject to any—annual appropriation. I'll stop there and be happy to respond to any questions. Ken russ is also here if you have further questions about the financial implications to either the city or county or other districts.

Katz: Questions?

Francesconi: Two questions. I wish this were not so, but it's my understanding the capital dollars used from tax increment cannot be used to fund important programs like this one that's recommended by the county. Is that right?

Grew: tax increment dollars, statutes would not allow you to do use tax increment dollars to pay for ago service requirements.

Francesconi: My second question is, the city has some ongoing service requirements as well that we pay for through the general fund. It's my understanding that the loss to the city's general fund is approximately the same as the loss to the county fund, and it's approximately \$90 million.

Grew: that's correct.

Francesconi: Thank you.

Saltzman: Just on that last point about the loss to the county, I think at the hearing on wednesday, if i'm doing my math right, the loss to the county is really \$102 million over the 25-year period, if you include the \$14 million loss to the library system due to compression.

Grew: if you assume the library levy, which is a serial levy subject to future voter approval, is renewed, that would be an accurate figure.

Saltzman: That's a pretty safe bet that public support for libraries is really high. Would you agree it's a pretty safe bet we can count on voters renewing the levy over these next increments of five years?

Grew: the other thing i'd add, that figure also assumes a sustaining level for the county's library levy. No additional increases to cover program expansion or anything of that nature.

Saltzman: Okay. The other thing I wanted to ask you, your language about continual—continued afternoon wall funding would be subject to annual appropriations. How is that different than anything we do here in the city? Isn't everything—

Grew: that's absolutely correct.

Saltzman: So there's no— i'm not missing anything here in your statement.

Grew: in reading the resolution, there was two points of clarity. One was we were not certain whether or not council was saying a million dollars recurring, because it refers to an allocation. If

council is—if council's intent is to make that recurring, I want to make certain that we are clear that future financial circumstances may result in the council having to reconsider that appropriation just as it would have to review any other allocation from the general fund during the course of a budget process.

Francesconi: Let's get this cleared up right now. It was my understanding, i've been gone for a couple weeks, that the intent of this resolution is to make this an ongoing program which will be adjusted for inflation. Is that right?

Saltzman: And subject to appropriation, like everything else.

Francesconi: But the intent is not one-time, it's an ongoing appropriation.

Sten: Let me ask a question of clarification.

Katz: Go ahead.

Sten: As one of the three authors of this resolution, it's the representation which is implied that it's any different than anything else we fund in terms of the council doesn't have the authority to bind future councils, it's kind of a red herring, because I think it's true for police officers, firefighters, anything else the council does. We can't bind anyone. The expectation would be the million. I was persuaded by ofa and the city attorney's rejection of the county's argument that their revenues should be offset based on legalities and other pieces, and so I was careful in viewing this as what I think is a reasonable complement to the physical work that's going to go on in north Portland, and set it up very carefully not to be a pay-off to the county, and in fact not even necessarily to flow the money to the county, but recognize the very strong urgency of these early childhood programs seems very similar to me to our investments and—in schools, which total \$36 million in my time on the council, much more so, so now I hear ofa coming back and saying we should target this exactly to the amount of the revenue they're losing. And I was trying to share in your discussion that it doesn't make sense to get into a quid pro quo saying, each jurisdiction out there is going to lose this much by an action of ours that is legal, so instead what I thought in the spirit of cooperation, given this is, you know, from everyone from the crime commission down saying, this is the biggest need that's out there in this community that's unmet, to set up an independent appropriation to get at the underlying problem, which is a lack of services. Now I hear you saying you want to make sure we tie it to the amount the county's taken away, and that seems dangerous, because it seems to me you're setting up the argument the real issue is being—bean counting about how much people are losing.

Francesconi: I think commissioner Sten is absolutely right on this point. So the idea of using this as kind of some offset is 100% correct. It does raise the question, then, as to why we are doing this now as opposed to outside of a budget process.

Katz: Did you want to respond, tim?

Grew: I understand what commissioner Sten is saying. That's in fact how we did read the resolution. The county's proposal did come to the city requesting this program expansion as an offset to the revenue loss they claim they will experience as a result of the formation of this district. So when we got to looking at these two actions in parallel, what we were saying was—seeing was the council preparing to allocate to a program that they've been clear that they are they consider to be a priority. Outside the budget process to a million dollars, but when we look at the revenue loss, which we understand started the county down this line, that revenue loss in the initial years didn't come anywhere close to a million dollar recurring action that the council was proposing today. So we want to be crystal clear about that. The other reason i'm here today is because i'm doing my job. We have just—the ink has just dried on a two-year budget that was a very difficult budget to form. And this is a substantial commitment on the part of the city council to a very worthwhile program of a million dollars, when I can't even today tell you what your financial condition is going to be going into that next budget process. Nor can I tell you today what the outcome of the election is going to be. So I am here today doing my job by urging you to be cautious in sending messages that we're taking on new

financial commitments when I can't even tell you if we're going to be able to afford our current service level.

Sten: Let me make sure, because there's a lot of poking at what I think is a fairly freight forward resolution to try and find—let me be clear, I think, and i'll let whoever votes or doesn't vote for this speak for themselves, it's my intention as a sponsor of this legislation that it will be revisited if we have major tax changes in november. So I think that's another red herring. I think that's crystal clear, and I think the county commissioners agree the same way. I think there's a high likelihood that measures that hurt us worse than the county could pass and in that case we ought to go to the county and ask them for help. That's the climate I think we need to set up, where we're talking to each other. I guess i've got to reject pretty dramatically ofa's belief that it's okay to move any amount of money through an off-budget urban renewal district because the ramifications of the urban renewal district dwarf anything that this sort of complimentary piece would do. So we're doing massive budgeting today, but the idea if we do massive budgeting outside of physical infrastructure is wrong, but to budget physical infrastructure through something we solely construe is okay, it doesn't make sense. The time to address the overall picture is at the time we make the major massive change we made in the last vote.

Grew: the only thing I would add, we tried to forecast in the financial plan we created to im the impact of this district. We knew this was happening during the budget process. We didn't know the size of the district. And that's why we have an additional \$400,000 revenue adjustment we need to make in your financial plan as a result of the formation of that district. And that is happening today. No question about it. What will happen is i'll come and show you the implications of that \$400,000 reduction when I bring forward your financial plan, and as I will put in the service requirements associated with the district for the next five years, as we move into the next budget cycle.

Sten: It's not a \$400,000 reduction. It's a—it grows much faster than rated of inflation in the years out. It's—to say the million dollar child care, if it passes, early childhood development is much bigger than the 400,000 is not accurate, because the 400,000 grows fast if the urban renewal district grows.

Grew: I was trying to imply that we now have this million dollar requirement if the resolution passes today. We also have an additional \$400,000 annually I need to incorporate into the forecast. And if—those adjustments will be coming to you, depending on your action today, in the context of the financial plan that comes forward. I didn't mean to be comparing the \$400,000 to the million dollar allocation to the county.

Sten: We're making major budget decisions today.

Grew: I think the council made some major decisions in the last budget process by allowing us to incorporate what we understood to be the financial implications of this district during the last budget process. And based upon your approval today we'll make further adjustments in the next budget cycle. And you will make decisions based upon what that forecast tells and you how—how best to will allocate the city's resources. I understand you today, if you take action on this resolution on this million dollars, I will come to you with a forecast that creates that fund and removes a million dollars in discretionary dollars for consideration for allocation to other programs.

Katz: Okay. I think that's—

Francesconi: As you should, if it passes.

Katz: I will take that all under consideration when I do the budget. Okay. Public testimony?

Nancy Bethuren: like I said, I signed in last and didn't think i'd be first. My name is nancy, and i'm an over 20-year resident of north Portland, and i'm the founder of residents for neighborhood preservation. I—on livability for the protection of our neighborhood communities from government abuses. My husband and I highly support county commissioner bev stein's proposal for early childhood development, except that it must be extended to cover all their services, mental health, homeless, seniors, youth, and more. It's—i'm sorry to put it this way, but this is the way I feel about

it. It's bad enough I feel it's bad enough for you to screw us into light rail and urban renewal, but to dump people off programs through the county that is helping them is totally unconscionable and outrageous. You can't have everything your way. It's time you lose for once and do without. Just because we vote you in doesn't mean you can just go out and do absolutely anything you want to, and do—anything you want to to whom, no matter what the harmful consequences are to them. All these programs at Multnomah county handled are equally important as early child development. I was riding on—writing on my paper here, I apologize, but you cannot expect these people, you know, to lose because I feel of your I responsibility and waste of taxpayers' money. And I also feel—we also feel that don't expect to come to us taxpayers to pay the losses for Multnomah county, their tax revenues. You will have to come up with that. I'm not about to take my tax paying money and to pay for these services. You will need to have to come up and find revenues yourself to pay for these. You might have to do without a city building, you might have to do without a baseball field, or maybe fanciness in buildings, or I don't know. What other kind of things, you know, extravagant things that you—that the city thinks they have to have. But again, you are hurting people in many fashions here, and you're not taking the time to really hear and understand much less—you don't seem to be really concerned about the impacts that all these decisions that you are making for people out here. And the lives that—and the negative impacts are going to have on their lives. And, you know, you need to be responsible, you guys. You know? You know, i'm sorry, but you guys—you know, the city wants me to respect them, but you know what? I don't feel you respect me, and I don't think you respect many a great deal of people out here in these kind of situations. Like Multnomah county, bev stein ask her programs that she has. I feel very strongly, you know, on this, that they need to be covered, not just early childhood development, although I highly support that one, but they all need to be covered. I hope—i hope—i hope maybe today you can change a little bit of my ill feelings towards the city at this time. And vote to cover all the programs in Multnomah county, the people that they help.

Katz: I'm sorry, do the commissioners—i'm sorry, do the commissioners want to testify?

Lisa Naito, Multnomah County Commissioner: for the record, lisa naito. I wasn't planning on testifying until I heard some of the testimony. I did plan to speak in support of this resolution and address some of the issues that you talked about earlier. I believe at the other night there were many people there, and I don't know if they were given the opportunity, but there was certainly a lot of advocacy in our community for early childhood. I believe I represent the people who are very supportive of your resolution today. I wanted to say first of all that the proposal by the county was brought because of the financial impact on our general funds. This should not be viewed in any way that will really affect our general funds. I'm very supportive that the funds that are committed by the city to this effort of early childhood, that commissioner Saltzman has the—as the resolution indicates, will lead up the planning effort on where the most effective use of this is. Programs have been identified by the citizens crime commission. I applaud the outcomes approach that will be taken by the city to look at the services that we can provide. These are not programs that are currently being provided by anyone in our community. And that is why we are coming to you. We come as a joint—as a partner with you, because we also have funds committed depending on the—in our contingency funds depending on the outcome of sizemore's measure. We would like to contribute to this same effort, and together I believe we can match as a communicated to serve the needs of early childhood. As I testified earlier, we now know about brain development, and in the first few years of life there's early learning that needs to occur, there are emotional attachments that need to occur. We are not serving the abused and neglected children in our community now. We can say these are state responsibilities, we can say they are school district responsibilities, that they're federal responsibilities, and that's fine to point fingers. But the fact is these services are not now being provided. I think the city's very generous proposal in this resolution to step up and begin and take the first step, the county looks forward to stepping with you, and perhaps we can join together and get other partners, the state

and the federal government, to come in and address the needs of this age group that are not now being met. So I applaud your leadership. This is not easy, and it won't be easy for the county either. But I want to stress this is—while we came to the table to show the effects of our general fund, we are coming to you because early childhood of one of our targeted future resources that we would like to do. We want to do more there, and the effects on our general fund will prevent us from taking this future action, because of the effects on our general fund. So I thank you for your leadership, and I look forward to working with you in the planning effort that we will begin together with you to best serve these young children. Thank you very much.

Francesconi: This is a tough question, and I don't know if I could answer it, so I'm not sure if it's fair to ask you. I guess I have answered it by my prior vote. If you had the option of doing this urban renewal district for the purposes that you heard listed here, or not doing it at all, which would have the effect of keeping more money in the county so you could do these important programs and others, which would you choose?

Naito: I think I look at it in terms of a win-win. The possibility that you can move forward with the urban renewal programs, the bricks and mortar, infrastructure investment that needs to be made. I'm supportive of light rail, I believe our whole county commission is. I know commissioner Cruise has been working hard in the planning effort. Our resolution, and we were clear to you, that—is that we support your urban renewal process. In addition, we support your—the hard choices that we'll all need to make about allocating money for early childhood. I see today as a potential win-win for the community, and for our community in general.

Katz: Thank you. Sorry I didn't call on you first.

Naito: oh. I wasn't planning on testifying.

Katz: Public testimony? Anybody else want to testify? Roll call.

Francesconi: Boy, is this a hard issue for me. Let me tell you. But I won't. As to why it's a hard issue. So these last two discussions have been important, and I appreciate the county raising this issue, because actually, the issue that it takes more than infrastructure to have a neighborhood and have a city, is the point of the urban renewal district, as you just heard. And the special point that we have to have special places, especially for our families and our children that don't have the same economic opportunities, is that the—at the root of where we need to go. The difficulty is that this urban renewal district, which kept getting bigger and bigger, and in which the county, you know, has not questioned the size of this urban renewal district, also takes \$90 million away from the city's general fund, which is also an attempt to take care of children and families and other issues facing our community. That's part of the problem. So in this last budget, eliminated five after-school sites for kids in elementary schools, because of the budget cuts. And I've heard about it from the principal and teachers. I'm supposed to be the after-school guy. Parks has put a collection box in their parks to raise the additional \$30,000 that it took to meet the last round of budget cuts. But it takes more than parks to have a city. It also takes photo radar that we had neighbors coming into at intersections, to improve the safety at our neighborhoods, and we said no to those citizens who were acting for their neighborhoods, because we didn't have the money. We had seniors coming in with their water and sewer bills who wanted the utility franchise fee reduced, and we said no to them because we didn't have money. We have staff that we eliminated administrative support, and we asked them to do more, and we said no to them. In fact, we didn't say no, we eliminated them. And much of that was good and needed to be eliminated. The reason we used was money as opposed to kind of needed efficiencies. Firefighters, the west side, there's an issue as to coverage on the west side that we're trying to address. And I think we can address it. But there becomes the reason of money. So that creates a difficulty. What did we say—why do we tell those citizens no? Another issue that is equally important to me is, where is the money coming from? I have attempted to get commitments that the money is not coming from other programs that the city funds to support children and families. I see

nothing in this resolution that says that the money is coming from infrastructure funded by the city's general fund. If the issue is infrastructure as opposed to services, let's address that. I see nothing in this—let me tell you, folks, early childhood development is more important than after-school programs later on in life. I understand that. What I want to know also is, what is the private sector contributing to this effort? What is the county contributing? What is the state contributing? What is the federal government contributing? Do I think the city should step up in some—in this arena? The answer is yes. Do I want to know where the money is coming from? The answer is yes. Do I want to know that the private sector is contributing like they did on the homeless youth program or—where the crime commission came out with a report, and they came up with a million dollars in private sector resources in order to help fund it which convinced me to cross the line and—into county services and fund it? The answer is yes. Am I going to put a million dollars on the table from where I do not know, without getting some assurances that the money is not going to come from important services that we provide and that others are going to step up and do the same thing? The answer is no. The city is not a granting agency. And we need to sit down and do some things to address this situation. It has gotten out of control. And I have some four specific ideas that i'll save for today when we vote on where we go from here. So listen, county, I appreciate you raising the issue. You'll have to trust by my actions in a budget process as opposed to a nonbinding resolution, as to whether my heart is really there and my actions match my words. The other thing is, we've got to target this early childhood. Not to as many children as can be provided, as this resolution says. We need to target this to poor kids in poor neighborhoods. We need to target this to those 14 schools in this urban renewal district. We need to target it to the additional 16 schools. We have 30 schools that are not making it. And we need to sit down with the schools, a private sector, the city and the county and say, okay, how are we targeting these early childhood resources to make sure these kids can succeed, just as we sat down with the county in this after-school sun school effort? That's the approach we need to take. That's the approach that i'm committed to working with. Whether the resolution passes or not, frankly, i'm going to be there. No.

Hales: Well, there are decisions here that are difficult for each of us and frankly forgive me, but this one isn't for me. On a couple of bases. One—both I think—I hope an admission of common sense into the decision-making process we use here in this room. And I was being a historian earlier, reflecting on the fact when I had a life before being in this office and I remember some much it, one of the things I remember is a principal from business that when your partner comes to you with a reasonable request, you should try to granite, or try not to refuse it. And outside of the walls of this discussion, there is 508,000 people who are served by two governments who are many of them probably unaware of that fact, certainly unaware of this accounting wrangle that we're going through today. And who have a common sense expectation that those two partner governments work together pretty well. And I think they would be surprised and maybe a little disappointed to find out how sketchy that partnership really is. And there's some good work being done now, I think between county commissioner and members of this council, including the mayor, to try to improve on that. But it's really not as good as folks ought to expect. And, again, in real life, people have the luxury of not paying attention to water county service and water city services. For example, if you walk out of the back door of this building and head towards the how thorn bridge, you walk on a city street, you then get on to a county bridge and resume on the city street on the other side. Meanwhile, the county closed the bridge to painted and it while they did that, the city came up with money to build the wider sidewalks and put some extra steel in the deck of the bridge. The people that cross that bridge this morning on their bicycle or their feet or their bus or car, you know, don't know all those details, and they're lucky for that, but they have that expectation that the two of these at sis that overlap literally overlap on top of the map for 508,000 people, work together. So here we have our partner coming to us, the partner that coauthored the albina community plan, the founding document for this urban

renewal district, and says, we'd like your help with a joint priority. On a common sense basis, I find it hard to say no to that. Secondly, we do have a community here in north and northeast Portland, as I mentioned in my last vote. From the very beginning of their work on this plan, they said, infrastructure, human services, get rid of your pigeon holes. We want a complete community. And we warn attention to all of the community needs by our public agencies. I had to stretch when I was working on that plan to get that consent. I thought—sorry, community planning was about zoning and public works. What's all this talk. early childhood and libraries? I had to stretch, hi to grow a little bit as a policymaker to catch up with my constituents who understood that principle better than I did when we were working on that plan. So that's the other common sense foundation under this decision. A partner that asks for a reasonable amount of help for a shared priority, and a community that says, public services ought to be considered holistically, not departmentally. On both of those bases, I think this is a reasonable request, and I hope will be one example that we can cite in the future of how well the city and the county do work together to accomplish joint community needs. Aye.

Saltzman: I had the good fortune yesterday of attending the groundbreaking ceremony for the Portland relief nursery. Which is an effort dedicated to supporting and strengthening families so that children can live safely and develop in the care of their own home. And there was a very interesting graph contained in their brochure that I just found very alarming and I want to talk about that for a second, and then i'll say i'm going to support this. It talked about comparison of deaths in 1996. You have—in 1996, I don't think it's changed much, this red bar is how many children died in 1996, children under one years old died due to abuse or neglect. About 450 kids, this is nationwide. These smaller lines, the blue and the green, are the number of law enforcement officers killed in action and number of military personnel killed in action. Far smaller, but if you know as we all do, relative proportion of expenditures at a national level with respect to law enforcement, military, compared to how much we're investing in making families strong, developing effective programs to prevent abuse and neglect, and to make sure kids develop, that their brains develop and they're hard-wired the right way at the right time. Those are the areas we're under investing in. And this effort before us today is one effort, small effort in comparison to the need, and the need is great. \$1 million is not going to do a lot, but it's an effort I think, and it is going to be I hope a focused effort that will try to arrive at the most significant impact on early childhood development for the relative small amount of money. It's a—an attempt to step up to the play and say, from my mind, we need to blur the distinctions between the county and the city when it comes to important issues. As commissioner Hales just said, our taxpayers are barely cognizant of all the distinctions we spend all of our time tracing each tax dollars. They don't care whether it's a county tax dollar or a school district tax dollar or city tax dollar. To them, it's all tax dollars, and our challenge is to spend it wisely. And to spend it on needs that they believe are important. I believe this is probably the most important need that we need to address. And it's time for the county and the city as I said, to really come up together. Here's an opportunity for us to really forge an effective partnership together. We spend far too much time as a county and city arguing about the boundaries of our responsibilities rather than doing something about the responsibilities themselves. And this is a chance I hope to move past that and move forward at perhaps set a very constructive example of how we can tackle a problem, a problem that's been well documented, whether it's a citizens crime commission or the myriad of report that have come out probably since neil goldschmidt became governor, that have started to chronicle all the stuff we are learning about early childhood development. This is the chance to do something about it. And to do something about it takes money. Everything takes money. Community health nurses to go visit newborns in and their mothers, to make sure the mothers understand the importance of the first three years and the—that things are being done. You've got to may a community health nurse to do that. There are not volunteers out there—there are, but you can't rely on the volunteer effort if you want to have the focused and significant impact we hope to have by creating this fund and also pooling it with

the county's commitment to this effort too. They are not simply stepping back. As I understand, they hope to come up with about a million dollars themselves in their own budget to also devote and focus on early childhood development. So I think this is really a good opportunity, and I believe— well, it's going to be tough. And as I said earlier, it's going to take a lot of hope and hard work to make this happen too. I'm up for that task. My job is to work with the county and others and come back with you—come back to you in march with what I believe would be the most effective means to invest this money to really as I said, create a singular and significant impact on as many children as possible. That's what the resolution says. It's going to take work. But I also think if we're really sincere about our talk, and I think every one of us has said that, and everybody probably in this audience will say it too, early childhood development is the most important thing. I think we'll find the way to find the money to make this happen. And it may mean questioning some very fundamental assumption that's we've sort of all signed off on as part of being city council members, about our budget, our budgets, some of the assumptions that go into our budgets. I'll name one, that is—has been my cross since day one, that is—it's a raw nerve, but it's the whole notion that we pay firefighters as much as we pay police. When in fact the jobs are very different, the risk to the individuals is very different. People don't shoot at firefighters. People do shoot at police. People don't expect police officers—people don't look to police officers to end their lives. Firefighters to end their lives. They do with police officers. But yet we take as a fundamental given here that we need to continue to pay firefighters the same amount as we pay police. I question that assumption. I continue to question that. And if we embed that assumption into our budget, it costs us more money. More money than I think we should be paying, and money I think could be better spent on early childhood development. That's why I think we have to go into our budget, question fundamental assumptions, but I think if we're sincere about our commitment to the importance of early childhood development, we'll find the way to find the money and we'll start a process of cooperation and a process that's going to make a difference for kids and families that we often don't hear enough about and don't really have the political clout to come in here and demand their fair share which we hope to do with this resolution. Aye.

Sten: Well, it's a very challenging time right now. The only way we're going to step up to this challenge is aggressive cooperation between the different governments. And there's been a lot of poking at, did the county come at this right, wrong, and sure, they didn't do everything right, nor did we. But this is an area that I think it will any amount of scrutiny will come to the conclusion that early childhood education, aside from being under funded, is about the best investment a community can make if it has the courage to step up and do it. The crime commission says it's the best way to stop crime over a long period of time. Forget the other great benefits for kids. So this is a chance, and it will be a sacrifice to us, and I think anybody who makes light of the concerns that—I hope I didn't sound that way, because I didn't intend it, that tim grewe and the mayors bring up about finding money in this challenging time is wrong. Because it is wrong. The more challenging the times, the more you have to step up and embrace new ways of approaching things and go after those challenges. The best thing you can say about our system right now is that it isn't—it wasn't on purpose that it makes no sense. The tax structure. That's a value—there's no rhyme or reason. I guarantee all the people in here who are very knowledgeable who get paid to do this stuff cannot describe for me where a property tax dollar that you pay flows and why. I guarantee you there's nobody in this room who can accurately do that except maybe grewe and russ. [laughter] I looked at you guys. And that's the heart of the matter. There hasn't been a logical decision-making process that says when I collect a dollar of property tax it's been bailed together with chewing gum through a variety of initiatives that weren't necessarily— whether you agree with them or not, weren't designed to make sense together. But together that makes a tax structure that's set up all kind of strange situations. I will be the first one leading the charge, across the street and whenever they get the new building done across the bridge, to Multnomah county saying, you need to help us get things done as we find circumstances where we

need that kind of cooperation. So the issue is right and the approach is the only one that will get us through this challenging time. This city, this county has more money than ever in the economy, and the poor are getting poorer and getting farther left behind, and government services are not right now structured in a way to respond. I'm not saying money is the only issue. The issue is structuring government to respond to the new economy. It hasn't been done and the only way we are going to do it, I supported mayor Katz's move to combine these two governments several years ago. I still think this is the way we go. We move forward. The second point is similar. We are investing a ton in physical infrastructure. You got to have social services to go with it. This is a very, very small but important step for making that commitment. Where the money comes from is strictly decided by three votes of this council and those three votes will decide where the money comes from during the budget process. All this is doing is saying, we're committed to move on this issue. Where it comes from will be decided by the healthy vigorous public debate that needs to happen during the budget process. There's no stepping around what happens during that budget process. It's simply saying that there is at least a majority of—do the early childhood as part of that. You can't believe everything you read, but it was argued on the editorial page today, for example, that because i—on the editorial page—that a—the lack of affordable housing is going to divide this region and destroy the quality of life we know because we're going to have rich and poor neighborhoods instead of mixed-income neighborhoods and we need money to take on and invest in housing. I say that over and over. The argument was because I say that over and over I shouldn't support early childhood education for a million bucks. That's crazy: We have to go after both of these issues. This urban renewal district puts \$50 million or \$70 million into affordable housing. That's 50 to \$70 million we didn't have to invest in that issue before the council voted this morning. So housing is winning big. With this urban renewal district. So the idea that because I support affordable housing and thinks this community has to step up, i've got to say no—it's nonsense. The kids need to get on this train from the housing next to the train and that's what we're trying to do here. Finally, this is about people. Antidisplacement is about adults and the homes they live in and about the kids they live with. If this neighborhood is so much greater in the future, investing in early childhood development right now will make it that much stronger when this whole urban renewal district is done. The kids that will go to these programs will be adults when the urban renewal district closes. And this investment will bring things full circle. It is a difficult one. But it's an appropriate one. And i'm delighted to vote aye.

Katz: Thank you. Let me start by saying that I have been an education advocate for my entire political career. As a legislator, I increased funding for head start, and in my first—I think it was my first term on the ways and means committee, I put the first million dollars on the child development specialist program. A program that today is lauded by all educators. And it's a top priority for me, because I believe that we have a commitment as a city to make sure that our public schools educate our students and that they are ready for the world and for a global economy. I also made a commitment to find the resources for head start in my state of the city address, because I believe that it is so important. In fact, I met with one of the national experts on head start six months ago, long before this conversation started, to find out what does head start in this community need? And was I surprised, it wasn't scholarships for head start students that was identified for me, it was bricks and mortar. They needed a place because they didn't have room anymore as the funding from the federal government has increased. And so that was the reason that Rudy and I and others insisted on an additional larger space for head start in the Rosemont project. And that's a housing project that originally—there was no great love to increase that space for that project. But we insisted that head start be included there, and we provided the resources or helped provide the resources to make that reality. However, as mayor, my commitment to the citizens of this community to be a responsible fiscal manager is equally strong. One of the citizens the other night said, my heart is with Chair Stein. But my head is with the mayor. Because we must address the issues responsibly and in the context of all of our city responsibilities.

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Now, as somebody that has put the budget together, I cannot in good conscience forget that we do in this city have a budget process. We go out, we meet six or seven times with neighborhoods, we talk about what's important. And I made a commitment to chair stein and I made a commitment to all of you that this issue will be an issue on the table during the budget process. The time when it should be, not outside of the budget process, before you even know what the needs and the requirements are going to be. How can I in good conscience provide an intent today on these issues, when we all struggled with your priorities during the last budget process? Priorities for affordable housing, ongoing money. We weren't able to get to the 5 million. We were only able to get to 1 million. Priorities for transportation. Where we had to take general fund dollars out of other programs to fill the hole because the gas tax didn't pass. Priorities for seniors. You came in and told me seniors are our top priority. And we found resources to help seniors. How can I in good conscience, after we raise the—raised the garbage rates for an initiative, vote on this when if I knew you wanted to spend a million dollars, we would have funded without raising garbage rates? Or at least a good portion without raising the garbage rates. And I guess for me the key issue is, all these issues were dealt with during the budget. Secretly I wanted to fund head start during the budget process, because I made a commitment to that. But as we had our conversations, you all had different priorities at that time. And so I have a really a difficult time dealing with this issue today. Now. What—will I deal with it fairly, openly and in discussion with all of you and the county during the budget process? You bet, and I made that commitment. And I can't deal with this issue today unless I understand the trade-offs as part of the city's annual budget process, and work with the citizens who we asked. We asked what are their priorities. And this will be on the table as well. I think I heard that we don't have a good working relationship with Multnomah county. We are strong partners with Multnomah county. I meet with county chair bev stein on county issues and on many of the county commits with her, because we do have a strong partnership. In fact, bev stein and I won an award on that strong membership, and that partnership will continue even though I disagree with the process that is before us today. And I don't believe that the county should be exempt from helping out on the urban renewal area here in north and northeast Portland. We've worked closely with the county on public safety issues, on housing issues, on homeless issues, and that will continue. So the lines have been blurred. The lines have been blurred even during our budget process. Not only did we provide \$37 million for public schools, but we on an annual basis provide nearly \$13 million toward county and human service programs for youth, for the elderly, for the homeless, and special needs population. Close to \$13 million. So we are partners and will continue to be partners. Now, I was at the meetings when the citizens started to talk about their dreams and their visions for this urban renewal district. They clearly understood that sometimes brick and mortars also means people. It provides housing for people, it provides jobs for people, and training for people to get them out of poverty. To make more than a minimum wage. It provides park opportunities, areas for children to play. And housing opportunities for child care facilities. So the bricks and mortars argument really is not an argument that I think is at all valid, because it is really all about people and what we're going to do in north and northeast Portland is about people. \$50 million set aside for affordable housing, and more than \$30 million for parks and community facilities. That's people. Innovative approaches to making sure benefits of the districts accrue to those currently living in the district, that's about people. Development of community-based strategies to assess community needs, combat displacement and address housing and economic development needs, that's all about people. Finally, i'm really very pleased that the city council thinks that this is a top priority for the city. And I hope that during the next budget process that this will be on the table, but will be viewed with all the rest of the city needs and the community requests that we have had over the next couple of months. For all of these reasons, I stand by my resolution that basically says, yes, we do need to change the process. And work maybe a little closely, though the county knew about what was going on during all those meetings on the urban renewal

district, but we ought to institutionalize it, and I think that's an excellent idea. And also that we need to consider this item at the next budget process as opposed to outside of the budget process, and not allow the debate among our citizens, who we turn to during the budget process asking them what's important. So for all of those reasons, i'm going to join commissioner Francesconi and vote no, and hope that as we get to the budget period, we'll be able to accomplish not only the city— meet the city's responsibilities, but as well as take a very hard look at this particular item. No. Let's move on to the next one, which is 1257.

Item 1257.

Katz: I brought this forward because under statutory requirements the city has to accept reject or modify the county's recommendation. Since the recommendations do not request changes to the interstate urban renewal plan, but rather request separate counsel actions on funding, I and pdc did not address this request in the ordinance adopting the plan. Rather we prepared a separate ordinance that's before you. So it does propose procedural changes that will ensure that the county is involved in working with pdc to review the scope and the financial impacts of future urban renewal districts, and to do it early and to do it often, and then the requests, the consideration of this item during the normal budget process. And I understand there is an amendment to this. Before I get to the amendment, did anybody want to testify on this? Nope? Okay. Is there an amendment on this resolution?

Sten: I don't have anything prepared in writing. I wanted to see what happened on the first resolution. I'm in full support of all your procedural changes and I think they're wise. They're in modest conflict on the issue we just discussed, so I would think in consistency with the resolution that's just passed, we should strike the language that refers the county's budget request to ofa and instruct ofa to incorporate the results of the last resolution into the financial forecast.

Hales: I'll second that.

Katz: All right. Does anybody want to testify on that? We're going—they were going to do it anyway. They will show us what the impact is on the forecast. Correct, tim? All right. Roll call. On the amendment.

Francesconi: I guess because I voted no on the other one I have to vote no now. I agree with the additional changes. But I want to make four additional points here. So we don't have a repeat of the situation if we can avoid it. Given the problems confronting our communicated I think we need four changes to be made. Number 1, I do believe that the city contributed to this problem. And with no bad intentions, but and we have a terrific finance office, but a year or two ago I requested some guidelines as to when we create tax increment districts, what effect would that have on our general fund, what effect would that have on county services? Ofa, pdc, we need to do a better job whether we create gateway, other urban renewal districts. As to what the financial impact would be for the county, for the city and everybody else. You did a terrific financial forecast august 10th. Now, pdc, you're doing a terrific job at changing and dealing with the community. So I don't fault you. But we cannot give blank checks to communities either. We're partners with the community. And when we give—rise speck traces that take money away from general fund, that are needed as well as county, city, school, other services, and people don't understand that, it creates a problem. So we need some options developed as to the maximum indebtedness for a district, the maximum gee graphic, then you need to check back with council and i'm not saying they're firm, you can increase them, but you can't so raise citizens' expectations without any guidelines on this. So, please, produce them before we vote on gateway, or I am voting no on gateway, no matter how terrific it is. Number 2, and while you're at it, number 2, pdc needs to get together with planning to evaluate the housing opportunities, the job opportunities, the community asset opportunities, the opportunities to alleviate poverty. Those four, at least, if not more, in the potential urban renewal districts that are being discussed, and come to us with some recommendations as to what you think should be the next tax increment, and the one after that, and the one after that. We can't just respond to parts of the city or opportunities. We have to know

how they fit in the context of city and regional goals. So pdc, get together with planning and give us that. That's the second request. The third is, the city council and the county have got to deal more effectively. We do have a good partnership, but folks, this is not the way to do business, in my opinion. We don't get letters where all of a sudden we're lobbied before we know the details of the request. Come on. That was across the line. Now, what I would like is for the mayor to meet with bev stein, who they have a good relationship, to form—to reevaluate—we—the council has spent hundreds of hours with the city commissioners, the county commissioner, city commissioners, in the last decade before our time, trying to sort out the role between the city and the county. We've got to have clearer rules, or let's merge the things. If we're not going to have missions with objectives and common goals, where we collaborate, let's just merge the thing and forget it. Now—so therefore, mayor, city, county commissioners, let's get together and let's either agree with what past councils have done on trying to get the lines together, whose responsibility is what, let's either agree or reject it. But let's revisit it so we know what the guidelines are. And let's do this after the next election, before the next budget. Because we're funding all kind of county services that I have approved because they're important, and what kind of signal are we really sending to the taxpayers that I believe we actually need more resources from, not less? But when we send these kinds of signals, the idea is, oh, the city has money for everything, what does that really do to the long-term funding of these priorities? My final request is to the council. Folks, again, we need a strategic plan with our own priorities. And where it fits in addressing these issues. We cannot continue to be so reactive to people presenting good ideas to us that may or may not fit with our strategic plan. Now, the mayor has got some processes working towards establishing that. We need to agree to this, folks, and then we need to stick to it no matter what the politics are. And that's what we need to do. We need to do all four of those things. So just for the reason of the prior vote, i'm voting no on this.

Saltzman: I just wanted to point out the resolution create an early childhood fund calls—that calls—the Portland city council will host a meeting with the county to discuss matters of mutual concern.

Katz: I just want to make two points. Commissioner Francesconi, you're right, we had this conversation as a council, and i've had this conversation with Portland development commission and planning, now that they're both in my portfolio, that we get private funds come into neighborhoods to start a visioning process, that then meets—that requires us to begin our planning process, and raises high expectations in areas that we may or may not be on our list to work with. And we have pdc doing planning, planning doing planning, and that has to stop. And so to meet your request, we are in fact working closer together and we're meeting together to discuss where do we go next, and what's the plan for the future for this city? On the other point I wanted to make, I will continue meeting with the early childhood leaders in this community, and with principals of elementary schools, to find out what it is that young children really need to further their development. This is a passion of mine, this is something i've been involved with and will continue to do that as we reach the budget period. No. Vote on the amendment to the resolution. **Francesconi:** No. **Hales:** Aye. **Saltzman:** Aye. **Sten:** Aye.

Item 1272.

Katz: 1272? Commissioner Saltzman?

Saltzman: Yes. Five weeks ago, we had the first reading of the creation of the formation of the office of sustainable development. The office of sustainable development is a proposal to combine the Portland energy office with the sustainable Portland commission, and the bureau of environmental services solid waste and recycling division. The reason to form this new office is to provide a more focused point in city government to advance sustainable development principles and realities, and I think that's really what a lot of this is about, is taking a lot of the good thoughts, the good policies the city has enacted in the past, starting to give legs to those policies and actually make them happen on the ground. That's what this is—this office is about, along with previous actions we've taken in this

year's budget. At the time we had the hearing five weeks ago, many people testified that they had not had enough time to process this proposal. So we basically set over the second reading five weeks, until today. And I wanted to tell you what I've done in those intervening five weeks to process this proposal. We have met with the purb, all the haulers in the city, recycling advocates and other interested parties. We've held nine meetings to discuss propose—discuss the proposed office, the tri-county haulers association, recyclers have all been at one or more of those meetings. From these meetings we heard the following concerns. Will solid waste staff shift to other sustainability projects that the—at the expense of existing recycling programs? Will the solid waste budget go towards nonsolid waste and recycling activities? Would the city agree to formation after more formal advisory committee that would be able to report to the council on an annual basis? Could the refuse disposal fund not be renamed the sustainable development fund, which was in my original ordinance, and instead be given a name that better reflects its uses? And are there potential sources of funding for the green building initiative other than the residential franchise fee? In response to these concerns, I commit to the following, and that is that one, the commissioner in charge of the office of sustainable development will appoint haulers, recycling advocates, business and residential representatives, and representatives from the purb and sustainable Portland commission, to a new solid waste advisory committee. And that committee will propose and make recommendations on the solid waste budget and programs. The committee would meet at least quarterly and report to city council annually. I believe this would allow an ample opportunity to ensure that ample process accompanies the solid waste and recycling policy decisions. However this committee would not replace the review by the purb, solid waste standing committee, and purb has avoided this proposal and indicated its interest in participation. Number 2, haulers recyclers and other parties will be included in the discussion of additional funding options for sustainable development programs. That will be led by the office of sustainable development and the office of management and finance. Finally, I have some amendments I would like to offer to the ordinance that will establish—that will be amended to rename the fund and to rename it not the sustainable development fund, but the solid waste management fund.

Katz: There is an amendment. Any objections to the amendment? Hearing none, so ordered.

Saltzman: Great. I believe these commitments reflect the outcome of more process, and I believe now and I think we'll hear from various represents, I believe very cycling advocates, the association of Oregon recyclers indicate their full support for the office of sustainable development. I realize there may be mixed support by others and we'll probably hear from those people right now. But I urge adoption of the ordinance.

Katz: Thank you. I mentioned to commissioner Saltzman that we weren't going to open this up to everybody but we were going to open it up to the haulers and the recyclers, and purb representatives that were involved in working with commissioner Saltzman on this issue. So that we can get their—either their approval or what conditions or where they want us to go. So we'll do that now. Do we have a sign-up sheet? Does anybody want to testify? Come on up. Is there somebody here from purb that wants to testify? Is there anybody from the recyclers here? Do you want to testify? Come on up.

Saltzman: We do have letters from association of Oregon recyclers and—in support. I thought we had those letters, but—they're here.

Katz: Go ahead.

Jim Abrahamson, Public Utilities Review Board (PURB): I'm jim, representing purb. Thank you for allowing me the opportunity to speak on behalf of purb. I appreciate the council granting the five-week period of time that gave commissioner Saltzman and his staff the opportunity to meet with us and explore budget and staffing issues surrounding the formation of the office of sustainable development, and the rate increase that was placed on residential garbage customers that's funding it. Purb also appreciates the information sharing and position clarification that we received from commissioner Saltzman's office. We have our formal comments in front of you, but in the brief time I have available

i'm going to highlight a couple of quick issues. First, we applaud the office of sustainable development's desire to adhere to the cost of service principle in the original \$3 3.45 portion of the residential franchise fee. The office intends to keep these funds distinct from the energy office fund and the green building initiative fund. This will help diminish the possibility and perception of inappropriate uses. Second, purb does remain in opposition to the residential garbage rate increase and the diversion of \$500,000 of the franchise fee for uses other than providing residential garbage and recycling services. We believe the burden on residential customers from this hidden tax should be more broadly spread by tapping other more appropriate funding sources. At a minimum, commercial solid waste customers should pay their fair share of the cost of an office which will be providing, quote, technical assistance, information sharing, and cheerleading for sustainable development, unquote. And until funding public projects such as the ecoroof atop the proposed convention center expansion. Purb requests representation on the new solid waste advisory committee and strongly suggests that this group be formed and meet within the next few weeks to allow adequate time to review drafts of the office of sustainable development's proposed financial plans which will be presented to council late they're year. Finally, future discussions held among interested parties and—in commissioner Saltzman's office regarding future options should include alternate funding options in order to provide the office of sustainable development with a broader and more equitable cross-section of funding sources. Thank you again for giving me the opportunity to speak on behalf of purb.

Katz: Thank you. That facility doesn't belong to us, it's a merck facility.

Dave White, Tri-County Haulers: I am the representative for the tri-county council representing Portland haulers. I wrote a letter in august and distributed it to your offices. I won't repeat all the points in that letter. I do want to start by thanking you for listening to our concerns on july 12th. And setting this matter over until today. We believe it was time very well spent. It was a valuable experience for us all. It afforded the tri-county council the opportunity to meet with the bureau and council staff and particularly with also met with commissioner Sten and Saltzman, and that was valuable. We were able to ask questions, get information, make recommendation and arrive at a better understanding of the proposal. We think that this is an opportunity—this period reminded us all of the value of a process. And the opportunity to be heard. Out of those meetings, we determined this is not really about organizational charts. This isn't about where does the solid waste recycling department necessarily set. It's more about substantive issues having to do with programs, the ability to put the programs on the street and make them work efficiently. Because of that, and our concern about these future programs, we've recommended that a solid waste advisory committee really a modification of the current committee, be established and commissioners Saltzman has supported that. The committee would review and make recommendations on budget programs and related matters. We've strongly feel we need a commitment today not only to establish that committee, but to use the committee. This is a committee that should meet regularly and look at these matters and define an issue as not fitting under that committee would not be appropriate. In other words, if it's a matter relating to solid waste recycling, we'd like the committee to have an opportunity to look at it. Commissioner Saltzman has expressed support for the committee and noted it's an opportunity to assure ample process, a company—a solid waste—and we agree and thank him for that commitment. It's important we feel there's no time line established. We feel it's important to establish that committee as soon as possible and define it's responsibilities. You've got the budget process coming up, it's not far off and this will be an opportunity for that committee to get started. One thing that was not addressed in the letter to our satisfaction was this idea of funding. We suggested the word—the word alternate funding should be used. When I look at the concerns that were raised by this various groups, it says other than residential franchise fees. We would like the committee to look at the business community, builders stepping up to the plate and helping provide the funds for this important program. Lastly, we really appreciate the opportunity to meet with lee barrett and bruce walker and susan anderson. We really

had a couple of meetings with susan where she stepped up to the plate, took responsibility for some of the mistakes that had been made in the past and promised us that would not take place in the future. We feel we can work with her and look forward to reestablish the relationship we've had in the past.

Katz: Thank you.

Jeff Murray, Far West Fibers: my name is jeff, here representing a recycling processor in the Portland area. I came before you about five weeks ago with concerns about process. My words are much briefer. We're satisfied with the process. With change. There's always fears and apprehensions, and we've had a chance to ask our questions, questions we feel have been answered, and we look forward to working with the city and the—in the direction it's headed. We realize recycling is just one element in sustainability for our future. And it's the feel-good, touch and get involved and we want to see that still stay up at the top and stay important, but we it is time to move on, and to move into other areas to sustain our future for our kids. We appreciate the opportunity to have our questions answered. Thank you.

Katz: Thanks. Okay. Further testimony? Anybody else want to testify? If not, let's roll call.

Francesconi: I eagerly support this. I want to make three comments. I was on the news the other night, they showed a picture, nasa showed a picture above atlanta of what the global warming is doing above the city of atlanta. Caused by the automobiles that the concrete, lack of green infrastructure. According to nasa. And what effect it was having on the air quality and the global warming above the city of atlanta. And it said that this is what is happening to major cities. So I applaud commissioner Saltzman and this effort to bring some focus to this issue. I actually on this—I just got back from manhattan—montana, and I sit and read books. One of the books I read was robin cody's, coming down the columbia. It's not just stewardship that we're trying to do. What we're talking about is sharing. How do we share? Not only how are we responsible, but how do we share this place? And preserve it? So this is a very good step in the right direction. I'm eager to support it with fire station construction, I actually sense our—since our last hearing presented this initiative to our fire oversight committee, who's working on how we can ramp up the—in our fire stations. I've also talked with parks about what efforts in irrigation and others that we can ramp up our efforts in that area. The whole natural areas of parks is becoming an even higher priority for me. So that's one comment. The second is, we can't do this, though, with residential garbage rates. It still doesn't make sense. I was on the minority, in fact at the time the only person voting for this, the mayor wasn't present. Voting against the residential garbage rate. My request to you in the spirit of healing here, and more important, not in the spirit of healing, in the spirit of having our citizens accept this, reconsider that. Go back, come up with a fair funding source that includes the commercial side, and don't put this on the backs of our residential folks. Because it's not fair. I don't want to repeat that. But please, figure out a way to reconsider that decision. And then the last comment is, it's to susan anderson. This took leadership to step up and have the quality of this testimony. Commissioner Saltzman provided the leadership, but you stepped up. I have a feeling you may have even taken responsibility for things that you didn't personally do. I appreciate you doing that. That was needed. We needed that quality of leadership in order to make this thing happen. Thank you. Aye.

Hales: I didn't see that nasa report, but I would be interested in that, because for a while I proposed we should form a phantom organization in Portland with the acronym sprawl standing for, should Portland resemble atlanta, we're leaving. And that example—[laughter] makes it even clear that we don't want to be like atlanta, and this is a move in that direction. I just want to commend you, dan, and susan and the others that spent this time between the hearing and today so well, not just address the legitimate concerns that we heard at the hearing, but also to obviously build some substantial agreement in the community about this direction, and I think that was time very well spent, and I appreciate the good work that got us to this happy ending today. Aye.

Saltzman: I want to let you know I saw that story on the news too, and I am trying to actually locate a copy of that story for all of us to see. It was a very alarming study about how urban heat island is a reality. Again, I want to say that the formation of this office of sustainable development is exactly that, an attempt to take all of the good rhetoric about the need to move to sustainable development and build upon a lot of the creativity that has made Portland the envy of the nation with respect to its recycling programs and its tremendous recycling rate of its citizens and bases, some of that same talent and creativity and apply it and say, let's take that rhetoric of sustainable development and make that reality too. And I believe we have the talent and the horsepower and I believe the city council has the commitment to make it so. Aye.

Sten: I have been excited about this all along. Probably so excited we moved tight fast. So I want to thank people for working on this. I was—want to take a second to apologize for mischaracterizing Dave White's position last time, which I now realize I did in the heat of the moment. I apologize, and appreciate your leadership for keeping working with the haulers and keeping the good approach you guys have always taken. I think that will keep moving forward. Since being on the council I've become quite active on the global warming issue, thanks to being educated by Sue Sang Anderson. This is the monster I think we really—and it can only be solved—the tough part and the good part at the same time is things like global warming are solved through basic fundamental local actions that change some simple things on how we approach the world. We do need to have things at the federal level like reasonable miles per gallon standards that don't resemble when the automobile was built, but the state of current technology, but we also need to change future fundamental things. I'm so excited about this, I've recommended it to—the mayor take one of my favorite assignments, the energy office, and move it to commissioner Saltzman to make sure we have the critical mass necessary to make this happen. So I think it's both a symbolic and substantive step forward for the city and I look forward to getting it working with all of you to get to the next stage in and getting Portland—I think back into the lead, because I think we have been just a tad complacent. We've done so well on environmental issues in the past, I think we take for granted we're green and we've got superfund listings and vehicles miles traveled growing and all sorts of things like that. It's time not to be quite so smug about being ahead of places that are terrible. And it's time to get ourselves more in line with what's happening in some of the progressive European cities. That ought to be our model, not being better than places that aren't doing anything. So this is a great step forward and thanks commissioner Saltzman, Susan, Dave and all the industry leaders, and I look forward to more progress. Aye.

Katz: Just for the record, I would have joined commissioner Francesconi on the no vote on the increase, because I think it's important to have a program in place before you spend those resources—expend those resources. I'd like to reiterate some of Purb's recommendations that I think are critical. One is to adhere to the cost of service principle. Two, to set some goals and benchmarks before you expend any residential solid waste fees. I think it's important to know what it is that you're going to accomplish with the expenditure of the money. Three, the need to adhere to a process, and here we rushed it a little bit, and I'm glad that commissioner Saltzman realized that and gave the community a little bit enough time to come together. We are a process city. We do get action done, but we do have a process that we like to accomplish, and we honor the citizens' process of coming to some conclusion, and I think commissioner Saltzman, by your taking this back and working with the community for five weeks, you really did get to a win-win. So I truly appreciate it. And I think commissioner Francesconi is right, we need to stop having residential customers subsidize commercial customers on this. And we need to figure something out. Finally, when we created this fund, I wanted to use general fund dollars. We didn't have any. That goes back to a previous item on the agenda. But we didn't have any. And so to get to this very, very important program that I think the city needs to begin, we took some money from the fund to staff and we took some money from the fund to do the green initiative. My hope is that you come back to us and say that this ought to be funded with a different

source of funds, because we can't continue to—depleting the fund. What do we call it, the sustainability fund. We've just potentially made a commitment of up to \$1 million from the fund for waste facilities. So just kind of caution on you on that. That money is running out, and find another source of money, and reduce those garbage rates a little further. Aye. Okay. I mentioned that we would were going to move all the ballot measures to this afternoon. I won't be here, but let me just tell you that we brought all these ballot measures to the Oregon mayors association, and unanimously all the Oregon mayors, and I think there were over 50 of them that were there, supported probably the position that we're going to take on these ballot measures. So i'm very pleased—tomorrow. I won't be here with you tomorrow. I'm very pleased that they did so, and we even raised some money for arguments in the voters pamphlet on them. 1267.

Olson: There was—just to clarify—

Katz: Is it tomorrow?

Olson: Tomorrow afternoon.

Katz: Come on up.

John Acker, OMF: hi. I'm john ecker, from the office of management and finance. I've been working on the civic stadium redevelopment project for the past couple of months, and these—actually there's two agreements here that are related. The next one with Portland state university are related to the redevelopment of the stadium. These are—you haven't seen the agreements before, but the concepts have been out there for quite a while. We've been working on this since we reached the conclusion that Portland state claimed the construction was not going to work. Just as a little bit of background— A little bit of background on early and planning for the renovation of the stadium. The expectation was that Portland state was going to be able to play at the stadium during construction. As we got more detailed information, particularly with the soils and understood that there would be additional structural work that was needed to meet seismic codes and things like that, it became very apparent that it was not going to work, it wasn't feasible to have the Portland state games there during construction. We then—Portland state looked around the metropolitan area with the help of pfe and the city to try to identify an alternative site. The city of hillsboro has a stadium, hillsboro stadium, that was identified as the best site, in fact the only site that psu felt would be workable to accommodate the 2000 football season. But also required substantial improvements in order to get to there. The stadium, which now has a capacity much 4,000, needed to be expanded to 10,000, additional parking and traffic mitigation measures, concessions, restrooms, those kind of things were necessary. We sat down with the city of hillsboro, who have been very, very helpful in trying to accommodate this move for Portland state, with Portland state, with pfe, and with city representatives. To reach these agreements. The agreements do three things. They assure hillsboro that they will be reimbursed the money it takes to make these temporary improvements to the stadium, there's assurance for Portland state they will have the field surface they so desire. And it sets up a mechanism for Portland state to contribute to the process, to the city. Specifically, the cost we kept the cost at \$700,000 for these temporary improvements for the six-game, 2000 home schedule. Of that amount, \$400,000 is— will be a project cost, and that's a shared cost between the city and pfe. It's in the project budget and is part of the \$38.5 million cap.

Katz: So it is not city tax dollars.

Acker: that is correct. That is correct. The additional money to reach the amount that's needed to have those temporary improvements, \$300,000, would be contributed by the city to hillsboro. Portland state university would then contribute to the city, annually, \$62,000 over a period of 20 years. The end result is that hillsboro is held harmless, there's no out of pocket expenses for hillsboro. Portland state university gets a place to play their 2001 schedule, they also return— 2000 schedule, then they return in 2001 to a newly renovated stadium with high quality playing surface that they so desire. The city gets the opportunity to I say opportunity—to maintain our construction schedule,

which means dollars and cents, and participates with Portland state and we do so at less cost than what we would be obligated to in the absence of psu's contribution. And I can answer any questions you might have. I think that's kind of a nutshell.

Francesconi: I got that— this actually from the article. So then the contribution return to the city, if psu makes the payments, is 20% interest rate. Is that right?

Acker: it assumes it's only for the \$300,000. They also get the playing surface and, like I said, their they're getting a newly renovated stadium to play in as their home for the next however long they play there. 20 years, or something like that.

Francesconi: Okay.

Katz: Further questions? The repayment plan from Portland state is what, did you say? Over what period of time?

Acker: 62,000 over a period of 20 years.

Saltzman: 62,000 per year.

Acker: annually, yes.

Katz: Anybody else want to testify? Roll call.

Francesconi: One of the reasons we spent so much time and effort into this thing was to keep this a community asset. One of the prime community players is Portland state. This was—we had to do this in order to accommodate Portland state. We just had to do it. To do 90 a way taxpayers don't have to pay for it, but we get a rate of return, that's good. You did a good job. Now, if there's any concern about Portland state because they have to continually reauthorize that 62,000, just the way the city budget, Portland state wants things on an ongoing bases from the city. We have plenty of leverage when it comes to that 62,000. So this is a good deal. Aye.

Sten: Good job. Aye.

Katz: I really didn't want to do this, but when the argument was made, it made perfectly good sense. Aye. 1268.

Item 1268.

Katz: Roll call. **Francesconi:** The other good thing is the grass. The quality of the grass. This had to happen. I was glad to see that. Aye. **Hales:** Aye. **Francesconi:** The reason— never mind.

Hales: Artificial grass.

Francesconi: To accommodate the other community resources. Aye. Sorry, commissioner.

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

Katz: I'm going to vote aye. I just—a caution. We are taking on a lot to the project costs column. If you recall, the spreadsheet, that's the first column. And I might—my caution is that we stop and not pile more on the project costs, because that will then not leave enough money for all the other items that we wanted to—all the other programs we wanted to accomplish. Aye. Thank you. All right. 1269.

Katz: Who wants to—okay. John, you did a good job. You were nervous, right?

Item 1269.

Mark Murray, OMF, Financial Planning: mark murray, financial planning. I bring in front of you this amended ordinance, some recommendations suggested by the tax supervisor conservation commission helping us look out for our own interests. Making sure that we are in—as closely aligned with the latest local budget laws as we can be to ensure we get all the dollars the city is entitled to. In particular, the substantive issue was a change in the presentation on a table that— for the urban renewal special levies. It had dollar amounts. The new table puts it in percentages to ensure that if anything happens, we collect a full amount. We are not limited to the dollar amount. And then there were some other additional language having us categorize taxes in addition to levying the taxes, and then simplifying some of the language as well. So it's primarily housekeeping to protect our interests.

Katz: Questions? Does anybody else want to testify? Roll call.

Katz: Mayor votes aye. All right. Item 1270.

Item 1270.

Katz: Anybody want to testify? It's a 50% matching grant. We have the money in our equipment. Roll call.

Katz: When some of the criminals have better vests than our police officers, i'm pleased that we are making sure that we purchase vests that fit them. Aye. 1271.

Item 1271.

Francesconi: I wanted to make a comment on this. I don't think there's any testimony. Is there anybody here from the fire bureau? This is kind of amazing. The public health liked our proposal so much they gave us \$200,000 more than we asked for. And what they said was that this was the best—we're so far ahead of other cities, that they decided to add this. We're trying to work with the hospitals in how we do this. And so I wanted to acknowledge the people that made that responsible—responsible for that. It's really bill morris and a planning consultant, jan glaram. All you folks out there, hire these people to help you with your—but I also, it wouldn't have happened without the fire bureau. It's a terrific bureau. Aye.

Hales: Sit pretty unusual. Maybe we'll get the federal transit to do the same thing aye.

Saltzman: This is—I'm glad to hear about the extra money. I want to point out the significance of this grant, which I think we might have to overlook. This is to help Portland and 20 local governments plan, develop, purchase training and equipment for response to health and medical consequences of a nuclear biological or chemical terrorist incident. I think this is something that we need to be doing every city in this nation needs to be doing. I'm glad that we were liked so much, that we're going to be in the van guard showing other cities how to be prepared author tease incidents. Aye.

Item 1273.

Sten: This was—used to be a very innovative approach of using long block grant funds that are yet to be suspended with a guarantee from a bank as a way of saving quite a bit of money. We'll be able to access construction financing for the senior portion of the rosemont project at 3%. Which is a great, great savings to the project, even though we're a couple years—over a couple years. I wanted to lay this out and we need to have a public notice on this. So any questions or—did you want to add anything?

**** I don't have anything else to add.

Saltzman: Still seems creative to me. Aye.

Sten: Creative but routine. Aye.

Item 1273-1.

Katz: Mayor votes aye. All right. I need a suspension of the rules to introduce item 1273-1. It's a four-fifths item. Do I hear a motion?

Saltzman:

Hales: I'll make a motion.

Saltzman: Second.

Katz: Any objections? Hearing none, that's two for you. Come on up.

Francesconi: I don't know if this was your issue or my issue, but thanks for considering this.

Katz: I asked this morning and it means savings of some dollars. Thank you. I just like to give you a hard time.

Jim Wadsworth, Director, Bureau of Licenses: thank you, mayor, commissioners. I'm jim wadsworth, director of the bureau of licenses. Broadway cab's parent company, yellow transportation, which purchased broadway in august of last year, is corporately obtaining financing to restructure their existing debt and to improve its infrastructure. For it's various companies. The collateral includes assets from the companies and taxi permits under which the companies operate. This collateralization in no way limits the city's regulatory control over the broadway permit, whether pertaining to issue

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answer, suspension or revocation of the permit itself. The ordinance—our existing ordinance requires that the bureau of licenses in the city and the city attorney review the legal technical and financial aspects of the financing plan, current financial statements of the companies and the loan itself. The bureau of licenses is then required by code to provide council with an ordinance which is before you, authorizing the encumbrance of the committees as part of the collateral of the financing and with our opinion on the financial viability of broadway to continue to provide taxi service to Portland in accordance with the requirements of that their permit and our ordinances. With me is ray miles, general manager of broadway cab, if there are any questions.

Katz: Questions? Did you want to say anything?

Wadsworth: just thank you very much for your cooperation and help.

Katz: Okay. Roll call.

Francesconi: I'm going to vote aye, but I wanted to thank rae for something else. She's been an industry leader, as has broadway, on responding to the safety of cab drivers, which is an issue that's been taken up by the taxi review board. I've been impatient waiting for this report, but we're going to present it all to council, both the issue as to—I have specific recommendations. I've been waiting for the process. As well as the issue of town car regulations, as well as enforcing the rules we have, as well as do we let in more cabs. Which I firmly oppose at this moment. We're going to lay out all that for you at an informal that's coming. Rae, it would be good for you to be there. When we have an informal discussion with the council about the issues facing this important aspect of our transportation system. So thank you for your leadership. Aye.

Katz: Mayor votes aye. Thank you. And we adjourn until 2 o'clock. No, 3:00 pm

At 11:47 a.m., Council recessed.

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

Key: **** means unidentified speaker.

AUGUST 23, 2000 3:00 PM [already in progress]

Item 1274.

Francesconi: Mike (Hayakawa), I don't think I adequately thanked you for the work you did leading up to this thing. You really did terrific work. I don't know that you've been adequately recognized throughout this process. So thank you very much. Aye.

Hales: Good work, all. Thank you. Aye.

Saltzman: Very good work. I missed the last meeting, so I want to take this chance to say good job. If I had ever—we had the city council packed and the accessory room was parked too. It looked like it was going to be quite a challenge. The city staff delivered, and delivered a successful agreement. Aye.

Sten: Also thank you, and terrific work. It wasn't easy, but you guys really hung in there. I knew it could be done, but actually doing it is another story. Probably the bottom line is, I think a lot of unfortunately hungry people will not be quite so hungry thanks to your efforts, and that's the bottom line for me. Aye.

Olson: I should probably read the title at this point.

****that was just the vote on the motion.

Hales: I'll move the adoption of the findings as amended. **Francesconi:** Second.

Saltzman: Mike? Any questions from the council? Then please call the roll.

Francesconi: Aye. **Hales:** Aye. **Saltzman:** Aye. **Sten:** Aye.

Saltzman: That's it. We're adjourned until 2 o'clock tomorrow.

At 3:05 p.m., Council recessed.

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

Key: **** means unidentified speaker.

AUGUST 24, 2000 2 PM [already in progress]

Item 1275.

Mike Hess, Police Internal Investigations Auditing Committee (PIIAC) Examiner: ... if you would like, ms. Williams can come up and give her presentation. Okay. I gave everybody a one-page summary, and that's what i'll be basically reading from. This is piiac case 00-02, iad case 99-297. The appellant's name is lorena williams. The appellant alleged in 1996 that a Portland police officer used excessive force in arresting her for hit and run and eluding a police officer. The officer who I will refer to as officer a, was exonerated by the police bureau, despite the city council's recommendation to change the finding. The appellant now alleges that officer a committed perjury in a sworn pretrial deposition and that new evidence shows that officer a displayed disparate treatment toward the appellant. The two allegations, number 1, officer a perjured himself in a sworn pretrial deposition. The advisor's assessment, this was my assessment, after reading all of the documents that were in the iad file, listening to the tape that was in there, actually two tapes, my assessment was that the allegation of perjury is not sustainable, and for perjury to be proven, there would have to be evidence that officer a knowingly made false statements under oath. And there was a city attorney's opinion in the iad file, which was a taped opinion stating that his statements did not meet the ors requirements for perjury. The second allegation was that officer a displayed disparate treatment toward the appellant. The appellant—let's see. At the time of the arrest, this was my—again, my assessment at the time of the arrest, officer a made no statements about the appellant's appearance. Current allegations are based on an anonymous third-party source, stemming from a private telephone conversation with officer a approximately nine months after the original incident. Now, one other thing came up during the piiac advisor's meeting, was that it was mentioned by the anonymous third-party source, who was a previous girlfriend of the officer, that he had admitted to her that he looked into the law enforcement data system for her records to see if she had a criminal history. And she—but that was not part of the allegations for this case. It was brought out. Now, on may 11th, 2000, the piiac citizen advisory—advisors voted not to accept my recommendation to affirm iad's declaration of this case. And their vote was yes, was 5, and no was 6 to not accept my recommendation. So the case was returned to iad for investigation, and iad again declined to investigate the case based on lack of merit. So the appellant now appeals the case to the city council.

Hales: Okay.

Hess: do you have any questions?

Sten: Am I going—this was the case we heard in what year? Not this aspect of the case, but we heard the allegation in '97?

Hess: this was the same appellant, same incident, but different allegations this time.

Sten: Was this the case the council—

Hess: I wasn't here at the time, but I understand from what the appellant has told me, and other people have told me, that this case was sent back to the police department to change its findings from exonerated to sustained, and chief moose at that time chose not to honor the recommendation of the—of piiac.

Sten: Thank you.

Hess: that's what I understand.

Saltzman: Ms. Williams, would you like to appear before us? And we will give you ten minutes.

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Lorena Williams, appellant: my name is lorena williams and I live in northeast Portland. I presented a packet for each of you. In may 1996, officer a dragged me to his patrol car and caused me permanent injuries. I filed a complaint that went through the piiac process. It was voted to be sustained. That was rejected by chief moose. After that I filed a civil suit against the city which ended with a judgment in my favor for \$40,000. September 20th, 1999, I filed another appeal with iad bringing new charges against the officer. With regards to the 1996 incident based on new information. Alleging disparate treatment because of my appearance and untruthfulness by the officer under oath. As part of my complaint it was brought to iad's attention the officer used the lead system. On december 7th, 1999, I received a letter stating that for a case to be investigated it must be timely have merit and articulate facts which indicate a violation much our rules or procedures. It stated my complaint did not meet that standard. I followed the guidelines for the appeal process to piiac. My appeal was heard on may 11th, 2000. It was decided this case should be sent back for investigation. Iad has since refused to investigate this case. I am asking that city council either make a finding based on the information I am providing today, or at the very least return this case to iad for investigation. According to piiac, one reason the complaint was declined was that the inconsistencies between the iad interviews and the deposition could easily be due to a normal fading of recollection of details. I would like to read now general order 2 -- which has to do with police recruits filing report. Section 8 states, the recruit is able to retain and recall information over a long period of time. Section 18 states, the recruit completes the proper report forms using good organization spelling and neatness. Also refer to you general order 910.00, in which the—applies to all police officers. It adds that legibility, accuracy and clarity are mandatory and all pertinent information will be entered in the officer's notebook. Officer's a notebook, entries there, there were several mistakes regarding vehicle color, address time of arrest and other details. Officer—a was interviewed on august 7th, 1996. He was reinterviewed on january 21st, 1997. On february 10th, 1997, officer a made a phone call to a person whom he had no contact either verbally or written in almost five years. These are some of the statements she attributed to him. I quote—officer a explained he is now in east precinct and began to go into details about what police work was like. He described the people he dealt with in his regular basis as low-life, scum, et cetera, and was derogatory I about them. He told me how he has trouble with an internal affairs situation. He went on to relate how during the course of an arrest he drag add female suspect down a driveway. She then brought allegations against him for what he deemed were a few scratches and bruises. While describing this incident he used words like lard-ass and fat-ass, and said she deserved it because she was resisting drunk and disorderly. Most importantly at—of all, because she was so fat and no female should look like that. He said because she was so fat, he could not carry or lift her. She disgusted him. He went on about the fact that no woman should allow herself to be that fat and disgusting, and deserved the treatment because of her size. Still quoting the witness, additionally he told me when he had become a Portland police officer, he had ran my name through the system. Leds, whichever system use— police use. He found nothing on me. He said he thought he would at least find something. This struck me as inappropriate but I did not comment at the time. I would like to point out that officer a's original police report he makes no difference to dragging me. He states he and another officer carried me. In both his interview and reinterview he again stated I was carried and he was not sure how I received the injuries. In his above statements, I believe he has been deceitful to iad. The length of this conversation between officer a and this person was 2 1/2 hours this. Witness took time out of her life to find me and relay this information. On september 11th, 1998, officer a signed interrogatories after specifically to identify all parties to which defendant has made a statement either verbal or in writing concerning his conduct towards plaintiff's arrest and detention in may 1996. Officer a's answer was that he had privileged conversation was his wife, and his attorney, officer a has given statements to iad. This statement was approximately 18 months after the 2 1/2-hour phone conversation. He gave about the same response in his deposition on december 10th, 1998. I can assure

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you I find it fascinating he would forget such a lengthy conversation. As I have pointed out in his stories differed from what he has told this person and iad. Why would he admit to this, because his interviews were completed prior to his phone conversation. And he would not admit to iad for fear of discipline or loss of his job. Here's another statement that this witness attributes to him. When I am further inquired of this incident with the internal fares investigation was going to have an effect on his job, he assured me it was bothersome, but would soon blow over and be of no consequence. He was confident the department would take care of it and he merely had to go through the motions of the process to get past it. Ask yourselves this question— how is that it officer a cannot recall pertinent details in his report, first and second iad interviews, his interrogatories and even his deposition? Yet in his conversation that took place nine months after the incident occurred with the person he could recall was— with such detail, my experience and the true events, I have stated this all along. It is very obvious officer a was dishonest with iad based on a conversation he had with this witness. From officer a's report, notebook and deposition, there are at least 52 inconsistencies. I refer you back to general orders 210.05, and 910.00. If a citizens came forth with a complaint and had any inconsistencies you would most likely decline that complaint. Why should the officer be given special treatment? Other than common sense, what general orders do citizens have? Again, he was asked twice if he had any written or verbal conversation about his conduct. Each time he stated no. I can reassure you officer a thought I would never find out about this conversation with the witness. Officer a was informed of the witness's statements and said, oops I forgot. In my opinion, that is a pathetic excuse. Maybe this is the reason why the city of Portland paid me a judgment of substantial amount of money. It was never about money to me. It was always about right, wrong and accountability. I would like to add I took the responsibility for my poor judgment with regards to this traffic citations in this case. I paid my fine and never blamed anyone but myself. When will the police department stand up and admit they are human, made a mistake and correct it? My objective is to ensure this does not happen to anyone else. Regarding the disparate treatment, on page 3 of piiac's report it states a person's size or weight are not elements of disparate treatment. Refer to your own citizen complaint process. It reads as follows— allegation of treatment to individual that is different from the treatment of another because of race or other, sex, age, national origin, sexual orientation, economic status, political or religious beliefs, appearance, handicap, et cetera. I believe not only by the word appearance but also by the general order 330.00, it also has the word et cetera at the end. In the dictionary it states et cetera means and others, and so forth and so on. A number of other things or persons unspecified. I believe a person's weight and size do fall into these categories and by officer's a's very own statements he intentionally injured me because of my weight and size. During my appeal to piiac, the captain made this statement. Officer a and his phone conversation to the woman was just venting. I believe under the general orders this is not allowed even during off duty. I believe this officer has not only discredited himself, but also the bureau and the city of Portland. I would like to now point out I am here because of my appeal with piiac. It was voted to be sent back for further investigation. In july, the piiac staff person informed me that the captain of iad is refusing to investigate this claim because it does not have any merit. I believe it has plenty of merits to regards the truthfulness, and the misuse of the led system. I believe the captain of iad should be required to inform piiac and the appellant if he decides to ignore the recommendation to reinvestigate. I would like to go back to the issue of the offer lied to investigators whether he spoke to anyone about this case. I will refer to you general order 310.50. Subject, truthfulness. The integrity of the police service is based on truthfulness. No member shall knowingly or willfully departs from the truth in giving testimony or in rendering a report or giving any statement about any action taken that relates to the members' employment or position. In general order 310.00, conduct professional, it states, every member of the bureau of police will constantly strive to attain the highest professional standard of conducted. Members shall be governed by the reasonable rules of good conduct and behavior and

shall not conduct any act tending to bring reproach or discredit upon the bureau or the city of Portland. Members will conduct themselves in the discharge of their duties and their relations with the public and other members of the bureau in a diplomatic and professional manner. Members shall not spread rumors in regard to other bureau members, citizens, future bureau policies or activities. Or make statements regarding public events, crimes or catastrophies unless they know of their own knowledge their statement resist true. In closing, I have followed all the procedures and met all the time frames in this process. Yet it seems to continue through resolving door that never end. I believe a victim has a right to closure. And that with the points that I have brought forward, that something be done about this officer's behavior, action, and his outright discrimination towards overweight people and people in general. With this, I can obtain closure. The officer is not subject to retrain or discipline as a result of the civil case, otherwise I would have not filed another complaint. Only the city's treasury is affected. The public needs to be reassured these types of mistakes and policies, general orders, city codes and charters will never occur again. I hope the city and the bureau use this case and correct these issues. I would hope that this case goes forward and not be declined. Thank you.

Saltzman: Thank you very much.

Francesconi: This question is probably not relevant, but I get to ask it anyway. Was the 40,000 paid as a result of a jury verdict, or the city's negotiating?

Williams: it was a judgment. There's a copy of it in the packet I provided.

Francesconi: I don't have that for some reason. Okay. Thank you.

Hales: Does that mean it was a—

Williams: it did not go to trial.

Francesconi: It did not? So it was a settlement. Okay. Thank you.

Saltzman: Any other questions for ms. Williams? Okay. Thank you very much. Any questions of captain smith?

Hales: We have piiac advisors here too.

Saltzman: Do any of the advisors care to make any comments?

Hess: actually, I can talk to you as far as the rationale in the declaration piece as far as the --

Saltzman: Why don't you do that.

Hess: I just want to mention the advisor who did this report with me is here. You might want to ask him --.

Saltzman: Why don't you come up, bob.

Francesconi: It would be good to get both sides of the advisors. Is somebody here from the other side? You had a 6-5 vote. Is there one advisor from each side?

Hess: no, there's not.

Bob Ueland, PIIAC: do you want me to go back?

Francesconi: No, no. You can speak. It would be good to hear somebody represent the advisor's point of view. Who voted for it.

Ueland: they were told that we would be here in court today, but— not in—in chambers today, but a lot of them have daytime jobs and can't be here during the day.

Saltzman: Okay. Captain smith?

Brett Smith, Captain, Police Bureau: captain smith for the police bureau. This case was reviewed, and looked at. There was some work that was done. It wasn't a formal investigation in the sense we call a lot of witnesses or call people back to be reinterviewed. The investigation, the deck imagination was done based on prior investigation. And later some of the—our interviews with the city attorney, nancy martin regarding this particular case. I think the outline that was given as far as some of the historical piece assist accurate as far as how this incident came about, et cetera. As a result of this, officer from the Portland police bureau made contact initially with ms. Williams in—and a settlement was given as a result. It was concerning the procedure as it related to moving a person from one

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location to another. In this particular situation, the testimony of the officer was that ms. Williams unwilling, uncooperative with police to place her in custody and transport her to a car. In his interview he indicated that she was dragged with the assistance of another officer. Due to her unwillingness, and due to her size, there was some injury that was sustained. The judgment was associated with that particular incident. Later, there was a deposition that was done and attorney thomas carter's office, I believe. That resulted in another complaint being filed in '99, almost two years later, three years later. At that point in time, again, officer—the officer was accused of perjury that he only talked about the incident with his wife and his attorney. Also that he had lied, because of what he said in a deposition, differs from what he said in the iad investigation, and that it was disparate treatment. Because of things that were later learned. That had to do with comments that were made about her size. The rationale is—for the first part about committing perjury. I discussed that again with the city attorney, nancy martin, who handled that case. And reviewed the internal affairs file, as well as handling the deposition and reviewing those, and that officer, when he was confronted, said, yeah, did I talk to an ex-girlfriend, but I forgot about it. The elements for perjury not only have ton known false, but an element that is material to the issue, and it wasn't as it related who he told. It didn't change the facts of the particular case. The surprise witness in this particular case was an ex-girlfriend. The other allegation was that he lied and changed his story. The things that were said, if they were said, were said to an ex-girlfriend that the officer had not seen five years prior. During a 21/2-hour conversation of catch-up, what are you doing, what's going on in your life, talking about lots of different things, not just perhaps this particular incident. So for someone to have not recalled saying this is very possible. And I think that's the opinion of the city attorney office as it relates to the first allegation. Upon her review—and i've reviewed the deposition, the internal affairs report, I don't see anything in there that is substantially concerning or alarming as it relates to a change of story or to the recollection of the officer. The basis of some of this rationale comes from a third party who's never been deposed to my understanding, and statements that an ex-girlfriend made that are suspect. Regarding the third part about being discourteous, and not—that having to do with allegations of disparate treatments, the focus of the officer's actions should be focused as it relates to the allegation of misconduct and his performance at the time of the incident. The decision that was made against officer in regard to this incident was procedural, and it related to the movement of a person who was unwilling or passive resistance for police efforts to move to a police car. And the handling of persons in that regard to prevent injury. The initial contact with ms. Williams and the officer was because of an attempt to elude, reckless driving and a hit and run related issue which she was involved in. Not for any other reason. He did not make any of these statements directly to ms. Williams, and these statements were not made to a witness at the scene. They were made, again, a long time later, to an ex-girlfriend, in a private conversation, intended not to go anywhere, with the belief it was to be held confidential, and a conversation 21/2 hours long that dealt with other things other than just this particular incident. So the timing on this, this is an incident that occurred almost four years ago. The statements were made I think as much as 31/2 years ago. We have a long time that's gone by as a result of that. So that was the rationale for the decision for further investigation.

Ueland: yes. I was the advisor assigned to monitor this case. I listened to the tapes, I read the depositions, and the deposition wherein the officer was asked, did you discuss this with anyone else, that question was in there and he did say no. I then read—listened to the tapes of the conversation with the city attorney, who also said sat in on that deposition, who did not feel that in any sense the officers—officer's answer rose to the level of perjury or willful misstatement, even. And I think that weighed heavily in my decision. To go back to the original case, as you folks recall, this did come before you, and it was declined, and you sent it back to the chief, who again declined to punish the officer, saying that in essence, nobody has trained these officers in how you're going to deal with people who are overweight. Obese. And the latest statistics are that at least 50% of the population is

obese. Our next-week's monitoring report, which we'll bring to, asks the question again, because we recommended at that time that the bureau study this to see if they could change or implement their training procedures, and we're asking that question again in the next week's monitoring report, as to whether or not something has been done about that. Because I think it's still an open issue. It doesn't get any better. Something happened here. I think another issue that commissioner Hales raised at the time was that striking was involved here, why wasn't something done about issuing a citation. In listening to the officer's deposition, he makes it clear that at the time he was not trained in—and did not have the ability to issue a citation for drinking that would hold up in court. And that because of that, and he called on the radio and could not find any other officer who was available at that time to come to the scene and work with him on also writing the complainant up for driving under the influence. So i—the—i think that then we're getting into an area where we're supposed to rely, where we would have to rely on a telephone conversation and what was actually said during that conversation. And again, based on the city attorney's advice, it doesn't seem to have risen to that level. I think that this—we do need to check into the training on this and find out if this thing could happen again to somebody. I don't feel that it was an add very tent happening in the first case. And an—an officer on each side of this person grabbed underneath an arm and started to pull forward, and the lady's trousers started to slide down on one side, where she was scraping against the sidewalk. And unfortunately it didn't stop right there, they continued the rest of the ten-foot drag to the car, and by that time the damage was done to this person. So we're back again, but we're just chewing over the same bone, and our understanding is that there's been some compensation for the damage physically that was done to this person, and no feeling that there's any case against this officer that can be that is—that can be sent back for any particular adjudication. He's already been judged, and the issue is over. Thank you.

Williams: excuse me. I'm sorry. I'd like to make a point. The officer that mr.—

Saltzman: Let's have questions of him first, and then i'll ask the council if they want to hear from you again. Any questions?

Hales: I take it you are— and mr. Wells are both on the majority in the piiac advisor's vote here?

**** I wanted to say something too.

Hales: I want to ask you— if you could stay, bob, I want to ask about the advisors' decision.

Robert Wells, PIIAC: i'm robert wells, i'm a piiac advisor as well as on the subcommittee for piiac. The thing I wanted to say is that i'm not an attorney, obviously, but I did read carefully the deposition and the reports and also listened carefully to the tapes, and I just in all honesty, as a citizen, I did not see any perjury that was just overt or just right there in front of you. And that's all I wanted to say about this. But I just did not see any perjury.

Francesconi: Can somebody tell us why six people voted differently?

Saltzman: Five.

Francesconi: I think six. I think it—

**** was 6-5.

Francesconi: Somebody represent the other side now.

Smith: I can't speak per se, because people don't discuss the rationale. But I think part of the reason is that it's an old case, there's a lot of issues that are involved, and there's a lot of information to digest, and I think when you have those combinations of things and I think merchandise williams' concerns are legitimate concerns. And we're not disagreeing that her concerns are real, that her concerns aren't important issues to address, and I think that that may be what we're saying from the Portland police bureau, we don't believe that we have anything here that is going to substantially change --.

Francesconi: Just two procedural things. It would be good if you make all efforts to get—we've got to have somebody in the circumstance. Number 2, I take it the attorney's opinion in this case was also

the city attorney handling the defense of the city's claim. When you have a circumstance like that in the future, let's get a neutral attorney's opinion on this as opposed to relying on one of the attorneys who's also the advocate for the city.

Saltzman: Any further questions? With council's indulgence i'd like to allow ms. Williams to—three minutes to comment on anything she'd like to comment on that she's heard.

Williams: thank you very much. I just wanted to go over a few points that were made.

Saltzman: You have three minutes.

Williams: officer a did have another officer there, and his—he was an acting sergeant at the time. The other thing—in regards to what he was saying, he called somebody else. The other fact is, if you go through the officer's records of training, I do have those, he was trained prior to this stop. In the breathalyzer. I understand that that's an unfortunate straw they're grasping at, and that was something that came into light. The other thing too is I would ask, I know you have been provided with the depositions as well as the iad interviews, as well as the police reports, and you can obviously see the discrepancies in it, and it's, like I said, I can give you an example. In one of his iad interviews he was stating that he could not even get me to roll over, in his deposition he states I was rolling, and rolling, and rolling, and that's how I injured myself. And that's allied like to point out.

Saltzman: Thank you. I think it's a rather tradition here, when we have piii cases, to allow dan handleman to provide perspectives, so ann, i'll give you three minutes.

Dan Haldelman, Portland Copwatch: thank you very much, commissioner Saltzman. My name is dan handleman, i'm with Portland cop watch. I just like to point out that I glee very much with commissioner Francesconi. I find it frustrating that none of the advisors who voted to send this back, i—are here. I also find it frustrating iad refused piii's recommendation. If you turn it back for more—more investigation and they refuse again, I don't know what the procedure would be. But I would find it to be very disconcerting in terms of the way of the entire structure of piii is. As you know, we're reviewing that now, and our opinion is there should be independent investigators. There are two things that could have been done. In—internal affairs could check the l.e.d. System, and iad could interview the witness, and that could help to prove or disprove some of these allegations. Whether or not the officer said anything about her weight at the time if he said it in a private conversation later, one has to assume that's what was going on in his head at the time, and that can be asked of him too. I think that disparate treatment is one of the two more serious kinds of case that can't be fielded out to the precinct level for investigation, and use of force, both of which I think are elements of this case. So I would hope that the city council would heed the majority of the advisors and send this case back with a very stern notice to iad that they need to investigate this case fully. Thank you.

Hales: Let me understand that, dan. Do you remember how strongly I felt about this case, I think you were here when it was originally heard, about the council's frustration with the chief's handling of the matter. The issue obviously later went to a civil trial, where—or at least a civil lawsuit, where ultimately in effect the city acknowledged the error—it act the improperly, corporately, in judgment. What's to be gained at this point?

Handelman: what I heard ms. Williams say, I would agree, the way the structure is, when you go through a civil proceeding, nothing happens to the officer. It's the city that pays. It's the city that apologizes. The officer might never have been disciplined or retrained, or whatever might happen as a result of this, you know. I know that stuff is private record, but I also know the structure is set up so it's the city as you say, the corporate structure of the city that pays. And not the individual officer. And so I think that's why—I think ms. Williams said, she came back and filed a complaint, that part of it, the retraining, counseling—counseling, whatever might happen to the officer would happen.

Saltzman: Thanks, dan. Well, any council discussion? A motion?

Hales: You look like had you a thought or two.

Francesconi: Here's my thought, folks. It would be nice for you to have closure, and the problem is that I think the main fight is over the first episode. That's number 1. And so even the counseling or ethical behavior of the officer is really over the first episode. Not the second. That's part of my response to dan handleman, and the second problem i'm having is that I know how hard it is to prove perjury. It's just so incredibly difficult. Now, the idea of referring it back for investigation makes some sense, but I can't quite get there, because most of the episode is on the first offense, and I know how incredibly difficult perjury is. If perjury were met in this case, it would happen in thousands and thousands of civil cases. That i'm aware of. And it never does. So I think we should—the other thing I think is, and you've heard 40 commissioner Hales, which I really agree, that on the first episode, there should have been discipline, and you can't have a chief overturn that. That issue is coming in front of the council eventually, and we'll decide whether that procedure will continue. That's actually coming. I suspect that that will not. Now, I don't think that that will apply retroactively, but you should feel some sense that your case may very well lead to a change in policy. The second thing that should help with you some closure is, the reason I asked you as to whether it went to trial is, if somebody—if the city is giving you \$40,000, that's an acknowledgment that we made some mistakes. I doubt it's just officer lack of training. I don't know. I don't want to get into it. So I think, council, we should go with the five vote and not have this drag on any further. And I think you should get some sense of closure. But that's easy for me to say. So that's how i'll so move.

Hales: I'll second that.

Saltzman: So it's a motion to deny the appeal.

Hales: This case did raise an important question as—and the council has grappled with and as the piii advisors and the bureau have grappled with how to monitor officer behavior. There was some good done here in terms of raising those issues. It should not be the case that the city council of the city of Portland should ask for an investigation in the chief turn it down. That should simply not be the case. And this particular incident highlighted that problem in the way we operate here. And i'm looking forward to curing that defect in how we have operated. I have some beliefs that the city acted improperly here, and that this officer acted improperly. We have acknowledged that through paying a judgment. I don't think there's anything substantially further to be gained in this process of reform of by going back and doing further personal investigation of this officer's conduct. I don't think it was right. We acknowledged that. I don't—by saying we should move on I don't mean we should forget about that incident, but we should use the lesson of that incident and the problems that it revealed in how we operate as a way towards reform, rather than chasing this individual further down the road towards individual punishment. Aye.

Sten: I'm going to support the motion. I think people will recall I felt pretty strongly the findings should have been sustained when this case came before us several years ago, and I think this—ms. Williams, I think your case was an important one, and depending on where you sit in terms of how an individual views the piii system, it was either a very good move or a very bad move on chief moose's part, because this case undermined my confidence in the system. And it has ever since, because I felt the chief disregarded the council's hearing findings far too lightly, and I do find the evidence you submitted today to further reinforce that belief in my own mind, that these are hard cases to call, but from what you've shown me today, I have more confidence. I'll never been—never be 100% sure, but I have more confidence that I voted correctly than before this. It—the problem is, I don't see this further investigation, I have to share the captain's point of view that the further investigation with—is just going to get into a he said, she said, and we will not be able to settle this. So given that the city settled for a very substantial sum, given that you've given more evidence this was true, I think chief moose undermined the system he had been arguing for, which is the former chief had argued for, this system works, and I think he shot a hole in that argument by overturning this one, and I think it's a big piece of why I will not support it—a new rewritten structure that allows the chief to turn over the

council without even discussing it publicly or for that matter giving his reasons. There's been speculation to the reasons, but they were never shared with me. And so I think you've made—for good or bad, you've made a real impact on the system, but I can't see that going back for another investigation is going to get anything done. So frankly, that's where i'm at. I'm going to vote aye and hopefully this—we'll move on to the next phase of this.

Saltzman: So the appeal is denied, and we will move on now to item number 1276.

Item 1276.

Hales: we have a team to present this good and innovative piece of work in our ongoing effort to try to alleviate the problems of demand and supply in northwest Portland, a place that illustrates yogi berra's saying, nobody goes there anymore. It's too crowded. So come on up and tell us what we have before us.

Francesconi: I think commissioner Hales made it up. But it's better than some of the other ones that yogi himself said. [laughter]

Susan Hartnett, Planning Bureau: good afternoon. For the record i'm susan hart net, bureau of planning. I was going to ask what quote book you have, but mine doesn't have those good quotes in it.

**** it's personally supplied by paulette rossi. The ultimate source.

Hartnett: I see. I hope the matter we have here before you today is going to be relatively easy and certainly easier than some of the things i've been bringing to you recently. With me right now is doug caps, a consultant that's been working in northwest Portland trying to help them work through some—a variety of issues, not the least of which is some of the parking concerns that have come up. I'm going to give you a brief overview of the ordinance and agreement, and doug is going to talk a little bit about the process and some of the other things that are going on in northwest. Following us, marty berkenthal and chris smith and steve fossler will—would like to come up and say a few words as well. Mark strom, the owner of the property in question, is also here, and available to answer questions if you have any. So the item in front of you is a continuation of an approach that began with the good samaritan hospital's shared parking agreement, which I think was first before you about three years ago, maybe more than that. In essence, what it does is waive the zoning code's prohibition against commercial parking, which applies in the residential zones and would apply at this site as it did in at good sam. In essence, the zoning cone considers that any parking that is not accessory to a specific use on that site is considered commercial parking. So it has nothing to do with whether or not you charge a fee, it has to do with whether or not the parking is associated with a particular use on the site. In northwest, the idea had been, let's identify some places where existing parking is devoted to a specific use, its accessory parking for some hours of the day, but might be available for use by other uses that are not accessory, that are not on that site, and make better use of the existing parking in the area. So this is another step in that direction. The agreement in front of you, which is attached to the ordinance, is between the property owner and—nwda and the nob hill business association. Both documents contain very similar language and both have the same restriction and limitations in the—on the parking. The parking allows that 50 spacing can be used. This is a surface parking lot associated with the flanders medical building. It's located between everett and flanders, 22nd and 23rd. At least 35 of those spaces will be devoted to use by area residents, and up to 15 of them can be used by employees of nearby businesses. And there is some latitude within that number for their—there to be some variation on how that gets allocated, but the numbers I just gave are sort of the minimum for residential and the maximum for employees. The hours are limited to 5:30 to 7:30 -- 5:30 a.m. To 7:30 p.m. And basically all weekend. Those are very similar hours to what is happening at good sam. It's in essence trying to get to the opportunity to use parking that's already being used during the day by an office use in this case, and making it available to residents and other area users in the evening and weekend hours. There is also provision in there that would allow some parking to take place a little bit

earlier, no earlier than 4:00 p.m., but some of the area businesses would like to have access a little bit earlier than that, and the party—parties to the agreement can talk about that, figure out what works. We're giving them that kind of lawsuit attitude—latitude within the ordinance and the agreement. The agreement and ordinance also allow the property owner to charge a fee for this parking. The amount of the fee, once it's determined, will be given to the council. It seems appropriate in this circumstance, and all the parties have agreed to it. As with the good sam agreement, there will be an oversight committee made up of representatives from the various organizations involved, and the agreement includes provisions on how complaints and other issues that get raised will be handled. That's again very similar to what was included in the good sam agreement. The ordinance has a 24-month sunset date on it with an option to consider renewing if that's desirable or necessary. And I do want to let you know that the bureau of plan assisting undertaking planning activities in northwest, sit in our budget for this—beginning this fiscal year, to look at the northwest shared parking pilot project. What we've been able to accomplish with the two sites now that we have in place, and to look at some mechanisms that will allow us to continue exploring these kinds of solutions and hopefully mechanisms that won't involve waiving the zoning code. If you have any questions about the ordinance or—particularly the ordinance, i'd be happy to answer them. Otherwise i'll pass it over to doug caps.

Doug Capps: hi. I'm doug caps. Thank you for considering this. You've heard me say this before we've been using a kit bag approach in northwest to try to find parking solutions. And shared use parking is one of the recommended tools, particularly neighborhoods like this. So this is one more step to relieve the parking crunch in northwest. It's not a huge step, it doesn't resolve parking issues in northwest, but it's—at least it's an important step. One of the reasons I think it's an important step is because it does use existing parking more efficiently. By adding 50 spaces, i've calculated this is the equivalent of—to on-street parking of about four city blocks. And whether you're philosophy has anything to do with conservation or sustainability, it seems like it fits. If you have a resource that's available in the neighborhood but it's only being used part of the time, then doesn't it make a whole lot of sense to use it all of the time that it—to the extent it becomes available to residents and employees in the nighttime hours? You've heard me say this before, that I think one of the greatest products that comes out of this ordinance, this little piece of property, 50 spaces, I think is something quite different than the—what's actually on the ground. And that has to do with the neighborhood's ability to address a neighborhood issue by coming to an agreement. And so one way to look at this ordinance, and this is—has happened with a couple of other situations that we've been working on in northwest, is to look at it as a representation of a level of trust between parties who, as you know, are previously finding quite some difficulty in cooperating with one another. The reason I mention that is not normally is that a good product for now, but it's particularly important as we embark upon the next major effort in northwest Portland, which is preparing for the impacts of new stadium operations and the operation of central city streetcar. We won't go into the details about the work program that's being put together for that, but that is a much broader neighborhoodwide effort to try to address the parking issue in a different mode with after different approach, and it's going to require an enormous amount of cooperation within the neighborhood in order to have that succeed. So I think it's possible for us to say that this is a neighborhood that's beginning to work in a city that works. Lastly, I want to say thanks to --

Francesconi: You made that saying up, or did you— [laughter]

Capps: i—yeah, I read that in a book of quotations somewhere.

Hales: The same one.

Capps: credit I think goes to the city and city staff for supporting these events, and particular—in particular to the key participants you're going to hear from who are making this happen. And then lastly, I think we need to say if no one else does, I will, to say thanks to the property owner, who is here, who just told me by the way that he came back from sun valley in order to witness this

experience here. So I hope it will make it worth his while. But particularly his willingness to be not only a good business person in northwest Portland, but a good member of the community. He did come forward and offer this as an opportunity, and in addition to that he's been patient in going through the back and forth that something like this requires, and showed up today. So I think it's to his credit that he is providing more parking spaces to residents and to employees in northwest Portland. So he should get some of the credit for this as well.

Francesconi: One question, doug. So if you had a crystal ball, where is this going? What's the ultimate parking solution in northwest?

Capps: well, there are two answers to that, I think. One is that I think it's totally appropriate that the neighborhood continue to look at these kinds of opportunities and the accumulation of these successes will clearly provide significant new parking inventory, along with our continuing attention on transit solutions to make sure that employees who work at northwest aren't driving their cars there, but are using credited, working with the major employers to provide all of the options they have available to them to make transit available. So it's—we're struggling with the supply and the demand, but to the extent we're adding more supply here, I think these little increments of supply that we're providing, just as we did with the k-zone, where we got 350 commuters out of the neighborhood, ends up being significant. The second tract is the one I guess i've mentioned, and that's this broader districtwide look at a more of a districtwide approach. And it's sorted after process answer, unfortunately, but I think it will be a mix of solutions like this, along with some very specific recommendations to manage on-street parking. That's really the—what the city has responsibility for. If that on-street parking can be managed more efficiently, just as we're trying to manage off-street parking, I think whether that's going to be the solution or the silver bullet solution or not, will—time will tell. It certainly is going to relieve parking in northwest pretty substantially.

Saltzman: Further questions? We have some representatives?

Marty Birkenthall, Northwest District Association (W/NW): good afternoon. I'm marty, I live on northwest everett about a block east of the flanders professional building, and as of last friday I am the newly installed president of northwest district association. I'll keep my comments short and have chris smith go into the details of our testimony. As you are aware, parking problems are certainly not new to northwest, and while our neighborhood has one of the lowest automobile ownership rates and highest transit usage in the city of Portland, we continue to find ourselves grappling to find ways to provide some relief for residents and people coming into the neighborhood who for any number of legitimate reasons must drive a car. We clearly acknowledge that this project won't solve all of our parking problems. Nor is it intended to. At the same time, we recognize that we must fully explore all possibilities, and I think the flanders project has the potential of bringing relief to some northwest residents and others that commute into the neighborhood by car nor work-related purpose, and for that reason we're asking your approval to the project. One last item before chris takes over, i'd really like to formally acknowledge and thank doug caps for his efforts and assistance in this project, and we look forward to working with him in the—and the city under the much broader guys of the transportation management plan for northwest.

Chris Smith, W/NW Transportation Committee Chair: chris smith, northwest pettygrove street. I serve as chair of the transportation committee. I'd like to join marty in thanking especially doug, whose labored mightily to bring this to the table, just to find a willing property owner and work it through the process was no small task. I'd also like to thank susan, who's spent several months with us fine-tuning this. I'd like to report the neighborhood supports this with a very strong consensus. There are a number of benefits to this agreement for a number of residents, and—in one of the densest and severely parking impacted areas, this offers an opportunity for relief, and that's important. It includes an element for neighborhood employee parking, although we're concerned that as with the legacy agreement, the late start date—start time in the evening will prevented a lot of the most likely

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users, restaurant shift workers, from making use of this, since they typically come on before the 5:30 time, but we do have some flexibility and perhaps we can work with the property owner to help that. As Doug said, this is an important addition to our toolbox of parking solutions in the neighborhood, and there are two particular aspects of this. This is the first time we've tested shared parking on a surface lot. This is the first time we've tested it where the parking is paid rather than free. So I think those are both going to be important learning points for us on this. Having said that the neighborhood strongly—has a strong consensus towards this, there are also concerns, and we have a fairly vigorous debate about this. We're here now in August instead of May or June when we expected to be because we took the time to have that debate, and I want to make sure you have some of the concerns that were raised. One is that this is obviously an expansion of supply, and we believe we need measures that both expand supply and limit demand, what I like to call parking liquidity in Northwest, so there's actually room to move around and be able to park. There's no demand management component to this particular project, so to that extent we run the risk of simply attracting more latent demand and perhaps not contributing terribly much to solving the problem, although the consensus was for this small project that's not too much of a risk, but we can't afford to engage in a pattern of doing supply side only solutions to parking in Northwest. The Ctrip process will be particularly important to looking at the demand management side. Also, of course it goes to transit use. The more you make parking for cars, the less incentive there is for transit use. One concern noted by our planning committee, I think quite legitimately and recognize by everybody in the neighborhood, is that waiving a zoning code is not a great thing to do. In fact, this particular waiver goes even further than the legacy one, where we're basically waiving it to allow a conditional use as it was related to me, and I'm not a zoning expert, so I may have this wrong. In this case we're allowing a nonconforming use. So we're going further in waiving the code. We don't want to do that a lot longer, so we're delighted to hear from Susan that there are efforts to work this kind of tool into the zoning code rather than making an exclusion, and the sooner you folks can do that, the better. One particular ironic note that came up in the debate about this, is that one of the findings is that this is to support the main street character of the neighborhood. While that's undoubtedly true in some ways, an apt comment was made that the automobile accidents patterns of the neighborhood look more like a shopping mall than they do a main street. We'd like to see the—hopefully that pattern reverse and more reliance on transit. In summary, I want to say there is clear consensus in the neighborhood. This is an interim solution for a severely impacted parts of the neighborhood, and we urge your passages, but at the same time ask that you continue on the journey with us to more comprehensive solutions.

Steve Fossler: Nob Hill Business Association: I'm Steve Fossler, the transportation manager for the business association, spelled nob. I want to especially thank Mark Strom for his persistence in hanging in with us on getting the details worked out on this. It's not as simple as you might think. Just sharing parking seems simple. It's not. It took a year to negotiate the legacy agreement, it took almost that long to work out all the details of this. So that's why while we would like to come forward with a package of five or six shared situations, rather than one at a time, we consider this to be step by step rather than piecemeal, because it does take a long time each parcel has its unique requirements. Basically also I want to caution you that parking is not the most important thing in Northwest Portland. We are involved—the business association and neighborhood association are involved in—neighborhood association are involved in a lot of things. Parking keeps making the paper and coming to you, but from my point of view, transit is the most important thing in Northwest, and many of us are working on making transit the transportation solution, and trying to resolve some outstanding parking issues along with that. In relation to the employee parking, according to our Tri-Met-managed employee survey, we have a mode split of 51%. Employees who do not drive a loan to work. We consider that to be a base minimum acceptable level and are working to improve that percentage. I think the residential home-to-work percentage is about the same. So we'll be working on that. So

transit first, shared parking and existing parking lots is a second priority, hiring from the neighborhood by neighborhood businesses is a successful program along with this. On-street parking management, when—which we're all exploring together with a new sense of what is fair to everyone in the neighborhood, and I think we have some good solution that's we will all be working on together. And then looking for opportunities and potentials for mixed-use development that could include extra parking that could be used by other people in the neighborhood for carefully managed situations. In summary, this solution is fair to everybody involved, and all future ones will be too. And we're confident and pleased that this is—has come to this point, and we're looking forward to working together with nwda.

Saltzman: Questions for anybody? Thank you. Britta, do we have anybody to signed up to testify?

Francesconi: Did the owner want to say anything, since you came all the way from sun valley? Sun valley?

Mark Stromme: my name is mark strom. I'm the owner of the building—the owner is actually the flanders professional building. I am also the owner of an apartment build can across the street from this that i've owned for 13 years, and have been looking at—out over this under utilized resource for some time, such that when it came available I marshalled together some resources in order to try to acquire it, which recently took place. I just simply like to say that I appreciate your consideration in the matter, and i'm very impressed that of all the parties that have worked together to accomplish this, because I understand also that a waive in the code is not an easy thing to do. But it is such a sensible thing to do in this matter, so i'd just like to say thank you. Especially to doug, but to all the parties involved who worked hard to get here. And i'm happy to be a participant too. Thank you.

Francesconi: Better keep it quiet it that we waived the code, because I can see this— anyway. It's terrific. It took a lot of cooperation and leadership from commissioner Hales on down, and doug, you deserve a lot of the credit. One of the questions I didn't ask, because it's apparent that the people are getting along a lot better, and you're making a whole lot of progress. I think that will help, and that is as important—more important than even the parking, because there are more important issues as steve and the business district just acknowledged. But i—it wouldn't happen without a private sector actually getting the money to accumulate that parcel, and buy it, and allow us to do this. So thank you for coming and for doing this. Aye.

Hales: Thanks to this team. Between the nwda and the nob hill business association and the cable assistance of—able assistance of mr. Caps and our own staff, thank you, mr. Strom, a property owner who gets it and is willing to try something new, thanks to all of you who were applying cooperation and common sense to tough neighborhood problems here. And that's a good thing, and we look forward to more of it. Thank you. Aye.

Saltzman: Well, i'm pleased to see this—the cooperative spirit in which this agreement was brought about before us. I'm pleased to support this, this waiver for this pilot project, and I only way to say that we cannot lose sight of the other half of the equation, which is traffic demand management in northwest Portland too. So we got to move ahead on that too, we can't keep doing these pavers in perpetuity, because although they're great, they're not the solution. They're part of the solution. Aye.

Sten: Good work. Aye.

Item 1277.

Francesconi: This is good. This continues to be something good the council started under commissioner kafoury, and that with some very persistent and good help from the citizens watching this thing, we think we're improving it. So what we're going to have here today briefly is madeleine will give a brief history of the wage ordinance, and why we need this ordinance in order to improve it. Such as, really more medical coverage for our workers, and more compliance. And she's going to take us through—and cost of living index. So we don't have to keep doing this. So madeleine, she's going

to address that. Bob has been terrific. He's actually implementing this policy. He's going to talk about some implementation issues and some enforcement issues, this—and then we have ruth roth, from fiscal impact. And then we would like some—we're going to invite you up to testify too, because you've done a lot to make this happen. Okay. Go ahead, madeleine.

Madelyn Wessel, Chief Deputy City Attorney: good morning. Madeleine west, city attorney's office. As commissioner Francesconi suggested, i'm going to take you on a quick tour of where we have come, because this is now the third time that i'm before you drafting or presenting an ranks that deals with the issue of a fair living wage. In 1996, when the council enacted the first fair wage ordinance, the Oregon minimum wage was \$4.75 an hour. And the council action that took place was one that essentially lifted parking lot attendants, garage attendants, janitors, and others who perform long-term services for the city, very substantially up from a wage that was closer to a \$4.75 minimum wage that was statewide, to at that point 6.75 an hour for 1996, and \$7.00 for 1997. Keep in mind that that action and am subsequent action by the council has really always been about the city making a statement about what the city wants to pay for these services, because the target of the ordinance are contracts the city is entering into for services that are performed at and for and upon city facilities in the main. The expenses and the costs of these increased wages are things the city, that you have decided the city should pay to increase opportunities for the people who perform that kind of work. In 1998, when council renewed the living wage ordinance, these have been two-year ordinances up till now, you made a decision to again raids the bar in terms of the wage and salary to \$7.00, and then 7.50. Actually 7.50 and then \$8.00 for 1999-2000. But the council also wanted to begin to address an additional issue, which is wages are one thing, but other benefits are equally important. The 1998 ordinance required that any contractor with the city governed by the ordinance would have to offer workers a health plan that was equivalent to the Oregon health plan at the time. What that meant was that all employers had to offer something that was literally comparable and what that mostly meant was that employees still had a copay portion. The owner had a share that they had to contribute and employees had to also contribute a share. Because that's the basic ratio that the Oregon health plan contemplates, and other health plans as well, for that matter, the city own—city's own plan involves a city copay. As we examined the impact of that 1998 ordinance, and as we got input from the community, it became pretty clear that for many workers, the copay was beyond their economic reach. That although the employers who were governed by the ordinance were in—in compliance and they were putting together and offering a plan, the reality was that some workers were not able to take advantage of the plan because of the wages that they were still struggling to live on. So the ordinance before you today again makes changes and brings some improvements, and hopefully some strategic changes that will make it even better and easier for people to take advantage of the city's interest in creating a program that really does provide a living wage. The ordinance today does a number of things. First and foremost, you're making a code change today. The earlier two were ordinances that like so many other actions by the city kind of disappear into a little bit of a legal limbo. We pass an ordinance, it gets filed, but somebody has to remember to keep on renewing it a year or two later. Looking at the reality that you have evidenced a persistent commitment to this issue, I recommended putting this into the city code eso that city bureaus, staff, ofa, are in a position to simply plan for what this means financially into the future. And it certainly also establishes a city policy interest on a longer-term baseness making sure that people who perform this kind of work for the city are getting a living wage. So what you have is exhibit a, and what would you—you would be adopting if you vote aye on the ordinance is an amendment or a new section of the Portland city code. The—as I mentioned, the ordinance today will also raise the bar. It maintains an \$8.00 minimum wage floor, but adds on a \$1.50 total compensation package on top of that. So that all city workers working under these agreements will be receiving \$9.50 as a minimum total compensation amount. The ordinance also addresses some other issues which result really from our continuing learning curve in trying to

implement this policy effectively for you. First of all, the ordinance establishes certain compliance aspects that are important. We are going to require in all contracts that are issued after the ordinance goes into effect, assuming you adopt it, a requirement of a monthly certified payroll so that the city staff who manage these contracts can check month-to-month to make sure that all workers are actually getting paid what they're supposed to be getting paid. And that means the total 9.50, not simply the minimum wage floor. We also are building in a requirement that bureaus as a sort of corollary proposition, themselves establish a compliance monitor. Sometimes it's easy to take this kind of legal demand seriously when we're writing our rfps or a contract, but making it real means that staff within the city are identified and know that this is part of their job. That if they're managing one of these agreements, they are responsible for monitoring the payroll and being in a position to report back to you or to anyone else who wants to ask the question about accountability. So that's another piece of the compliance provisions here. There's a requirement that contractors of the city who are covered by the ordinance must notify all of their workers who are covered. There must be some direct information provided so that no worker would be in any doubt about whether they're eligible to receive the minimum compensation package. There's also finally going to be inserted in every contract that the staff bring to you in the future a nonretaliation worker protection clause. So that if workers on these sites are not getting paid or even if they just want to organize others and make sure that they understand they have rights, under these agreements, that no one would suffer from retaliatory treatment by any city contractors as a result of that type of organizing activity, or the filing of complaints of—if people are not getting paid the wages they're supposed to be paid. The other thing I would point out, and then I'll turn it over the next comments to Bob, is that you're looking at a code provision today. But you're actually also looking at a transition in our understanding of how best to implement your long-term policy interest in having a fair wage program. And the change that we're working with is a move from a sort of traditional low bid process to an rfp and total points evaluation process. Four of these services with the city. Bob will explain a lot more about why that's so important, but doing it that way, and you're going to be hearing from us again, because we have to go through an exemption in each case, when we propose this kind of process, allows the staff and the council ultimately to have a much more comprehensive approach to looking at how these programs are working in a particular contractual environment. So Bob will amplify that, but you're really seeing both an implementation and a code strategy here that we think will be a real tangible improvement.

Bob Kieta, Bureau of General Services (BGS), Facilities: good afternoon. I'm Bob Kieta, bureau of general services facilities division. First I'll—I'd like to start off just to say I believe our goal today is to review the successes of this program, make the adjustments necessary to this fair wage ordinance in order to keep the program working and to assure the fair compensation program to the contracted employees. Some of the real accomplishments with this program is that since the inception of the program, the contractors themselves have embraced this, they have not said no, we don't want to do that, it's a tough thing to do. They've looked at it, seen it as a way to provide better services and kind of services that we want to receive here in the city, the quality of. The vast majority of the contractors employees have received the wage that we specified until several cases they've actually exceeded our requirements that we've put in. The next point I'd like to make is the contractors' employees have actually been offered the equivalent to the Oregon health care plan, as Madeleine stated earlier, which meets the original ordinance. And in many cases again employers actually paid health care programs for the employees. The qualities of services have improved. We've had significant improvements over the past four years where in custodial, for example, we've increased through surveys, anyway, increased from about a 26% satisfaction to close to an 80% satisfaction in the customer satisfaction with the cleanliness of their locations. Security guards have become sophisticated in the use of the electronic equipment that we're now establishing and putting into city buildings. The parking attendants are able to process and to handle the large amount of revenues that we're talking about

that's generated through the parking garages. So we've really—we've—I've heard the term raise the bar. We have. We're looking at it again to reach what we need to could accomplish—to accomplish, have the level and the quality and the dependability of services through this process. And in what we are doing, what really—one of the key features is that we're reducing the staff turnover for our contractors. We're helping to, you know, every time mcdonald's comes open, they don't just go out and take it because it's a better deal. That they actually have an ownership in our buildings, they have a responsibility towards our locations, and they do care, and that makes an important improvement to the quality of service. The second part I want to get into as far as the refinements that we need and that we're recommending today on the fair wage program, actually go into some of the issues that we found that helped us determine the causes that we want to make the improvements. There's been an—varying degrees of interpretation of what was meant by the contract employees. In the new ordinance and in the new contract specifications we're going to be defining that it's all employees, meaning part-time, fill-in, full-time, that are involved in the performance of these agreements. So that we don't have a, who's in this and who is not as far as a point of contention. And that will be for the fair wage requirement of the 9.50 total compensation. We've also discovered that— and madeleine talked about this better than I think I can—the need for the annual adjustment, or at least the annual review, so we can look at the compensation as with a whole to determine what we need to do and make an adjustment so that we can continue the program in a fair and equitable manner. And I believe again madeleine's covered that by the issues of putting this into the code and the review process. There's also been concern regarding what options the employees will have regarding the dollar 50 and the additional wage in the benefit. As madeleine said earlier, the original policy the way it was set up with the offering the equivalent to the Oregon health care plan, it did cause a situation where the employee who had an 8 dollar wage floor would have to give up some of their salary in order to get the program which reduced their total—their hourly wage to a figure less than \$8.00. Under the new program, \$8.00 is the wage floor. The \$1.50 can be used, number 1, as the company policy directs it, meaning if they have health, vacation, all these things as benefits and similar to the city's program where have you a cafeteria type plan an employee can select or choose from, or if they have health insurance through a spouse or somewhere else they can say, I don't need to be covered by health because I have a better program elsewhere, and they can opt to receive that as additional wage. So the key piece here is that in the past where they said no and the money then became money that could go to other programs, this money will continue to be theirs now. And it will either be given to them in benefit or in addition in additional wage. Monitoring and compliance, i'm sorry, or a combination of both, monitoring and compliance is being handled in two ways. As madeleine said, the first piece of this is the monthly submission of a certified payroll. That will be a part of the invoicing process that we'll require monthly certified payroll with the monthly invoices so as contract managers, we'll be able to review to make sure that the fair wage ordinance and policy are being met prior to signing off to release payment to the contractor for that month. And that way we can stay ahead of the curve instead of responding behind. Next, as madeleine said, the contractors will be notified via on-site postings, so this is a situation where they'll have to go to their office or something like that, they won't have to go to their office, we'll make sure the postings are on each work site for that particular contractor that will list all the classifications and the wage structure for those classifications so they'll have that information as well as the ranks ordinance information on site, along with who the city contact is for any questions that they may have regarding that. And then finally, of course, when there are issues, the city will handle—the contract managers and city will handle these as contract noncompliance issues to make sure we get the employees paid what they're supposed to be paid to meet the ordinance. There's been concern about the employee protection from retaliation due to whistle blowing. If they have concern about this, employees being afraid to say something because they may lose their job, we have not found this to be the case, but we find it certainly is a possibility that we want to address, and we are

having the language included in these agreements and the specifications that will provide the nonretaliatory clause of employers—so employers know we are serious about what we're trying to accomplish here. To recap, and to kind of highlight one of the accomplishments again of the program, the program has been very successful to date, and the adjustments we're making necessary to keep it moving in the right direction and correct things that we found. We have over 65 of 115 contract employees currently receiving health benefits. And the hourly wage as described in an average of about 785 to 8.25. Our services continue to improve both in the preservation of the safety of our assets, and the process that we've developed is working in that we're reviewing what we're doing and coming forward recommending changes to make it more effective. The adjustments we're—we're recommending today, will ensure the future progress and the application of the monitoring of the fair wage ordinance, and also in the compliance. And I thank you.

Saltzman: Thank you. Ruth, did you want to add anything?

Ruth Roth, OMF: yes. Maybe it's available to commissioner Francesconi, and—I'm sorry. I was asked to do some analysis on what— Ruth Roth, office of management and finance. I was asked to do some fiscal impact analysis of the proposed ordinance, and I did so. Again, this ordinance applies to three classes of contract workers. Janitorial workers, parking attendants and security. The majority of the contracts are administered through the bureau of general services, however the parks bureau has a contract for security workers and the fire bureau has a small contract for janitorial workers so there are impacts on those bureaus, but 99% comes through the bureau of general services. The janitorial contracts currently are under the auspices of the joint city-county program and the county—which bob administered, where there was a total compensation requirement of \$9.00 an hour. They have been in place, facilities services used about a 3.1% inflator when they did their interagency rates. That's going to leave the rates about 22 cents an hour lower than they need to be under this contract requirement. Assuming there are—that no other component rises more than 3.1%. So we have a potential fiscal impact of about \$leave,000 that would be shared 50/50 between general fund bureaus and nongeneral fund bureaus. Until the bids go out, come back, are tabulated, we do not really know. These are all what-ifs scenarios. So it's about potentially \$11,000. Could be more, could be less. Won't know until the bids come back. The bureau of general services has said that—

Saltzman: Annual figure, or biennial figure?

Roth: annual figure. The bureau of general services has said that whatever the impact is for this coming year, they will absorb it through their fund contingency and potentially request a second-year add package for the next fiscal year. The security contracts are provided for city hall and Portland building through burns security. In has albanian five-year contract, and this is the one major piece where there might be some greater increase than the formula would suggest, and that's because the five-year contract that you—that's been in existence only provided for small cost of living increases relative will cpi, but the fair wages rose considerably more than the cpi. So you had some—the contract having to absorb some additional cost of the fair wage, so it's quite likely that when the new contract is bid out, they're going to have to in a sense catch up. But if you assume that is not the case and that it's not going to rise more than 3.1 based on the rate inflator, you might have a potential impact of ah about 2500. Again, we will not know until we get the contracts proposals back what the impact is going to be. The security services in the parks bureau, they have been paying an \$8.00 minimum, no benefits. Bumping that up another dollar and a half an hour is an impact of about \$13,000. And they have indicated they will absorb that for that fiscal year, and potentially ask for an add package for the second year of the biennium. The parking attendant contract, one thing, let me premise, the contracts for the janitorial and the contracts for the security were all constructed and came back in such a way that we were paying costs as if they were completely complying with the requirements. The parking attendant contracts, we reimburse on an hourly basis. Whatever they pay their folks in either wages or benefits, we reimburse. So there's no additional amount coming in in

terms of the overall contract payment. For that will be, you are actually going to see the biggest impact in the parking attendant contracts, and that could be in the range of between 15 and \$50,000, depending again on what they really were paying based on what the new requirement is going to be. I did some analysis of comparing the amount of expenditure of the budgeted expenditures for parking operation to actual expenditures, and there seems to be about a 5% underexpenditure each year. If that continues, then it would suggest that even within the existing contract amounts, the existing budgeted amounts within the bureau of general services, there might be capacity to absorb that. Again, we won't know until the final contracts are in—are negotiated. So there is a potential of fiscal impact. It's a range. Some of it will be felt by the general fund, some will be felt by other funds through their interagency. And all folks have said that for this current fiscal year they will absorb it and want to maintain the option of coming back for a second-year add package and subsequent adjustments in subsequent fiscal years. One thing that's very good about this ordinance is that while it provides for a cpi adjustment to the fair wage level, it has been established that it would be commensurate with what our workers would receive under our standard cpi. It does provide a certain of an out in the case of financial economic downturn. So it's not going to be an automatic increase. Thanks.

Saltzman: Thank you. Any questions of the panel?

Francesconi: I have just two. I guess we're on that last point. If it's in the code, and this is for madeleine or ruth or bob. If it's in the code, though, it's mandated. It's going to have to happen, the increase, even if the bureaus don't get their budget adjustment in the second year.

Roth: no. What the code provides is that there will be an \$8.00 floor with a dollar and a half to round it out for total compensation. The cpi adjustment will—

Francesconi: I wasn't talking about the cpi adjustment, I was talking about the minimum package—That will happen?

Roth: that is anchored in the code. Adjustments are made specifically to—dependent on taking an overall look at the city's financial health when ofa or when the office of management and finance each year goes into their calculations.

Francesconi: So that will mean we have to do this. This will have to be paid regardless of what happens in budget discussions. Okay. The second question is, and bob, you may have covered it, I may have missed it, it's my understanding in the parking contracts, past parking contracts, because of the work of the workers organizing project, there's been—there's a possibility if not a probability that some of the past due benefits have not been paid. That's my understanding under the new compliance system we're going to be able to pick it up, because we're going to have certified payroll records. My question is, can we go back now and get the money to the workers?

Kieta: yes. And we do believe that's possible right now. We did do—we do not have good compliance records right now to find out who has been underpaid. We have records to indicate there has been underpayment made as far as 7.50 an hour instead of eight, but what it doesn't show us is whether or not those people have received or taken a deduction for health benefits. So we have some information. We're going to get—work to get additional information so we can go back and do a basically a back-pay for—make sure that we are in compliance with this ordinance, even going back.

Francesconi: I have spoken with karen cramer about this, it's also my understanding we have the money to do that. Right? I'll say we have the money.

Kieta: there's always monday than— money in—

Francesconi: We have the money to do it. Okay. I don't have any other questions.

Saltzman: Any other questions? I just have one question. We have received some comments from somebody who's very near and dear to us, Martin Cavinaw. Have you had a chance to see his comments? I'm not sure what the question is he's asking.

Francesconi: Have you had a chance to --.

**** I haven't.

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**** I have not reviewed the letter, but I did understand that what it—appears to boil down to is the request about how the additional dollar 50 can be divide if a person has insurance through another means or has retirement through another means, can they accepted or can they request additional wage. And the answer here is potentially yes. You can request additional wage and/or the benefit. The dollar 50 will go to the employee one way or another. The catch is there can be vacation, there can be other things, so it may not be the entire 1.50 as additional wage, because vacation, sick leave, could use part of that money.

Saltzman: Okay.

Francesconi: That's good. That's the answer. We all like martin and we all would have changed the policy on the spot.

Sten: It's critical that martin gets this addressed.

Saltzman: Okay. Thank you very much, then. Do we have people here signed up --

Francesconi: We'd like to call forward the workers organizing project. Come on up.

Saltzman: Three minutes?

Francesconi: It's okay with me if they need more time.

Saltzman: About—how about five minutes? State your name for the record.

Peter Cervantes Gautsher, Workers Organizing Committee: i'll say five minutes. My name is peter. I'm with the workers organizing committee. We urge you to vote for the updated fair wage policy adopting the city code increasing the minimum compensation for these service workers covered by the service contracts from 8.00 to 9.50 as proposed by commissioner Francesconi. According to the u.s. Department of agriculture, the state of Oregon has the worst hunger rate in the nation. And according to the job gap study conducted by the northwest policy center and Oregon action, 77% of the jobs in our state don't pay a living wage. Currently a number of workers performing parking lot services for the city are hungry, homeless, or ill without medical treatment. One worker is—one worker's entire diet for the last week of the month consists of one potato a day. Another worker eats better than that by couch surfing. Sleeping on couches in different friends' and relatives' homes every few nights. In lieu of paying rent or utilities. A living wage in Portland for an adult with one elementary school-aged child is \$13.98 an hour. That's the minimum figure that we adjusted for inflation that we should be shooting for, and should continue to shoot for, because we want to allow children to live within this—the city limits of the city of Portland. So 9.50 an hour isn't really enough. It's a critical improvement and we support it. Thanks to jobs with justice and appropriately responsive city council, especially commissioners Francesconi and Sten, and the mayor's office and their respective staffs, we've had a fair wage policy for workers performing subcontracted city services since 1996. However, many workers have not received what the policy guaranteed. Since last july, at least workers were supposed to get a minimum of \$8.00 an hour, as you heard, and medical coverage reasonably equivalent to the Oregon health plan. Meaning a cost to the worker of no more than 40 cents an hour. In the parking lots, for example, many workers did not get the \$8.00. And no one, not a single person, got medical coverage at a cost to the worker of 40 cents an hour or less. Not one. And there are several reasons for this. One is the fact that the fair wage policy was not posted in workplaces. Even if it had been, until we translated it into the four predominant languages of the parking lot workers, the policy was only available in english. Most workers speak spanish, farci, or arabic. Another reason for workers not getting what the policy promised is the fact that the workers have no clearly stated protections when the employer didn't compensate them properly, and they saw what was due them. Some who spoke out seeking their just rewards were fired. Workers covered by the fair wage policy were not told that they had a genuine right to the minimum compensation rate that this council established in that policy. And now having begun working with them, I can say that we have faith, that the addition of bob kita to the mayor's staff, and commissioner Francesconi's staff and the city attorney, the work that they've done on this policy we believe will result in all of the workers

who are covered actually receiving the council's adopted fair wage policy compensation for the very first time. For these reasons, we urge that you adopt the policy that commissioner Francesconi has proposed. Thank you.

Saltzman: Thank you. Further public testimony? Okay. Britta? Why don't we—oh. Wait. One other person? If you could give us your name, we'll give you three minutes.

Jeri Sundvall, Environmental Justice Action Group: I'm gerry, the director of organizing at the environmental justice action group. I've also been working this summer with the workers organizing committee due to outreach through the parking lot attendants downtown. Simply to talk to them about their quality of life issues. I myself and many other volunteers have been talking to the lot attendants during the day and evenings and found that when asked about what their quality of life is when they're making the 8.00 an hour, is that it's not liveable. Many of them have to live in subsidized housing projects, and out of approximately 40 workers that we've talked to, only one of them had insurance. And paid a lot of money for that insurance on top of the—and she had that insurance mostly because she had an illness that she really needed to have insurance for. Her copay on her prescription was \$300. That was her percentage that she had to pay on her her prescription. So we're looking at that, we're looking at the fact that a lot of folks also they don't get sick pay, and when they are sick they're required to get doctors' notes in order to get back to work. And what we found is that if you don't have insurance, it's kind of hard to get a doctor's note. So a lot of folks are going to work sick, and I have—had two testimonies for you, one of the workers which is here who can testify for himself. The other one which I just talked about. So I'll make it very brief. I just wanted to add to that, as a long-time advocate for community involvement with this city, especially on environmental issues, I know of your vision of working with community—with the community to get the best possible answer, and I applaud you for that. I applaud you for voting for the 9.50 an hour to raise, and hopefully we can get up to a standard where folks in this lovely city where the cost of living is going up much faster, and rents are going up much faster, than our wages are, that we continue to move forward and give these folks the liveable wage that they deserve. Thanks.

Saltzman: Thank you. Please call the roll.

Francesconi: Did you want somebody—you referred to another worker you might want to testify.

Saltzman: Sorry about that. Please state your name and we'll give you three minutes.

Sean ?: my name is sean talkington. I work in a smart park garage in I gave the wage of 8.00 an hour. I live in section 42 housing here on 12th and clay. Which is government subsidized, but it's yet still it's 460 a month, just for a studio. I have to pay child support, which is another \$400 a month. That leaves me after taxes, basically about 150 dollars. For food, utilities, any kind of entertainment I would like. The cost of insurance to me would be—for me and I'm supposed to cover insurance for my daughter, that's \$2.37 --237 alone. If I wanted dental, that's another \$70 on top of that. So either I eat or I have insurance. It's—the wage just is not enough. For some of us out there. Sorry. Anyways. So like I was—like they were saying, if you vote for the wage, you'd help a lot of us out. The cost is—of living is up there in this city. Thank you.

Saltzman: Thank you very much. Okay. Any further—okay.

Olson: I have lavonne hamilton. She wanted to speak.

Saltzman: I think she was the one who was not here. Okay. Please call the roll.

Francesconi: Well, this is just a proud moment to be a member of the city council in this city with the quality of these people in the city. I guess I want to start very briefly by saying that—and the staff said it several times, by doing the right thing, the fair thing, the just thing, at least starting in that direction, because we're not there, including the amount of the wage, but it's also the right thing by way of the taxpayers, because it also improves the quality of service. And that is a very important point that our citizens need to hear and understand, because then the garages are cleaner, the service is better, the public is better served, the workers have pride of ownership in their work, and they have a

better shot at making it with these escalating housing and other prices. So it's the right thing to do for a lot of reasons. I guess I want to thank the staff. We have a terrific staff here who have the brains to make this thing happen legally. But also have the heart to want to do it. So we have madeleine weselle here, bob kita, ruth roth, but we also had karen cramer and ron bergman, in the back, to help execute. This, they didn't do it because I asked them to do it, but because they wanted to do it, because they knew it was the right thing to do. I'd like to thank the city council, because it's been so—everybody's totally has been behind this. And just, you know, on train to set the standard for others to follow. It's hard to ask employers to do more if we don't do more ourselves. But I want to say is a special thanks to the workers organizing committee. I also want to tell you two things. One is, I want to thank you for doing in part the job of the government ourselves. This was nobody's fault but you picked up some violations of this thing, you picked up some loopholes in this thing. Two—too often we sit up here and make policy, but then we don't make sure the documents are translated in a way that it works, and we don't even—we don't do some of those things just unintentionally. But you actually did the work for us. And I want to thank you for that. And we've instituted the changes here to make sure that we do it from now on. And I wanted to thank you for that. The second thing is, and I understand having—well, you could have pushed for even more, and you will, and you're representing the workers, and that's your job. But you also understood in this circumstances we would be taking money from other needed services for the city, including services we provide for workers. So I guess what i'm saying is, you walk add very difficult balance between being very aggressive in—and assertive for your members, but also understanding we also have obligations for other public good. And I just want to tell you that I personally appreciate it very much. I look forward to continuing to working with you on this issue, and other issues. Aye.

Hales: Jim, I just want to thank you for bringing this forward. I think this is a proud moment for the city. One more day when we get to show up here and do something positive that has a real impact in people's lives, and that's the satisfaction of the work that we do here for our employees or for us who make the decisions. I think it is important that we set an example in a prosperous city for the public sector to set a standard for fair wages. I think it's a minimum step for us to take. So thanks for a good piece of work, and I look forward to more of it. Aye.

Saltzman: I also want to thank commissioner Francesconi and the workers organizing project, and also the many city employees who as commissioner Francesconi said, worked on this not because they had to, because they wanted to. I think that is really, as he said, reflects a lot of compassion and heart that we have as a city. And I do believe that getting these wages up there, probably not while—where they should be, it's a step in the right direction, and better wages make better people. And also I think as employers have come to recognize, they make better employees too. So i'm proud that we as a city are doing this today. Aye.

Sten: I—i'm delighted to support this. It's this kind of attention to detail that will make this policy work. It's just—it's a misperception out there, most poor people in this country are working very hard, and it's the gap is getting worse. I think paying a fair wage for this is just common sense. It's in line with what Portlanders believe in. Thank all of you for organizing and for doing the hard work that keeps our buildings and garages and everything else working, because that's really what this is all about. And you ought to be paid fairly for it and have a chance to get benefits for it as well. I think this more flexible approach will do better. Thanks to madeleine and ruth and bob and kevin and all the folks who have worked this, and particularly thanks to commissioner Francesconi for putting this together. I just told people, work this— with jim, he's on this and very focused. You deserve a lot of credit, and it will make a big difference. It's migrate pleasure to vote aye.

Saltzman: Okay. Next order of business, we have several positions, resolutions. Commissioner Hales has to leave us now. We have I believe eight—nine positions statements on statewide ballot measures that will be on the ballot this november. As mayor Katz said yesterday, the Oregon mayors

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association has gone on record in support—in opposition to various measures, and we would like today as a city council to express our individual—our view as city council members only, not official—these are not the official positions of the city of Portland. These are the positions of the members of the city council here. So having said that, why don't we start with 1258 and have Britta read the resolution.

Olson: One by one?

Saltzman: Yes.

express city council opposition of november 2000 ballot measure 2, creating process for requiring legislature to review administrative rules.

Saltzman: Do we have anybody to testify? I guess we can't take a vote yet. Why don't we go on to 1259.

he's coming.

Saltzman: Okay.

Francesconi: I apologize.

Item 1258.

Saltzman: We're doing the vote on the first ballot measure, opposition to ballot measure 2.

Item 1259.

Saltzman: Anybody wish to testify? We have senator ginny burdick here. The chief sponsor.

Ginny Burdick, Oregon State Senator, District 6: the other two sponsors are two sheriffs. I appreciate the council's motion to support this initiative. I think it's very important. It just is a continuation of the continuing strong support of my city, which i'm very proud of, and very proud to represent and a constituency within that city, and one individual who deserves special mention on this issue is commissioner Francesconi, who adopted our gun show ballot measure as part of his own campaign and made a real difference in getting the signatures that we needed to qualify for the ballot. We were challenged in court by the gun lobby, we had only 85 days to get 90,000 signatures. And commissioner Francesconi did heavy lifting to help us get there. And so it's a particular pleasure to see the council now following flew in strong support of this measure. So I want to thank you very much for raising this on your radar screen, and I hope there's a favorable vote.

Saltzman: Thank you. Any other testimony? Any questions of the senator? We certainly do want to commend you for all your work too. That's an impressive rate. 90,000 signatures in 85 days, that's over a thousand valid signatures a day, and that's no small accomplishment. You deserve much credit. thank you. Okay, please call the roll.

Francesconi: Two things. Part of the reason this is important, and has so much popular support is for crime prevention. In the last couple of years, 75 guns that have been traced in major juvenile offenses have been traced back to gun shows. The statistics are between 30 to 40% for Portland police in major crimes where this has been the source of weapons. So in order to keep our city safer, we need this ballot measure to pass. The second reason is, I and others, i've just been to too many gang and funerals where the kids would be alive today. And we really do—and we're working on strategies to take guns out of the hand of our kids and we place them with diplomas and paychecks, and this is part of the removal. There's other things we can do, but now we need to work to pass this ballot measure. Aye.

Saltzman: I'm very proud to support this. I also want to acknowledge mayor Katz's role over the past several years to marshal the forces of the federal government, the alcohol tobacco and firearms office to really work to eliminate the strawman purchases where people go into gun shows, purchase a gun legally, turn around and give to it somebody for any—an illegal purpose, or somebody who shouldn't have the gun in their possession. This ballot measure certainly goes a long way towards I hope closing that loophole once and for all and i'm very proud to support this. I hope the state follows. Aye.

Sten: Senator burdick and commissioner Francesconi, thanks for your support. I'm glad to vote aye.

Item 1260.

Saltzman: Do we have anybody that wishes to testify on this? Okay. Please call the roll.

Francesconi: Two things. This is—this ballot measure has enormous consequences for the taxpayers of Portland. The estimates on this could be as high as several billion dollars that it could cost local governments if this went into effect. So this is a—very significant to the taxpayers. I was just at a lunch today, we were talking about different city issues, and somebody suggested, you know, maybe we ought to have an ordinance—a law that requires payment from the landowners every time government regulation increases property values. Which happens quite a bit, let me tell you: So what i'm saying folks, is, come on. This is the fair thing to not pass this. Aye.

Saltzman: Aye.

Sten: This is one of the quiet measures that hasn't had a lot of scrutiny. I hope people will really think it through. We have pretty strict land use systems, some too strict for some people's taste, but they're clear and very well litigated. Government cannot take without proper process and also—all sorts of things government does, whether it's an infrastructure investment. Government is really spending the citizens' money. When citizens invest in things, property values go up, and when they do other things, property values go down. I think the courts are the right way to decide what's fair or not. And this measure would skew things dramatically. I think it would have an effect people will live to regret very quickly. I think it's an important measure to—for people to look at. I would strongly support a no vote. That's why i'm voting aye on this measure.

Item 1261:

Saltzman: Anybody wish to testify?

yes, I do.

Saltzman: Okay. Please come and give us your name and we'll give you three minutes.

Don McIntire: 929 SE Phoebe Court, Gresham, 97080. good afternoon, council legislators. I'm one of the chief petitioners on ballot measure 8, don mcintyre. When I find out, I got a gracious call from your city the other day to tell me you were in opposition to the measure and I said, i'm amazed. No one called me from the city council. Not one of you asked anyone that I know of any questions about the measure. So i'm not sure that you've done your homework appropriately. But beyond that, I just want to make a comment. I'm trying to figure out what it is that makes people on the city council decide that they should use good council time to weigh in with their political views on a matter of statewide importance and issues. There's a certain amount of arrogance here on the part of the council. Shouldn't you people on a statewide issue perhaps out of council chambers make statements about your political view points rather than use official government time? Then finally, i'll address my measure. The measure simply says that a government in this state shall not grow at a rate greater than the growth of the economic wealth of the people who have to pay for government. I don't know why you would oppose that. I'd love to hear some comment along those lines.

Saltzman: Thank you, mr. McIntyre. Just for the record, and I have a list here of the organizations we contacted to let them know we would be considering these ballot measures today, considering taking positions. And I have listed for ballot measure 8 the christian coalition of Oregon issues pack, the committee for our Oregon, and the stop at 15% committee. Neither one of those are your committee?

McIntire: stop at 15% is—you've— but not one of you wanted to know what we found about the ramifications of the measure, the effects and so on. Where have you done your research on the measure to do something as indelible as take an official city of Portland position? I suppose you're probably continuing the great tradition of say, mayor bud clark, who said a vote for measure 5 was like voting for saddam hussein. That's part of political lore in Oregon. I still do not quite understand what you're up to, but I would love to have a real-live discussion with you folks about this measure, and not just three minutes to confront you about a decision you've already made in advance.

Saltzman: Okay.

Francesconi: This is a little unusual. But maybe we don't want to go there. Speaking personally, I appreciate you coming. I really do. There's actually been several times I've wanted to talk to you, not knowing exactly how to get a hold of you frankly.

McIntire: I'm in the phone book.

Francesconi: Before you leave, make sure I have your phone number. On one of your points about why are we doing this, we as a city, the answer that at least I've tried to apply to myself as I go through this, is if it has effects on the city, and from the remarks you heard from these from me before, I've tried to make sure of that. The ones that don't have an effect, that's the way I'm trying to view this. In state legislative matters, we become so dependent we here at the city, especially education, transportation-related, whether you agree or don't agree, that fiscal impacts at the state level have great impacts upon us on the local level. You asked for an answer—

McIntire: no, no. I really want to respond to what you're saying.

Francesconi: That's the filter I've tried to apply. I would like to have a discussion with you. I'm not opposed—I can vote on this now, but I'm not opposed to holding this over for a while and spending time talking to you and then voting. If you want to pursue that way. It's a little unusual, but it doesn't bother me.

Saltzman: Well, I think that I'm certainly open to setting this over. But I do want to say that these opinions are really—these opinions that we're expressing are indeed the council members' opinions, not the official city of Portland positions.

McIntire: well, pardon me, doesn't this have a resolution number? That certainly sounds like official business to me.

Saltzman: This does have a resolution number. I don't know whether that—how that distinction wishes whether that's official business or not. We have no city staff here discussing these measures or talking about pros or cons.

Sten: The charge is clear. The city council members can take positions on behalf of the city of Portland on political matters. There's five of the 5,000 employees, you can do that. It's clear in the city charter and it's part of what people elect us to do. It makes a lot sense to debate the issue, but whether or not the council should or shouldn't take a stance is a whole—

McIntire: with all due respect, you really think that the people elect you to a city council to get a guidance in political views for to you instruct them? I always thought—

Sten: I—that—hang on.

McIntire: fill the potholes, put bad guys in jail and maybe give us credit for having a little ability to discern things for ourselves. The—

Sten: Hang on. You've always been and e—you remain as smooth as any politician I've ever met. They do elect five people and they give them by charter the ability to express political views. That's all we're doing, expressing political issues. Whether or not people take my view as guidance is up to them, as you all know.

McIntire: that's true. I'm expressing bemusement that you would make a political statement as an official city act. But commissioner Francesconi, I appreciate the opportunity to have some—an exchange on this, because I think—I didn't go out and do 140,000 signatures just for fun. I mean, that in itself shows there maybe some legitimacy to the idea, and we ought to give it more than short shrift of a preordained conclusion. But you said that state—the state has an effect on the affairs of the city. The state has an effect on the people who live in the city. That is the point of a limitation. I know that what happens when you come to the councils of power, everything starts to center on that may be the most important thing in our lives is the government. And the focus narrows. The government has a cost, and sometimes the government has to be restrained. That's what constitutions are for. I just saw a very poignant moment here where you people laid another burden on the taxpayers. I'm not arguing

the merits of what you did. But I heard advocates from within the government, who you can—congratulated for coming in with a great plan to raise taxes, essentially, and there was no taxpayer advocate here. The taxpayer, the citizen is—general citizens, the people that go to work and pay for all this are almost inevitably left out of the discussion. That's why i'm active.

Saltzman: You were here. You were more than welcome to testify.

McIntire: and did I testify. In fact, some thought it was fool's errand, but I did decide to come down here and see if maybe I could say—i'd like to you reflect on what you're doing.

Francesconi: I guess I have one question. How much reduction do you think there will be from the measure in the state government appropriations?

McIntire: here's—the state is portraying—you saw in the newspaper they got it wrong. Then my response was, you can't trust people in the government to make a calculation on something that it's going to cost them money. The measure doesn't really—for all practical purposes, it doesn't really cut the government. What it does, it slows down the rate of growth of the government. It connects—the state's fortunes directly to the growth of the citizens in—citizens' income. The simple arithmetic works like this. The total state appropriation resist going to run \$30 billion. If measure 8 passes, that's going to be about the limit of their appropriations in the next biennium. About \$30 billion. So there's no question there's going to be belt tightening, because contracts and other things ratchet up the obligations. But that forces, looks at efficiencies, perhaps finding useless parts of government that are costing us money, maybe lit make them look at privatization.

Sten: Let me—i get this part. Let me ask you some questions. Who are the chief sponsors, funders of the pack that paid for the signatures?

McIntire: the guy that put the most money in is mark hemstreet. He's a friend of mine, and I asked him to do it.

Sten: I just want to get— you're portraying this as your little guy, and—you're the little guy, and we're the council—

McIntire: i'm not doing that.

Sten: You said you went out and got these signatures.

McIntire: the point is, 140,000 people signed it.

Sten: Did a single volunteer get a signature?

McIntire: yes. Of course.

Sten: How many of the signatures were paid for by memo hemstreet's money and how many were volunteered?

McIntire: what difference does that make? Just a minute. What a petitioner does who gathers signatures for money—

Sten: I'm simply getting— one could have easily come to the conclusion from your statement, and i'm not saying you meant to be—

McIntire: if you want argument about motives, and impugn my character --

Saltzman: Hold on.

Sten: You wanted to have a debate.

McIntire: I want to debate about the issue, not about my motives.

Sten: That's not what i'm talking about.

McIntire: if you want to talk about the measure, i'd be more than happy to.

Sten: I'm curious, you've gotten so angry, you got—

McIntire: I see where you're going with this. You don't want to discuss the issue. You want to discuss motivation.

Sten: Our president is being very graceful to let us argue— let me say, don, I felt were you getting after my motives, and I --

McIntire: I have a—i was perfectly clear. Are you satisfied?

Sten: You cut me off. My point behind the question of who paid for the signatures is trying to get at. As I understand your argument, you're linking it to the average citizen's income. My question, if we were going to talk about this, would be how it links to corporate income. As I look at the measure, it looks to me like corporate interest paid to get the signature gathering, but it's being put out there as helping the little guy. My suspicion, which I think will hold true, is that corporate taxes will benefit the most.

McIntire: you're missing something.

Sten: I may be.

McIntire: it shows you haven't analyzed the measure at all. It is not a taxing limit. It's a spending limit.

Sten: I understand that.

Saltzman: It's time to close this chapter.

Francesconi: I want to withdraw my request to postpone this.

Saltzman: This debate will occur over the next 70 days. As to whether people heed what the individual opinions of the city council are, we don't know. We have been asked by organizations to get things in with respect to the voter pamphlet deadline, and I think we want to move on that today because of that. We do thank you for coming here, mr. McIntyre. Please call the roll.

Francesconi: I support --.

Saltzman: We have another—if you could state your name for the record and i'll give you three minutes.

Craig Flynn: 12048 NE Farragut. i'm craig flynn. Do you need my address? Okay. I was interested in watching the living wage folks up here. They were concerned about what it costs, and the only solution you seem to have is when—we need to pay them more money. I watch around the city how river district is highly subsidized with tax abatements and system development fees waived, river district tax abatements, I was at a meeting on halsey the other day where the city—the general fund found \$100,000 to give 15,000 dollars apiece to business owners to help paint and fix up the front of their buildings. For free. All they had to do was match the they put up \$15,000, the city does. I read in the paper, \$700,000 the city is going to help pay to so psu can play football. Interstate avenue, you just added an urban renewal district, that's going to impact, you know, police, fire and schools and the general fund. You guys don't seem to blink an eye at those kind of things. At 60th and division there's a high density development that's being built, a \$30 million project. Ten-year tax abatements. 3% loan for a couple million bucks. You never worry about those impacts. Those impacts—impact the taxpayers but you never seem to be concerned about those kind of things. When a measure comes along that's going to go across the board and benefit everyone pretty much the same, you seem to be concerned about it. What I conclude from this is you don't seem to be concerned about special interests getting big tax favors from the city of Portland, but when everybody is under the same blanket, you're concerned about that. So I think you should be more concerned about when you say you're concerned about the taxpayers, you should really mean it. And stop handing out these favors all over the place and then cry poverty when something comes across that benefits every single person in the state of Oregon, not just your friends.

Saltzman: Thank you. Any other public testimony? Okay. Please call the roll.

Francesconi: I want to support this—our proposal and oppose the ballot measure. It has nothing to do with don mcintyre's motives. This is a spending limitation, but the problem is, when you have a state now that is so obligated to spend so much money on the prisons that we've built, and the educational system at the state level, to put this kind of spending limit so hampstrings the state's ability to help with local needs too in transportation and education that so affect our citizens, that that's the problem. If we have not so locked ourselves in at the state level on these expenses, but we have. And

so the quality of life of our citizens in this city, in my opinion, based upon my evaluation of both sides, would suffer. Aye.

Saltzman: I'm also going to vote in opposition to measure 8, and my reasons for doing so are because I do not feel unlike the previous person that just testified, Craig, this does have an uneven impact on people. It's not an across the board impact. It certainly looks that way. I believe this impact will have an impact on state spending in areas that are important to me, and those areas are education, health care, senior and disabled services, and other human service programs. The state is the primary funder of those programs. Those program areas. And those are important areas to me, and I'm not willing to sort of gamble that the impact of this measure will not be as severe on those program areas. Aye.

Sten: Mr. McIntyre, you've been a big piece of Oregon civil discussion, and I appreciate you coming up here and trying to make this a real debate. I certainly didn't mean to go after your motives. What I was trying to get at, I believe there's a link between the interest that support a measure and where it's actually headed, and the day that all the groups and all the measures such as this one that are so strictly as helped to the little guy come in with progressive taxation proposals, I will be one of your cosponsors. What I'm tired of in this state is measures sold as help to the little person that don't help the little person. The measures that Mr. Hemstreet has financed for years and years have one after another put more money in the big pockets and less in the little pockets, but they've been sold to help the little guy. If we're going to help the little guy, let's instead of doing negative things, do positive progressive taxation. There's thousands of models out there for progressive taxes. We have a regressive tax system in this state, and approaching it this way is not going to help the little person as we argue. Now is the time to take those on. I've had lunch with Mr. Sizemore to discuss that same approach in the past, and I think healthy debate is possible, and I think you and I can disagree without having bad motives or anything other than all civil disagreement. But I do think it's time to stop claiming that things that help large corporation resist going to help the little guy. Because it hasn't come true with all of these measures over the last ten years. Aye.

Item 1262.

Saltzman: Do we have anybody that wishes to testify on this? Okay. Please call the roll.

Francesconi: In addition to being a question of safety so we can talk about things like HIV and AIDS, in our schools that are real, that aren't going to go away, and in addition to that, in addition to just being fair, right thing to do, we just have to get beyond this idea that people are different based on sexual orientation or race or color. Let's just get past this. Let's move on in positive directions. We just don't need this division in our city. Or our state or our country. Aye.

Saltzman: As the innocent sounding name may not imply, the student protection initiative is nothing more than a homophobic divisive measure designed to further divide and polarize people in the state of Oregon on issues that I don't think they're in the mood to be polarized anymore. I think it's a few lone wolves who won't let go of this issue who for whatever reason are obsessed. I'm pleased to take a measure I'm pleased to state my opposition to ballot measure 9. Aye.

Sten: Well, the citizens of Oregon have repeatedly through some tough battles but strong, strong message stood up against bigotry. This is another measure that's trying to disguise itself, and it's one of the most insidious I've seen. It's one thing to stand up and say, I want—I want to discriminate against homosexual people, but another to hide it behind helping little kids, which is what this one is doing. It really is absolutely the wrong measure for this state, and I hope once again Oregonians will stand up and say no to bigotry. Aye.

Item 1263.

Greg Olson: 4306 S Galeburn. My name is Greg Olson, I reside in southwest Portland. I have appreciated the commissioner Francesconi and commissioner Hales' efforts. We were coproponents to get HJR 52 passed through the last legislation. We now have it now before us in the form of a

measure that we will be able to vote upon. This is a tool that I know not only our city has struggled with, but many cities have looked to struggle with having a tool similar to this, or things that are very common sense. As I talk with numbers of people over the years with regards to this issue, necessity are actually quite appalled that these kind of businesses can locate anywhere that say any 7-eleven or any regular business would be able to locate, be it next to home schools, and children and the like. It just seems so common sense that we would be able to have a discussion where we could talk about appropriate locations for this kind of material. This is not about material. This is about the location of the material. And what goes on or what can go on around these types of stores. We have numerous studies from across the united states, we know what goes on. In our own neighborhood within the last two weeks we had although I believe they were legal, I think it was probably on the border, we had demonstration of women parading around promoting on the sidewalk in the middle of the afternoon while mothers were running their children back and forth, and this promotion was taking place. What do we do? These stories hold our neighborhoods hostage. I appreciate the efforts, like I mentioned, and I would just like to see this city council in support of this. And we need this tool. It's something we've needed for 15, 20 years now, since the tiedman issue, and I just—I value your support on getting this measure passed. Thank you.

Janna Brown: 10734 SW Inverness Crt., 97219. my name is jenna brown, i'm involved with siege in southwest Portland. We do strongly urge you to adopt this resolution in support—and support the ballot measure, because it will allow adult businesses to be zoned and we think that's a wise decision to make. The goal of course is to all lieu for safe and healthy approaches to zoning in local communities, and that would keep in mind the first amendment rights in the united states constitution. And also those in the Oregon state constitution. I want to point out, in the Oregon state constitution, besides saying no law shall be passed restraining the free expression of opinions or restricting the right to speak, vote or print freely on any subject whatever, but it says but every person shall be responsible for the abuse of this right. And I think that's what this ballot measure gets at, is that it would give cities and municipalities a tool, a right to decide where adult-themed businesses can locate, because right now an example in coos bay, Oregon, is that right across the street from the elementary school in coos bay there's an adult store very much like the one that we've protested that is across the street from two houses on taylor's ferry road. We think it's an inappropriate location for this kind of business, and I think you probably would agree, at least commissioner Francesconi and commissioner Hales, came down to salem and testified on behalf of the hgr resolution that became ballot measure 87. And the other thing that I think is great about it, it doesn't try to limit free speech. It doesn't tell adult businesses that they can't establish themselves somewhere, it doesn't ban books, it doesn't tell cities and municipalities that they must zone, or have to zone. It's left strictly up to cities and municipalities to allow for this. And we think that's reasonable. There are 48 other states that give their cities the power to create zoning ordinances, where they like. And we think this—the citizens of the state of Oregon should also be given that opportunity. We think it's the right thing to do and we hope you'll support it.

Francesconi: Just a little background quickly. Madeleine, our own city attorney, had a lot—I don't know if she drafted all the language, she drafted. Of—much of this language that found this—its way into this constitutional amendment. I say that partly—well, it's different than the last time around. The last time around, we—ballot measure, the old ballot measure 31 actually tried to change Oregon's constitution on the definition of pornography to match the united states constitution definition, which is the definition in 48 states. It's a pretty—it's a standard that has allowed free speech in most states. And really is not controversial. But this does not even do that. What this does is leave it with a very basically the city cannot regulate at all pornography. The state under the—oregon's supreme court's definition. So this is the last attempt that can be made, folks. If we can't zone as we do other businesses, that's it. I mean, there's nothing—there's no other alternatives here. If this passes, this

puts the city in a difficult position, because we cannot exclude stores from the city. We're going to have to decide where to put them. So it's going to fall back onto our lapse and it's going to be extremely controversial. But I just spent too much time on sandy and southwest and other places where this is a genuine concern for citizens about the quality of life in their neighborhood. So I made the decision to pursue this. And I think the council has. The last thing I want to say is, when you have uneven constitutions, it creates different situations that create problems for—from one state to the next, especially where the border is the river. The reason I say that is that there are estimates that 30 to 40% of the patrons of these stores come from Vancouver and Washington. And that is not fair to our citizens of Portland. In my opinion. Aye.

Saltzman: I'm very pleased that—first I want to thank many of you and fellow commissioners for even get can to the point where this is before us on November. Particularly I want to thank representative Partridge from Jackson County. I think he played a real leadership role in getting this forward. I want to say I hope you're going to be working with neighborhoods on the east side of the river, because I've been spending the last week attending neighborhood safe meeting with Mayor Katz. This issue comes up in every neighborhood, but particularly in southeast and north, and—northeast, and nobody knows about this ballot measure yet. I had to tell a lot of people last night about this. Many of these people are very sophisticated citizens. So we need to work to really get the word out about this ballot measure, and a you—as you know, there are a lot of other ballot measures competing for people's attention. It's going to be a hard sell, but it's a very necessary sell. I think it's a carefully crafted measure, and when I think back to—when I think about in northeast Portland where we have we spent a lot of time and effort to revitalize a neighborhood there, and the Hacienda Community Development Corporation has done a great job in creating family housing. And they're—right across the street is a sex shopping mall. What message does that send to the kids who are wondering, what is this and why is it there? And they're out there parading their—scantily clad, trying to get customers in too. So this gives us a tool, as Commissioner Francesconi said, it's not going to make our job easier, but it gives us a tool to try to do something about this and keep adult businesses away from places we think they're inappropriate. Aye.

Sten: People have a right to free speech and they should, and the—like it or not these are free speech issues. I think a community ought to have a right within reason to try and shape its city in terms of zoning, and we do these kind of regulation was bars, for example, and this seems to be very analogous to that. I think we as a community we ought to have a right to decide whether or not to zone these businesses and zone them appropriately. I think people should support this measure. I frankly do not look forward to trying to figure out how to zone them, because I think it's going to be a very contentious issue. Part of what will be tricky, I think for our law to be upheld we'll have to zone enough of an area. I don't think we'll be able to say you can be on these three blocks in a city of a half million people. The way this will work out probably will be a pretty robust check and balance system. I doubt we could sustain an ordinance that didn't give quite a few opportunities throughout the city for these types of businesses. So I think this is probably a much better balance than we have now, and in this case to the extent this is all fight between groups that want these and groups that do not want these, however you want to describe it, it's completely stacked towards group who want these at this point. So this I think will make for an even match, and—but it will still be very difficult. This is really a minimum to try and look forward and shape the city in a way that I think will, you know, hopefully work for people who desire these servicing, which are legal, like them or not, and people who would rather not have them next to schools and other things i—that I think is strong common sense. This is a good measure and I'm glad to support it. Aye.

Item 1264.

Francesconi: Briefly, again, this takes a massive amount of money. From the state. How we meet all of our obligations, education, transportation, all the health-related services, safety net, the prisons, it's

just not possible. It's just not possible. That's number 1. Number 2, why would we give back I think the estimates are 3 or \$4 billion to the federal government—why would we give the money back to them? It doesn't even go to the taxpayers. Why would we do that when we have such massive needs here in Oregon? It doesn't make any sense to me. Third, the argument—now, this is an inequitable tax relief. We're going to give tax relief to folks who don't need it and not give it to people who needs it makes no sense. Aye.

Saltzman: I oppose this for the same reason I opposed the state spending limit initiative, which we discussed with mr. McIntyre earlier. This will have a massive impact on state's ability to provide services in areas that are very important. I think to all of us. And those are education, health care, senior and disabled services, and also other human service programs. Aye.

Sten: This will have great cost to the state, and it will not have much benefit to people who need it. The major beneficiaries of this will be very wealthy people who work hard for their money just like everybody else, but it doesn't make sense to give a huge tax break to the rich at this point in time, and again, I think what's happening with this is that the proponents of these measures are doing a nice job of dressing up the measures that are designed to help people who don't need it at the expense of people who do under the guise of really being common measures that are being done by average people. So this is another one that it's dressed up, and I continue to say to the folks on the surfaces they're fighting for the little person, there's a way to do that, which is proactive changes to the tax system that are progressive. And putting these kind of measures forward and calling them progressive when actually they're doing just the opposite is disingenuous. Aye.

Item 1265.

Francesconi: This one—every time pool fees, you know w. Raise it a nickel, in order to try to have some resources, we're going to have to go to the voters, or we're going to raise the building permit fees some to help speed up a lot of times they're without opposition. In fact they encourage it. So we're going to have that, we're going to go to the voters. This ballot thing is going to be bigger than a phone book. It's just—it's incredible. Then, you go back two years, and so we're going to have to reduce budgets at a time we're having anyway. It's such an enormous potential. Then you get a circumstance like the convention center, where the parties, the hotel-motel tax people, agree to tax themselves, none of it comes out of property taxes, and that won't happen. So it just—we don't need this one. Aye.

Saltzman: I did want to state for the record, by the way, we did receive an e-mail from ted piccolo urging us to support measure 93. I am going to oppose measure 93, and again I think it's—again, it sounds nice, has a nice title, taxpayer protection initiative, it really contradicts the fundamental tenant of the type of government we have, and that is if you want to hold us accountable, you have the right to—the right to hold us accountable for decisions we make about spending taxpayer dollars when we stand for reelection or we stand for election in the first place. And to—in an era where we're having trouble—more ask more trouble getting people to vote, period, the notion of gumming up the ballot with measures that are going to be very hard for people to understand and are going to overload the system and it's just going to gum up the works and prevent us from working. Again, I don't think it goes anywhere towards making us anymore accountable than we already are to the public that puts us here in the first place. Aye.

Sten: What this measure would do is pretty straightforward. There's all sorts of different whether it's swimming lessons or water bills, if it—an increase in those fees was more than inflation, it would need a vote of the people. Which basically means any time anything happened that needed to be addressed, for example, sewage is overflowing into the willamette river, which makes—when it rains, which makes it unsafe for our children to swim, in a river that people are considering drinking, anybody would understand that to fix that is going to take an investment that's larger than the rate of inflation. I

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wish that mistake hadn't been made a long time ago, and if we get to the position as a community where we can't do common sense things because government is nothing more than all of us pooling our money and working on these issues, through elected representation, our ability to solve local problems is going to be very, very hard. I think all taxes and fee increases should be scrutinize, and citizens should work on them. About the—the idea that everyone should be voted on is a recipe for disaster. I think people would be wise to again, as I said, addressed underlying tax system. The way to get to fairness in government investment is to have a fair tax system. And all of these measures that are designed to get at it different ways are basically different way of describing a fundamental split in the community between folks who would like to see government work on issues and folks who would prefer there really wasn't any government. And there was very little taxation. And so nobody loves taxes, nobody loves fees, but the yes is, are we going to govern ourselves through a series of initiatives that don't make sense together, or are yes going to work out in the open to talk through these issues and come to decisions? I think this one will make the process of governing this state very, very difficult, whoever end with—up with the job, long after i'm gone. Aye.

Item 1266..

Saltzman: Do we have anybody that wishes to testify? Britta, please call the roll.

Francesconi: Are you here just for the entertainment?

**** i'm here to answer any questions. On these two initiatives, 98 and 92. But could I say a few words if you would like.

Francesconi: It's up to you.

Saltzman: I think we're ready to take the roll.

Francesconi: I just don't know what the problem is that we're trying to fix with this constitutional amendment. We don't need every workplace union iced, but the truth is, as unions have become so weakened in this country, and in the state, the wage gap has expanded. There's plenty of research to show that actually unions help with wages. And wages have—of working folks. Aye.

Saltzman: Okay. That concludes our thursday meeting. No further business, the city council is adjourned.

At 4:40 p.m., Council adjourned.