



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **16 DAY OF JANUARY, 2013** AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Fish, Fritz, Novick and Saltzman, 5.

Commissioner Novick arrived at 9:31 a.m.
Commissioner Fish arrived at 9:33 a.m.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Ben Walters, Chief Deputy City Attorney; and Steve Peterson, Sergeant at Arms.

On a Y-5 roll call, the Consent Agenda was adopted.

COMMUNICATIONS		Disposition:
32	Request of Beth Hahn to address Council regarding fluoride and chemical sensitivity (Communication)	PLACED ON FILE
33	Request of Charlie White to address Council regarding fluoridation endorsements and process (Communication)	PLACED ON FILE
34	Request of Kellie Barnes to address Council regarding water fluoridation (Communication)	PLACED ON FILE
35	Request of Eric Froshnider to address Council regarding housing authority recklessly endangering the public (Communication)	PLACED ON FILE
TIMES CERTAIN		

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<p>36 TIME CERTAIN: 9:30 AM – Accept the Report on the 2013 State Legislative Agenda (Report introduced by Mayor Hales) 30 minutes requested</p> <p>Motion to add low-income housing property tax initiative: Moved by Fish and seconded by Fritz.</p> <p>Motion to revise education language to pre-k through 12: Moved by Saltzman and seconded by Hales.</p> <p>Motion to revise wording and add language to Public Safety Budgeting and Mental Health Care Crisis section; add statement that the city will work with coordinated care organizations to ensure that appropriate resources are focused on the mental health crisis: Moved by Novick and seconded by Fritz.</p> <p>Motion to move the Gun Safety item from the Policy Position Section to the Priority Section: Moved by Hales.</p> <p>(Y-5)</p>	<p>ACCEPTED AS AMENDED</p>
<p>S-*37 TIME CERTAIN: 10:00 AM – Adopt budget adjustments and establish appropriation authority for the Arts Education and Access Fund and Private For-Hire Transportation program reforms (Previous Agenda 1513; Ordinance introduced by Mayor Hales) 10 minutes requested</p> <p>Motion to accept the substitute ordinance: Moved by Saltzman and seconded by Fritz. (Y-5)</p> <p>(Y-5)</p>	<p>SUBSTITUTE 185859</p>
<p>CONSENT AGENDA – NO DISCUSSION</p> <p>Mayor Charlie Hales</p>	
<p>38 Appoint Kris Day and Igor Lacan to the Urban Forestry Commission for a term to expire February 29, 2016 and reappoint other sitting Commissioners (Report)</p> <p>(Y-5)</p>	<p>CONFIRMED</p>
<p>Bureau of Emergency Management</p>	
<p>39 Accept 2012 Annual Evaluation Report on Flood Hazard Mitigation actions, in conformance with National Flood Insurance Program Community Rating System rules (Report)</p> <p>(Y-5)</p>	<p>ACCEPTED</p>
<p>*40 Accept an FY 2012 Emergency Management Performance Grant in the amount of \$227,548 from the Federal Emergency Management Agency to administer an integrated all hazard emergency management program for the City (Ordinance)</p> <p>(Y-5)</p>	<p>185855</p>
<p>Bureau of Planning & Sustainability</p>	

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<p>41 Authorize an Intergovernmental Agreement for 2013-15 with Portland State University in the amount of \$127,139 to implement the Single Family Weight Study for Bureau of Planning and Sustainability (Ordinance)</p>	<p>PASSED TO SECOND READING JANUARY 23, 2013 AT 9:30 AM</p>
<p style="text-align: center;">Bureau of Transportation</p>	
<p>42 Set a hearing date, 9:30 a.m. Wednesday, February 13, 2013, to vacate a portion of NE Sumner St (Report; VAC-10078) (Y-5)</p>	<p style="text-align: center;">ACCEPTED</p>
<p style="text-align: center;">Office of Management and Finance</p>	
<p>*43 Ratify Letters of Agreement between the City and the City of Portland Professional Employees Association; the Portland Police Commanding Officers Association; Laborers', Local 483; the American Federation of State, County and Municipal Employees, Local 189-2; and the member unions of the District Council of Trade Unions authorizing two additional representatives to the Labor Management Benefits Committee (Ordinance) (Y-5)</p>	<p style="text-align: center;">185856</p>
<p style="text-align: center;">Commissioner Amanda Fritz Position No. 1</p>	
<p style="text-align: center;">Office of Neighborhood Involvement</p>	
<p>44 Authorize grant agreement for \$13,000 for East Portland Neighbors, Inc to administer the newsletter production of East Portland Neighborhood Association News (Second Reading Agenda 26) (Y-5)</p>	<p style="text-align: center;">185857</p>
<p style="text-align: center;">Commissioner Dan Saltzman Position No. 3</p>	
<p style="text-align: center;">Bureau of Environmental Services</p>	
<p>45 Authorize a contract and provide for payment for the construction of the SE 2nd Ave, SE 3rd Ave, and SE Alder St Consolidation Project BES Job No. E08847 (Ordinance)</p>	<p style="text-align: center;">PASSED TO SECOND READING JANUARY 23, 2013 AT 9:30 AM</p>
<p>46 Authorize the Director of the Bureau of Environmental Services or his designee to enter into participation agreements with private property owners in the RDII Program Pilot Project areas for rehabilitation of private sewer service laterals to remove inflow and infiltration into the public sewer conveyance and treatment system (Ordinance)</p>	<p style="text-align: center;">PASSED TO SECOND READING JANUARY 23, 2013 AT 9:30 AM</p>
<p>47 Authorize a contract and provide for payment for the construction of the Upper Hillsdale Sub-Basin RDII Pilot Project No. E10472 (Ordinance)</p>	<p style="text-align: center;">PASSED TO SECOND READING JANUARY 23, 2013 AT 9:30 AM</p>

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<p>48 Authorize a contract and provide for payment for the construction of the SE Clay Green Street Project BES Project No. E10007 (Ordinance)</p>	<p>PASSED TO SECOND READING JANUARY 23, 2013 AT 9:30 AM</p>
<p style="text-align: center;">Commissioner Steve Novick Position No. 4</p> <p style="text-align: center;">Portland Fire & Rescue</p> <p>*49 Authorize application to the Department of Homeland Security, through its Federal Emergency Management Agency for a grant in the amount of \$120,000 for the campaign against illegal fireworks (Ordinance) (Y-5)</p>	<p style="text-align: center;">185858</p>
<p style="text-align: center;">REGULAR AGENDA</p> <p style="text-align: center;">Commissioner Dan Saltzman Position No. 3</p> <p style="text-align: center;">Bureau of Environmental Services</p> <p>50 Replace the Sewer User Charges Code for consistency of definitions, clarification of terms and addition of enforcement measures (Ordinance; replace Code Chapter 17.36; amend Code Section 17.34.020)</p>	<p style="text-align: center;">PASSED TO SECOND READING JANUARY 23, 2013 AT 9:30 AM</p>

At 11:13 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 16TH DAY OF JANUARY, 2013 AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Fish, Fritz, Novick and Saltzman, 5.

Commissioner Fish arrived at 2:02 p.m.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Linly Rees, Deputy City Attorney; and Harry Jackson, Sergeant at Arms.

<p>51 TIME CERTAIN: 2:00 PM – Consider the proposal of Haddish Tarekegn, Pristine Cleaning LLC and the recommendation from the Hearings Officer for approval with conditions, to change the Comprehensive Plan Map designation and zoning from R5, Single-Dwelling Residential and CG, General Commercial zones to CM, Mixed Commercial/Residential at 7424 N Mississippi Ave (Hearing; LU 12-160096 CP ZC) 1 hour requested for items 51-52</p> <p>Motion to uphold the recommendation of the Hearings Officer and approve the Comprehensive Plan Map and zone changes: Moved by Fritz and seconded by Fish.</p> <p>(Y-5)</p>	<p>Disposition:</p> <p>ACCEPT HEARINGS OFFICER'S RECOMMENDATION</p>
<p>*52 Amend the Comprehensive Plan Map designation and change zoning of property in the vicinity of 7424 N Mississippi Ave at the request of Haddish Tarekegn, Pristine Cleaning LLC (Ordinance; LU 12-16096 CP ZC)</p> <p>Motion to approve the ordinance to amend the Comprehensive Plan Map and change zoning: Moved by Saltzman and seconded by Fritz.</p> <p>(Y-5)</p>	<p>185860</p>

At 2:33 p.m., Council adjourned.

LAVONNE GRIFFIN-VALADE
Auditor of the City of Portland



By Karla Moore-Love
Clerk of the Council

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

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Closed Caption File of Portland City Council Meeting

This file was produced through the closed captioning process for the televised City Council broadcast and should not be considered a verbatim transcript.

Key: ***** means unidentified speaker.

JANUARY 16, 2013 9:30 AM

Hales: Council, please come to order. Please call the roll. [roll call]

Hales: Thank you very much. I think commissioner Fritz has an announcement before we begin our communication items this morning.

Fritz: Thank you, mayor hales. Carrie Jo Stairs died early they are month from heart failure at the age of 49. Carrie jo was a founding member of the Portland commission on disability, having been appointed in 2009. In her application to become a commissioner, she had expressed her interest in contributing to the reshaping of the social and physical environment of Portland so that all people may experience equality, independence, autonomy and full access to life. Carrie Jo was a cancer survivor having been diagnosed at the age of 12. She was treated with chemotherapy and survived the disease. But the chemotherapy caused her to have congestive heart problems the rest of her life. Despite her health challenges she worked as a community activist for over 20 years, putting her time, energy and talent into building skills, in negotiation, nonviolent communication, effective advocacy, coalition building, empathetic understanding and respectful service. She worked professionally as a mental health advocate and medical technician specialist for seniors, mediation specialist for resolutions northwest, contributor to an lgbtq newspaper, and a prison release advocate for the state of Oregon all in those short 49 years. Her own words when applying to serve on the Portland commission on disability may provide the best picture of carrie jo and her passion for her beloved community. "there is much work to be done with regards to ending discrimination, reducing barriers, ensuring access, and increasing awareness of the needs of individuals with disabilities. Any action towards that end is an accomplishment. I hope to serve on the commission as a venue to realize that goal." indeed, carrie jo stairs did do that and epitomized the spirit of Portland. Please join me in a moment of reflection to honor her life and legacy. Thank you, mayor hales.

Hales: Thank you very much. Good morning and welcome. We have a number of communication items before the time certain so if you would read those, please, Karla, we will call people up.

Hales: Good morning. Are you here? You have three minutes. Just state your name for the record. You don't need to give us your address. But state your name for the record and if you are representing an organization, please let us know what organization.

Item 32.

Beth Hahn: The mic is on. Ok. Mayor hales, commissioners, my name is beth hahn and speaking of needs of people with disabilities, I have multiple chemical sensitivity or mcs, which is recognized as a disability under the americans with disabilities act. And it's crucial for people with mcs to avoid exposure to chemicals. I am hypersensitive to fluoride and have been told by my doctors to avoid it & even small amounts can cause me to have severe reactions. The american academy of environmental medicine explains mcs as a very real chronic medical condition that has been only slowly gaining a public recognition it deserves. Recent estimate the suggest chemical sensitivity that is hypersensitivity to various environmental agents also known as incitants or triggers may afflict 10 to 15% of the american population. Fluoride-containing water is considered an incitant by the american academy of environmental medicine. I expend a tremendous amount of time and energy and money to stay a productive member of this community in spite of having

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serious health challenges, and I fear that with water fluoridation that would be impossible given my known hypersensitivity and that there's no way to avoid exposure. If it's in our water. My state of the art water filter easily removes chloramines and disinfection by-products but no filter will remove fluoride. You have to go to reverse osmosis or distillation, which are both expensive to purchase and maintain. This becomes an equity issue at this point. Ro, reverse osmosis reverse-wastes three to five gallons of water for each gallon it produces. I would need purified water for cooking, drinking and cooking vegetables. This is a lot of water. Additionally, like chlorine, fluoride is readily absorbed through the skin when bathing but it cannot be removed with a simple shower filter. And it's really critical for the hypersensitive that all sources are removed. Because even small amounts can cause serious health consequences. If you force fluoridation on people who are medically unable to tolerate it, some of us will suffer serious health consequences and we will have no way to avoid exposure since multiple chemical sensitivity is considered a disability under the American with Disabilities Act. I wonder how the city plans to accommodate people like me whose health would be seriously compromised. It's easy for those who want fluoride to obtain it but for those of us who cannot tolerate it it's impossible to avoid exposure if it's in our water. Let's find solutions for dental decay that are safe for all our citizens and harmful to none. Thank you.

Hales: Thank you very much. Karla, the next one, please.

Item 33.

Hales: Good morning. Welcome, again, just state your name for the record and if you are representing an organization, let us know.

Charlie White: My name is Charlie White. I am always representing myself but I am also a member of Clean Water Portland. I wanted to welcome you, Mayor, and also our new Commissioner Novick. We as a people are easily conditioned and unless we are willing to look at history, question power politics and follow money trails we are lost and risk making foolish or short-sighted or even harmful decisions. Edward L. Bernays, the nephew of Sigmund Freud, became the father of public relations. Among his many successful campaigns was to help persuade accept water fluoridation, he admitted, by stressing a claimed public health benefit. He understood the often unconscious trust the public had in medical authority such as physicians and other opinion leaders. He chuckled saying you can get practically any idea accepted if doctors are in favor because doctors are authority figures. Public health endorses fluoride thanks to Bernays and a top Wall Street lawyer for the Aluminum Company of America, Alcoa, Oscar R. Ewing. He served as in the Truman Administration who had jurisdiction over the public health service. In 1960 he advised the Commissioner of Health for the City of New York on how to sell fluoride to the voters through the engineering of consent, a well known Bernays essay on the techniques of media manipulation and public relations. I am going to skip because I am going to be running out of time. The opposition is getting a better reception from the public in any battle of propaganda or public debate. Fluoridation could be achieved by systematic targeted campaign directed at those specific officials who had voted the against fluoridation or by lobbying ethnic groups of political importance. Other ways would be remove the fluoridation issue from the arena of public opinion, make the decision a health ruling from the Board of Health and/or secure enough votes, change the balance of public opinion so the political leader could be convinced a large majority of his supporters favor his action. Determine the major ethnic groups of political importance in particular communities. Covertly influence TV and these are all means to persuading the public toward water fluoridation. Publishers of dictionaries and encyclopedias were contacted thereby creating the definition of the word fluoridation. An influential committee of citizens was formed. Famous names signed on to the committee to protect our children's teeth, a lavish booklet called "Our Children's Teeth" was distributed, falsely reassuring fluoride safety and denouncing opponents as cultists, chiropractors, food faddists, misinformed persons ignorant of the scientific facts. It appears this play book has been circulating for a half century. Portland doesn't need to follow the play book of propaganda

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and persuasion. I hope we are wiser than that. Fluoridation chemicals are nothing more than toxic industrial waste sold to a trusting public. Thank you very much.

Hales: Thank you. Karla, next item, please.

Item 34.

Hales: Good morning. Welcome. Same procedure. Give us your name for the record and if you are representing an organization, let us know.

Kellie Barnes: I'm Kellie Barnes representing myself and my two children. I reside in Portland as a physical therapist and I am a health care practitioner of 20 years. I have three graduate degrees in allied health and an undergraduate in biology. My biggest concern is one of having access for the public to be educated. I believe it is an issue of equity. I believe we do need to discuss with all parties involved what that means. When the CDC has data showing that children of color are more at risk to the policy of water fluoridation than white children, I believe that is a question of equity that should reach all of our communities, speakers and leaders. I am asking you today to do two separate items. I have all this information -- I fell asleep with my daughter last night. None of it is typed up but I believe in this passionately. I don't believe I should be doing research at midnight to bring this cause to the forefront of our community. I would like to invite each of you to invite our community leaders in the issue of equity to the table so they can understand that the CDC believes that the adverse unintended effects of fluoridation affect children of color two to one for black Americans and one and a half to one for Latino children. That is an important issue and it's an unintended side effect of this policy. We know that fluoridation chemicals used in this process according to the Portland Water Bureau will be coming from hydrochloric acid. There are new studies since 2007 and 2011 that show fluoride is not fluoride. It does not simply dissociate into an ion. There are other chemicals present such as lead. That is important in Portland. It is relevant for Portland discussion because we have a lot of lead in our pipes. Unfortunately, children of color are more adversely affected by this because of exposure to lead. I believe that you are each responsible ultimately because the FDA takes no responsibility or policy regulation for this issue. Because the EPA also steps out of this issue and because the manufacturers of this product accept no responsibility and liability. Therefore, it is our policymakers that are putting this upon the public to boot but ultimately are responsible. I invite you, please, to consider inviting these people to the table. I would love to be present for that discussion. Dr. Yolanda White, a physician from Atlanta, Georgia, a pediatrician would like to be present for that discussion. I also ask each of you, please, to do due diligence and look at equity issue. I am a single mother. I have a gallon bottle of water back there from Gerbers that is nonfluoridated. They are recommending and through the CDC that children under six months of age do not consume fluoridated water due to fluorosis risk. Assuming that a single mother of a young child making infant formula has the wherewithal, the knowledge, or the financial means to go to the store, who wants to carry their six-month-old baby on one hip and a gallon of a bottle of water on their other hip? Please consider that equity means equity for all. Those that are chemically sensitive as spoken about earlier and those people of color that are most at risk. When the therapeutic value of this policy is marginal at best, and CDC studies are showing this, why are we not having more discourse? And I know that this is an issue the public will be voting on but please help us reach the public. You can consider endorsements and you can bring these people to the table and I will gladly participate in that discussion and would love to be present. Thank you.

Hales: Thank you. Karla, next one, please.

Item 35.

Hales: Good morning.

*******:** Shall I begin?

Hales: Yes, please.

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Eric Froshnider: First of all, I had living in the housing authority of Portland and I had a restraining order on another tenant. Number is 1204-64600. I then had a doctor's notice that was given to me as soon as I could possibly get it on after restraining order on 6-7-2012 and it says that my mental health has been compromised by this tenant who I had the restraining notice on. So I had a doctor's notice and I had a restraining notice on this other tenant who was living in my building. Now, the manager's job is to keep the building safe. It says in my lease that the building will be safe. So I wrote to lisa yarborough through my building manager dennis mitchell, and almost three weeks later, on june 27th, she writes back, "i have received your request for reasonable accommodation to transfer to a different apartment. Based on the information provided, I am denying your request for reasonable accommodation. The information does not show a connection between your disability and the accommodation requested. Home forward could not ensure that moving to a different property would mitigate issues you may have with neighbors." this person that I had a restraining notice on and my doctor wrote about saying that he had put my mental health in danger was then arrested as a fugitive where he was renting from the housing authority of Portland by a number of police officers. The case number for this is 1264744. I would like to bring both lisa yarborough, the real estate specialist who denied my transfer, and then at the time building manager dennis mitchell to face criminal charges of reckless endangerment and mental anguish upon my life.

And I would like the city to make sure that this comes to a fair court trial because I am diagnosed as disabled with anxiety and depression. The responsibility of this should not be mine alone. The decisions on tenants' lives made by the housing authority if poorly made, can be an endangerment to the public. Endangerment is a person commits the crime of reckless endangerment of the person recklessly engages in conduct which creates a substantial risk of serious physical injury to another person. Reckless conduct is conduct that exhibits a cull paintball disregard of foreseeable consequences to others from the act or omission involved. The accused needs not intentionally cause a resulting harm. The ultimate question is whether that made is whether under all the circumstances, the accused conduct was of the heedless nature that made it actual and eminent danger to the rights and safety of others. And I feel that it has.

Hales: Thank you for bringing this to our attention and I hope the housing authority is able to help you get to a safer and better situation. Thanks for being here.

Froshnider: I'm not counting on the housing authority helping me as far as I am concerned, they are criminals. I am counting on the city to come forward and give this media attention.

Hales: Thank you. So the public can decide.

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

Hales: Thanks. Now, Karla, can we get to item 36? I will have a few comments at the outset.

Moore-Love: Do the consent agenda?

Hales: Sorry. I did it again. Eventually you will get me trained. I don't believe there are any council requests to withdraw items from the consent agenda. There is number this morning? We will take a roll call on the consent agenda. There is anyone here to testify on a consent agenda item? Hearing none we will now take the roll call.

Fritz: Yes, aye. **Fish:** Aye. **Saltzman:** Aye. **Novick:** Aye.

Hales: Aye. Ok. Practice will eventually make perfect now item 36, please.

Item 36.

Hales: I am very pleased to have this item on the calendar this morning. It's a process that's been underway for some time, actually starting last spring with the council then and mayor adams went out of his way to make sure that I and commissioner novick were included in the december deliberations that the council was having on the legislative agenda. So it feels to me like we have had a successful deliberation among ourselves. The purpose of today's discussion is to both give our government relations staff a chance to go through the package as it has been crafted and give the public a chance to comment on it before we take our case to the next session of the legislature.

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To me, and in crafting this package, it's important for us to have priorities that are both those of this as a municipal corporation, and for us as a community. We have some amount of clout in the state legislature. We should use it for the issues that are most important to us as a community, and that have some bearing on our work here at the city, even though some of these issues as we will talk about this morning, cross governmental boundaries to say, schools or county government. So I think striking that balance is important. And then obviously, as in any process, trying to have a relatively short list of key priorities is important, even though all the issues on this agenda matter to us. Again, the practical realities of the politics of the legislature, we will get to have influence on a few. So those are the balances that we are trying to strike here. I invite martha pelligrino to come up with her staff and present the package.

Martha Pellegrino, Director, Office of Government Relations: Good morning, mayor haes, commissioners. For the record, martha pelligrino, director of the office of government relations. Very pleased to bring the 2013 report on the state legislative agenda to you today for your consideration. I would like to begin by acknowledging my staff who have been working diligently over the last several months on this. To my left is dana, manager of state government relation. To my right andy smith, our senior associate of government relations. And then in the audience and probably listening upstairs we have stephanie mendoza, molly, amy, and leslie kelly. This is certainly been a team effort of epic proportions. So, mayor, as you reference, the process for building this legislative agenda began back in may when we began soliciting ideas for both priorities and initiatives for a package and we have been working since then to gather and vet issues for inclusion. We have also had an extensive outreach process to state agencies, other governmental entities, business groups and nonprofits to determine their priorities for the upcoming session and look for areas of alignment and partnerships. We have also invited staff from the office of equity and human relations to participate in our meetings when we talk with groups about issues they are going to be pushing related to equity in bills in salem. For our community engagement strategy, we partnered with the office of neighborhood involvement under the leadership of commissioner Fritz. We had two very successful listening sessions with the community, one in august and the other in september. Both were very well attended and with over 50 people participating in each meeting. And then even last week we completed our final session which was an advocacy 101 training session. We had two of our distinguished legislators turn out for that training, senator burdick and representative lew frederick. So turning to the report before you, I want to mention that the agenda is structured in three different areas. First are the priorities which were the limited number of bills and issues that are the highest significance to the city. Secondly, are the initiatives and these are the bills where the city is taking the lead on moving these pieces of legislation through the legislature. These often require the greatest investment of time on behalf of myself and my staff. And then lastly are the policy pigs positions, meaning a much larger issue in which the city is taking a position. Mayor, as you mentioned, on december 4th we brought you the draft agenda at the council informal work session and very much appreciated the additional feedback and guidance from each of your offices. At this point, I will turn things over to dan to walk through the one-page memo that shows the changes to the draft since that work session. And then what we will dies open it up for your questions, if you would like us to walk through any more detail or answer any other questions, we would be happy to do so. Dan.

Dan Eisenbeis: Again, for the record, dan eisenbeis. You have a memo outlining the changes before you today from the council work session. Just like to walk through some of the significant changes on that list. Beginning on page 2, the education funding priority has been revised. And on page 3, the public safety budgeting place holder has both been filled in and now encompasses who had been the community mental health place holder. On page 7, the property tax reform priority has also been revised. And moving to the policy positions, on page 18, the brownfield redevelopment policy position has been revised to encompass more than just the state revolving

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fund for brownfield redevelopment. The former place holder for coordinated care organizations and 9-1-1 responders has been removed from the draft. And then on page 29, paid sick leave has been fleshed out where it previously had been a place holder. On page 32, a gun safety policy position has been added to the agenda. And on page 33, the place holder for lottery establishments has been flesh the out. And on page 35 and 36, you will see that the transportation funding and state shared revenue items have been moved to the policy position section.

Hales: Ok.

Pellegrino: So that's kind of a pretty quick run through. At least some of the changes. We will be happy to take any questions at this point.

Hales: Questions from council? Comments about any of these items?

Saltzman: What is our position on property tax reform? And how does that square with the league of Oregon cities' position?

Eisenbeis: So the current draft before you calls out support for three component concepts. Support for the league of Oregon cities' concepts to allow local option levees outside of compression if approved by voters. And to refer an amendment to voters to require reset of assessed values at the time of property sale. The priority also --

Saltzman: League of Oregon cities?

Eisenbeis: Those are the league of Oregon cities' concepts. The priority also calls out support for proposing an amendment to the league's local option levy concept to base local option levies that are approved by voters on heal market values rather than assessed values.

Saltzman: So we are fully support of the league of Oregon cities' position on property tax reform?

Eisenbeis: We crafted the position with the intent that it would position the city to advocate for each of the three concepts.

Hales: Are you concerned there's a delta between our position and the league's position?

Saltzman: I'm concerned there is a potential delta if the league's position -- I want to make sure if the league's position prevails, there's no doubt the city of Portland supports the league's position. I see head nods? I understand commissioner novick wants to advocate a tweak for that. If the tweak does not become part of the package I don't want there to be any doubt the city of Portland is fully in support of league of Oregon cities' number one priority.

Novick: Mayor hales, fellow commissioners, this is an issue that I have discussed with commissioner Saltzman and with the legislative team. I think personally, I don't like the league's original proposal on collection of levies outside the measure 5 limits without the tweak to apply the rates to real market values. Commissioner Saltzman strongly feels that we should support the league's original proposal regardless. And I have been in touch with the league, and they are actively considering amending their proposal to apply rates to real market values. What I had hoped and I think our legislative team said they are amenable to this is that at this point, we could avoid asking the mayor and commissioner Fritz and commissioner Fish to choose between commissioner Saltzman and since you love us equally and sort of let this issue ride, and hopefully that we won't have to make a choice because hopefully the league will adopt my friendly amendment. So I would ask you, your feelings about and also ask the legislative team at this point if you are comfortable with the idea of not having to make that sharp choice if you are driven to the wall, do you support the league's original proposal without my amendment?

Hales: Advice about this? Seems to me as a former league board member we can have a little distance between the league board, at least at the outset of the legislative session. But I don't want to set us up...

Saltzman: No, I don't have a concern with a difference at the outset. I'm just saying at some point the proposal may be narrowed down and the league's #1 priority is a certain way and if the league is not amenable to commissioner novick's friendly amendment I want to make sure that there is no

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ambiguity and the city of Portland still supports the league's #1 priority. I'm ok with ambiguity at this point.

Hales: You don't regard the league's proposal as a step backwards, or do you?

Novick: The problem is that i'm currently, the local option and the permanent property tax rates are applied to measure 50 assessed values, which in Portland, especially, creates huge inequities because neighborhoods that have experienced huge gentrification since 1995, pay very low taxes because their assessed values are so low, whereas other neighborhoods which haven't seen significant appreciation since 1995, particularly, as the Portland tribune outlined last week, their properties tend to be close to real market value. So, right now, you could have one property that the real market value is \$300,000, on the inner eastside, other property is \$300,000 on the outer eastside, and the assessed value for the recently gentrified property is \$30,000. These examples do exist, the assessed value for the outer eastside property is \$300,000. So, they are paying ten times the taxes on the same rate. Right now, the measure 50 limits act as something as a break in those inequities because at least the outer eastside property doesn't have to pay more than \$15 per thousand, if you adopt the league's proposal without my tweak, then when you add a \$1 Per thousand local option tax, then the property on the outer eastside is paying \$300 whereas the property on the recently gentrified property is paying \$30. So, I feel that the league's proposal, as originally introduced, would exacerbate those existing inequities. Personally and speaking personally, again, I would oppose the league's proposal without the tweak, the league is actively considering the tweak. I talked to Jules Bailey, the lead legislator, and I believe he introduced the bill, and he said that he's very open to considering it. And so, if we had to make decision, I would encourage the legislative team not to support the league's original proposal. If the team is ok with that, I don't know that we need to make a decision at this time, if it's ok for them to circle back and talk to the mayor, commission commissioner Fritz and Fish, to get sense of the city as a whole.

Fish: I jump in?

Hales: Please.

Fish: First, as a veteran of four of these, or may be three of these, i'm painfully aware through the legislative process things change, and the sausage-making takes us in different directions, and generally, i've been comfortable with giving the, our team sort of broad instructions, but they then come back and brief us, and we have other points along the way, and there is ample precedent for us revisiting this question, when, when there is greater clarity about what the league is proposing and the legislative leadership is going to be presenting. That's number one. And so, i'm generally ok with a more, broader mandate, and the check in points allows us to be nimble, this process doesn't really work with us being prescriptive right now because we're just one player. Secondly, the point that Steve is making, I think, is a very important one, but I think the implications of this change, I think, warrant a broader discussion. The inequity that Steve has identified is manifest, is clear. But, that the fix that's being proposed does not provide any tax relief to people on the east side. It equalizes the, the tax receipts collected, collected in areas that are gentrified and, and that piece, i, actually, want to spend more time thinking about because the way it is presented we are outraged there is this inequity, and people east of 205 might read that and think there is something in this where I will see reduction in my tax business, and point of fact, the net result of this change would be that others would see a sharp increase in their taxes to more equalize the load, but there would not be a reduction, and i'm not sure that we have had robust enough discussion about that policy, and the impact on homeowners for me to say today, that i'm comfortable with that.

Novick: Mr. Mayor, if I may.

Hales: Sure.

Fritz: I think it's a complicated issue, and measure 547 and 50, broke our entire system, if the inequities are beyond different neighborhoods, similarly, valued properties in the same neighborhood have vastly different taxes under this system, so, I am very interested in anything that

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makes this better. And I also am very interested in allowing voters to approve the local option levies outside of compression because that would be an option for funding the schools, and one of our other priorities in this legislative agenda is funding our schools. And we cannot continue to be allowed to approve capital bond measures to make our schools structurally safe, while not having enough teachers to teach children in our schools. That's fundamental priority that I think we would all agree on, on this, so, i'm comfortable with having the discussion today, the direction to staff, and i've been very impressed over the last four years at the government relations willingness and commitment to making sure that all five members of the council are consulted, and that we, as a council, speak together as one voice, so, it's helpful to have this airing, the major problem is that, that our property, in fact, all our tax structure in Portland is broken, and in Oregon, it's broken and doesn't fund the things that we need to fund.

Novick: Just one comment on commissioner Fish's point, although neither proposal would reduce anyone's taxes, having the tax rates apply to real market value would be, for a given levy, result in, when a jurisdiction has a target Dollar amount, that they want to collect, they could do so with lower rates applying to everybody. And basically, for that pot of money, the people on the outer eastside would wind up paying a smaller share than under the league's original proposal. Because if you have a target amount of money and get it, you can get it from everybody equally. You don't have to collect so much from the people whose property has high assessed value.

Fish: What i'm hearing here is our delegate, our representative to the league of cities has said, I would like us to be faithful to their package, the reality is that, is that there is going to be a fix in this session, provided there is a big enough coalition, and the league has a big say. Our colleague has said he thinks there should -- he thinks there should be a tweak to it, i'm not sure it's a decision for us today to resolve that other than to say, we rely on the, the professionalism our team to guide this ship down the road and come back to us if there is break. If at some point the league goes in a direction that, perhaps, one of our colleagues disagrees with, and we come back for discussion about that.

Hales: I agree with that. I think looking at the language of the objective here, I think that we can send, I hope, actually, both of you, in the legislative process, as advocates on this issue, as our lead board member and you, steve, as someone who has taken an interest in this, that's what it will take to have any clout on these issues. It's not only instructions to our team, but also, people on the council that are willing to invest time and political capital in trying to advance this stuff. So, I mean, I just sat here as this discussion was taking place and reread the language, itself. I think that it allows this, this reasonable debate among people of the same objective to keep going while we figure out whether they are willing to do any of this, so, that would be my counsel. I think you are correct, commissioner Fish. Other comments or concerns about the language in the presentation?

Fish: Protocol, I have an amendment, and do you want the amendment to be on the table before we take public testimony?

Hales: Please, yeah. Let's get on the table and vote at the end.

Fish: Is it appropriate for me to move this for purposes of discussion?

Pellegrino: Yes, please.

Fish: So I would move the amendment before us.

Hales: Is there a second?

Fritz: Second but could you describe it?

Fish: So the amendment before you would add, sixth initiative. And it would authorize martha and her team to seek very specific legislative fix on problem that has arisen concerning the interpretation and implementation of the tax abatement programs. As council knows, chair cogan and commissioner kafoury, commissioner Fritz and I spent two years working to reform our tax abatement programs and came with big fix to the council last year. From time to time, specific issues come up that the county and the city can either litigate or they can go to salem for relief. We

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did it two years ago. Were there was ambiguity about whether tax abatements could cover the commercial portion of an otherwise exempt building, and chair cogan and the city felt that we should have that discretion. Particularly, in areas where we are thinking about addressing a food desert by cross subsidizing a grocery store so we saw specific legislative relief. In this instance, a question has come up that has been initially decided by the tax court, concerning whether a city own property that would otherwise be tax exempt, if it was owned by nonprofit or housing authority, is also eligible for tax abatement. The property in question is the fairfield, which is home to section 8 tenants. Both the state revenue department and the tax court have said, have suggested politely that rather than litigate this question, we might seek legislative clarification about the scope of the exemption in this instance chair cogan concurs, and if it is the will of the council, the city and the county would go down to salem and seek a very limited relief that simply says that the city has the same exemption in an Otherwise eligible building that a housing authority in a nonprofit wyoming, and the benefit of this approach is, we'll save a ton of taxpayer money that otherwise would be spent litigating a question, which apparently, is ambiguous, so this looks to seek legislative relief and has the concurrence of the county chair.

Hales: Thank you. Other questions of the staff or concerns?

Novick: I want to raise the question about --

Saltzman: I want to raise the question about education. That we, we -- it's referred to as k-12, and I think with all of the efforts underway, and all the recognition of the importance pre-k in terms of getting kids to school and ready to learn, that I would like it raise for discussion that we amend it to say pre-k through 12 in education funding.

Hales: If that's an amendment I will second it.

Fritz: Do we have another one on higher education or should we make it pre-k through higher?

Saltzman: I'm comfortable with pre-k through 12. Higher education has its own --

Hales: That item on the list at this point. The reason, you know, that -- from my perspective the reason why this item on the calendar, and the reason this is on the list, and prioritized as it is, is that we, as a community, have a profound stake in the outcome of k-12 education. We, as an economy, have a profound stake in the outcome of higher education beyond that, Hymn not denigrating or minimizing that, but in terms of the nexus with what we're charged with doing here at the city, that, to me, seems the strongest connection. Doesn't mean we don't care about the agenda. It also is, again, a question of where we might be influential in the legislature. And I think that we have a chance at it on this issue.

Pellegrino: Commissioner, I failed to mention when I talked about the process, that outside of the agenda, there will be issues and requests that will come to the city about supporting particular pieces of legislation, and we do a lot of work with our higher ed partners, and there is a piece in the rural agenda, which represents, a partnership with Oregon state university, and so I will anticipate that there will be likely 3,000 bills that will be introduced in the session and the city will be asked to sign onto some of those, and rather than, than trying to, to cover everything, in a single priority, I think that we have the opportunity to bring some things back to you all, for consideration.

Fritz: I am glad you mentioned that because we have supported the rural and, and the provision of services in the past, and will continue to do so. And a new item which I want to highlight for everyone on the current agenda is identifying that we have a lack of mental health care providers in Oregon, whether people have insurance or not. So, that's a piece of the higher Ed that i'm interested in making sure that we attract and retrain licensed medical practitioners who help with our crisis.

Novick: I would like to offer an amendment to the language of the public safety budgeting of the mental health crisis proposal. And I have got a few word changes, but also, a paragraph that I would suggest adding at the end. This is the paragraph this I will speak to. And this suggestions is, based on a conversation that I had yesterday with richard harris, who was the state director of addiction at the mental health, and he was underscoring the extent to which --

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Hales: Which page?

Novick: The budgeting for the mental health care crisis and page three. What Mr. Harris was underscoring was the extent to which we can reasonably hope that the Medicaid expansion in 2014, will address our needs because a huge percentage, with police counties, are below 130-degree percent of property so they are eligible for Medicaid, and many of them as adults are not now. So, what Mr. Harris is saying is that we can hope the CCOS will provide a broad range of mental health services for those folks, and including, he thinks, even supported housing. So, I mean, this item addresses the possibility of performance incentive from the state, if this county limits the number of prisons, people it sends to the state prison prisons, we could get money back for public safety, and now I think it would be appropriate to spend some of that money on mental health if needed. However, if the CCOS provide the wide array of mental health services, that those same folks need, then we could reserve the performance incentive funding for other public safety priorities. So, I was going to suggest that we might change the words, public safety budgeting for the mental health care crisis to, public safety budgeting and the mental health care crisis to make it clear that, that the money that we're asking for would not only be for mental health, but also, another thing I want to change, is I noticed that we used the term, the phrase, prevention, mental health services and law enforcement programs, in part based on conversations I had yesterday with Commissioner Fritz and Saltzman. I would like to add, the word "reentry" to that list because reentry programs are critically important both in the statement of the objective, and also, at the bottom of the page, the same phrase appears. And then, add this language, or obviously, if anyone has better language, please add it. I gave away my own copy. The language that I was suggesting adding at the end of the page is recognizing that the implementation of the Affordable Care Act will, will dramatically expand Medicaid coverage in 2014, the city asked that the legislature take steps to ensure the coordinated care organizations focus appropriate resources on the mental health crisis and support broad array of services, including supported housing. The housing commissioner just passed me his proposed amendment which is supportive housing, and to the extent that the Medicaid expansion addresses the mental health crisis performance instead of funding to be reserved for other public safety means. So, I apologize for this last-minute long-winded suggestion, but I think that -- I would think we want to let the legislature know that we expect the CCOS to cover the mental health issues, and if they do we can use the performance incentive funding for other needs.

Hales: I think we captured the language, but the sense of it is what is important. Is there a second for this?

Fish: I am happy to second it for discussion.

Hales: So we have this on the table, and we can take public comment. But Commissioner Fritz.

Fritz: I would like more discussion with Commissioner Novick on this, and if this component of what we would be passing, we would move in adoption until next week. There is number of issues with the coordinated care organizations working diligently to get established and to set their priorities, and I would want to look more carefully at what we would actually be asking the legislature to do in this regard opposed working with the coordinated care organizations. And in particular, what the language in the last sentence that seems to preclude using any additional funding. The Commissioner Novick and Director Pellegrino and I had discussions on combining a previous policy on addressing the mental health care crisis with Commissioner Novick's suggestion at the incentive budget, incentive funding, and I think that, plans, we're recognizing that has created some unintended consequences. Again, as things unfold at the legislature, we can make sure that we're very clear in our directives.

Hales: Do you have some counsel for us on this issue? It sounds like we have work to do in terms of working out the policy differences among us. That's fine, we can do that. But, any thoughts about this, Martha? Is it.

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Pellegrino: Ultimately, we want to make sure that this priority accurately captures the role of the council, particularly, on making sure that we have we have got it right on the concept of what the governor going to be taking up on public safety budgeting, we know that is going to be a strategy towards freeing up more resources to some of the other issues that been identified, including mental health funding, including addiction and treatment, and I agree, with commissioner Fritz in that, in that this priority gets out a lot of things. But, I don't necessarily think it's, it's problematic unless we aren't able to clearly articulate what it is that we mean to that, by that. And I think we will have an opportunity to work with, with the ways and means committees about how they craft their Budget. And, and my hope would be we can get as close as possible to give us direction because we are -- the longer we wait to adopt the report, the less time that we have to really kind of get moving on this area, on this ambitious agenda but I want to make sure that we get it right and that we have our language right in a place that all of council is comfortable with it.

Fritz: What expense do you believe that the legislature is going to be giving for the direction to the coordinated care organizations?

Pellegrino: It's a great question, and andy, I don't know if you have some thoughts?

Andy Smith, Government Relations: I think that, that the next session, you are going to see bit of discussion about, about tracking the implementation of, of the coordinating care organizations, and I think in that, you will see the doctor and others who have been in charge of, of setting them up and getting them moving, reporting to appropriate legislative committees, and you know, I think that at that time, they may receive direction from certain legislators on how the implementation is going and, and as it relates to how they intended the legislation, on what they intended the legislation to produce.

Novick: Commissioner Fritz, I recognize this is something that, that -- I wrote this early this morning, and I recognize it's something that I would rather talk to the coordinated care organization about again. I am comfortable with removing the reference to the legislature and just saying, something like the city will work with coordinated care organizations to ensure that appropriate resources are focused on the mental health care crisis. And just leave in the last sentence. I just want to have something in here that reflects the fact that we know and hope that we will have additional resources through the medicaid expansion to address mental health, and so, we're not necessarily planning to spend all of our performance incentive money on mental health to the extent that that's addressed.

Hales: I will suggest that we go into a bit of a work session at the close, and if we need to recess or delay parts of this, we can. But, I want to be respectful of the folks that have come here to testify on this issue. At least we know this is on the table, and if there are folks here that want to comment on this, potential ingredient, in our package, you can. But, unless there is another item to put on the list, I would rather save the, the debate and wordsmithing, which we still need to do, obviously, on this policy point, until a little later and allow folks to go ahead and testify if that's all right.

Fritz: I have one more comment on a different topic, and that's recognizing we don't have anything in this agenda on clarifying the city's ability to provide discipline for our police force. We, obviously, are pursuing that issue through the court of appeals, and when we took that action, we noted that we might be asking the legislature for changes. My understanding is that we're currently thinking that we will let the courts take care of it, or make the decision now, and that we may bring something back in a future legislative session. So in case folks were wondering why that's not in here, I wanted to clarify that.

Hales: Thank you. Great. Thanks, team. Appreciate this, and we'll need you back in a while. I believe we have number of people signed up to testify. I think that I would like to extend the courtesy to -- I see one elected official in the room, and that's school board member bobby regan, I assume you signed up to testify this morning. And would like to give you the opportunity to speak first.

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Bobby Regan: Thank you very much. Good morning, mayor Hales and commissioners. I am Bobby Regan. I am a Portland citizen, a parent and a Portland school board member. I'm here to thank you for including public education as a high priority in your 2013 legislative agenda. For many years Portland public schools has enjoyed very close working relationship with the city council and it's clear from your legislative agenda that that is only getting stronger. I'm especially pleased that the first priority listed in your report is improved funding for K-12 education. So, I listened to your conversation and I am comfortable with improved funding for pre-k through 12 education. And I appreciate that you plan to actively advocate in Salem to help us get there. And we look, and as we look to improve funding, we also recognize the real need to tackle unsustainable cost drivers, so we ask for your help in this area, as well. You know, as we do, that there is no better long-term investment, the state can make than in public education. Which gives our kids hope for a great future. I also want to thank you, specifically, for your three educational policy positions. The first is your partnership support. For tri-met student passes. And which provides students with free transportation to and from school, to afterschool activities, and to work. To program instills what we hope will be a lifelong commitment to public transportation. And your second education policy, supports state funding for seismic upgrades to public school buildings allowing school districts to begin reinvesting in our agency infrastructure statewide so thank you for that, and the third policy supports tuition equity for all Oregon students, faculty, allowing any student who has received their primary education in Oregon, regardless of their league of status, to pay in-state tuition as they move onto college, they will help to ensure a strong Workforce, while providing equity and opportunity for every Oregon resident. As a final note, I want to thank you for your support under public safety. For statewide legislation, to prohibit the sale of assault weapons and high capacity ammunition magazines. The highest responsibility of the Portland school district and of every school district in Oregon, and the safety of our students. When parents entrust their children to us, it is our responsibility to keep these students safe. We need help from our state leaders and our congressional delegation, in passing comments and gun safety measures. To protect our kids. And our community. So, as I wrap up, I want to thank you very much for the 2013 legislative agenda that you have presented, I want to thank you for your commitment, to our community, to our public schools, and to our kids. And I want to tell that you make us proud. Thank you.

Hales: Thank you very much and for your service. Call the first three, please.

Hales: Good morning and welcome.

*******:** Good morning.

Hales: As you testify give us your name for the record and if you are representing an organization.

Bill McLean: I am Bill McLean. I'm here to address the issue public safety. What brings me here is an incident that happened couple of weeks ago, and two guys jumped out of a car with AK47s on northeast 11th and confronted two Latino gardeners. They were handled by the city of Portland police. And they went on -- they were given a misdemeanor, and given their guns back and said thank you very much. Lock the streets. I think that -- I don't know what the law is, but if you are, a citizen threatened by someone with a gun, I believe it should be a felony. And they should not have guns available to them. So, that being said, if you have gun, it should be registered, you should have license like a hunting license. And if you are in the city limits of Portland, you should be given fee. And I think they should be responsible for, for this weapon that's under their charge. Like they should have to pay some kind of liability insurance. And just in case, this thing under their care does some damage because right now, all the damage done by guns in our society falls on the taxpayer. Doesn't fall on the manufacturer, it does not fall on the gun show owner. It does not fall on personal owner of the gun but on taxpayer. I think that we need to address this issue. That being said, also, they should be licensed every year. And these people have the guns, I think it's up

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to the city to post who has guns in my Neighborhood. These are some of the things that can be done, and I think some of these issues, everyone on both sides can agree on. Everyone says we need to keep guns out of the hands of crazies. This includes people that have felonies. This includes people that have mental health issues. They should not be given guns. I guess my time is up.

Hales: You have got another 30 seconds. Go ahead and wrap up if you would like to, please.

McLean: Ok. But, hopefully, this -- these issues can be addressed. I don't know if, if this is on the agenda. Do you have a licensing program? A registration? How often do these people have to register the guns? I know that, that a famous talk show host asked some questions about registering, and, and so keep that in consideration. Thank you for my time.

Hales: We do have an item in the package about seeking legislation on this front, but, by and large it does have to be done by the state or the federal government because most of our authority here at the local level has been preempt. So, that's why we're putting in our legislative package. Thank you. Good morning.

Mary Vogel: Thank you. I am mary vogel, and I am representing myself and my small business, plan green, a woman business enterprise here in Oregon. And I live in downtown Portland where my major forms of transportation are walking and biking. And I did attend both sessions, public sessions sponsored by the city on the legislative agenda. And as most of you are, already know, studded tires cut road life in half. In Oregon. So, I would like to suggest an additional point, under the transportation agenda on page 36. And that point is, is first, deal with major and unnecessary cause of road wear and tear in Oregon by banning studded tires. And i'm sorry that the public health people who testified earlier left because I would have liked them to hear this, too. During the life-span, the average studded tire chews up one-half to three quarters ton of asphalt according to the Washington department of transportation. This results in a fine dust that gets into the air on the land and eventually is washed into the rivers and oceans. It also gets into our lungs. The swedish study found the toxic dust created by studded tires 60 to 100% greater than the amount from regular tires. So, you know, regular tires do cause this dust, as well, but, it's 60 to 100% more from studded tires. These particles lodge in the lungs and have an inflammatory and toxic effect, and that's been studied, as well as, oh, not only do studded tires cost us more, in road maintenance, they cost us more in public Health. They cost us more in the livability of our city. I am, I am a land use planner, and that's really important to me. So, during the time of fiscal and climate crisis, to continue to allow studded tires is irresponsible. Minnesota and wisconsin have banned studded tires. Oregon has not, I got back here from being in maryland and d.c. In a time when they ban them as well, to come back to Oregon, the environmental state, and find that we had not banned studded tires was unheard of, so please ask the legislature to ban studded tires in Oregon. Add it to the points under modernize and enhanced transportation funding or make it a separate point under transportation. Thank you for your time.

Jean Bucciarelli: Good morning, I am jean bucciarelli. And I didn't know how to pronounce it either until I married somebody. I came because I wanted to provide support for the new mayor, charlie hales, and his proposal to be one of the mayors against gun violence, and move for legislative action on the part state and the feds, I assume. I keep thinking who elected the nra? I fail to understand the power that lobby has. It is enormous. I could go on and on, and I used to work for commissioner Saltzman. He knows I can go on and on, but I will keep it short. I didn't write out anything because I didn't come prepared to testify, but I saw few people were signed up so I thought what the heck. I might as well. One of the things lacking, and we have seen it here today is a common sense rational discussion. What seems to come to the forefront is fear. And fear is a crippling emotion, it cripples people. And one of the things that I thought of is, as I was sitting there thinking, oh, I will have to get up and testify, was the serenity prayer. And grant me the serenity to accept the things that I cannot change, the courage to change the things that I can, and

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the wisdom to know the difference. Now, I am old enough to have some wisdom. And I am also -- I think that you are courageous enough to, to, to know that you can do something. The fact that it's a complex and terribly complex and emotional issue is no reason to do nothing. And there are things that can be done, and certainly banning assault weapons is one. Eliminating these multi-- however up to 100 or whatever bullets that the high capacity magazines can carry, is another, and improvements to the mental health system, certainly, is another. But, that is a very complex issue, for this. How are we to decide who is mentally ill and who is not? What about the person who seems sane until he's drunk? So, I commend you for, for taking this complicated issue and not cowering. To have the courage to do what can be done. Thank you very much.

Hales: Thank you, jean. Thanks.

Hales: Good morning. Just give us your name for the record, and if you are represent an organization let us know.

Katie Pool: I am kathleen pool. I live in Portland. And I am member of cease-fire Oregon. And mayor hales and commissioners, I am here to offer strong endorsement of the gun safety objective in this agenda. And it is the mayors and city officials nationally who seek first hand the human toll that assault weapons take on our cities, our citizens, and our public safety officers. Nationally, perhaps, that's why it is the mayors who have been the strongest voices for effective gun laws. We are grateful for your leadership. And we urge adoption of the gun safety objective. Thank you.

Hales: Thank you.

Lynne Smouse Lopez: Good morning. Thank you to letting me speak today. I am lynn lopez, smouse-lopez, and I pastor ainesworth united church of christ, and we have declared gun-free zone, our church is a gun-free zone. And i, too, come here just to support anything that you can do for gun control, in particular, the ban on semi-assault weapons and high level magazines, but, Frankly, I wish that we could make our city gun-free. The death toll for guns isn't just in mass shootings but in homes. It's suicides, it's, it's accidental shootings, as well as murders. So, anything you can do to push that agenda, city two on your side, statewide, I would very much appreciate, and we would stand behind. Thank you.

Hales: Thank you. Anything else that would like to testify? If not, perhaps --

Moore-Love: One more.

Walt Teske: Thank you, mayor hales, walt, 6815 southeast 31st avenue, I did not sign up because I expected a large crowd. But, I just want to add my, my support of the agenda item in your legislative agenda to, to military type weapons and high capacity ammunition magazines. They have no place on the streets. They are designed to kill people, and they need to be banned. Thank you very much.

Hales: Thank you. So, martha, maybe we can get you and your keep back and return to the questions and amendments that we were discussing earlier. Don't know if we need more time outside of the formal session or not, but steve, you look like you have something on our mind.

Novick: I was thinking that, that I really want to get in the concept that we recognize some of the mental health issue will be addressed by the medicaid expansion, so I can limit my suggested amendment to adding my Last sentence to the extent that the medicaid expansion addresses the mental health crisis, it could be, it could be used for other public safety needs.

Fritz: That raises a further question in my mind, what's your concept as to how specific the legislature might be and maybe this is question for the team, as well as you, commissioner novick, as to what the legislative priority, with the legislation establishing this performance incentive funding specify what it could be used for?

Novick: Actually, nobody has yet submitted any legislation that is specific at all, so I think that it will probably be fairly general, and in fact, I would recommend that it be general, and so, I think that we should work to ensure that it's broad enough to encompass mental health, however, it should also be broad enough to encompass other things.

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Fish: I have question, mayor. I will defer to the two of you because you are, commissioner Fritz is our point person on this. But, I think constant frustration is dollars for one purpose used for another purpose. And an example is the tobacco settlement that the state wants, that was input into the general fund, and spent for other purposes. Most recently the mortgage fraud lawsuit settlement that general kroger entered into. Swept by the legislature, put in and spent for non housing related purposes. Is the thrust of what you are asking us to think about today keeping new dollars or savings within the system? Or do we assume they will stay within the system and we are allocating them to particular priority?

Fritz: That's why i'm concerned with having any reference to what it might be used for. It seems appropriate to me that if the performance standard is set, which I support the concept the local jurisdictions reduce the cost for incarceration in our county, that we would then be rewarded for that, and I would like it to be left to the council, and the county, and the ccos working together to figure out what's the best allocation of that money rather than having any reference to it in our state legislative agenda because I would be concerned that they might get the thought that they might want to specify exactly what we could use it or that they might use it for something else.

Novick: I think that there is a danger that the legislature might, absent suggestions for broad definition, might come up with something narrow like only to community corrections. So actually, my purpose in having a long list was to, essentially, ask them to define it broadly. My purpose was to be more broad than specific in giving a bunch of examples.

Fritz: And I support that. And I am concerned that even this last sentence, starts getting specific, and doesn't address issues that not all mental health care needs are going to be covered by medicaid.

Novick: Right. It's just that -- part of -- for one thing, I want to make it clear that the performance incentive funding should be used to -- this if they feel like they have addressed the mental health crisis through the medicaid expansion, that that does not, wouldn't satisfy their obligation to reward county for limiting use of prisons, and to reflect the fact that we're aware that the, the medicaid expansion going to have an impact on this, and to the extent that it does, the money could be used for other things.

Fritz: I'm not sure I agree with the last statement. I guess maybe the team could give advice on how proscriptive we want the language to be in this policy.

Pellegrino: Much like some of the items we discussed today, what's most important is that the outline award, that you would like to see achieved, is captured in the document. And we always have the ability to hone in more, and to become more specific. And but, I think that this is signal to the state legislature that we, the city, want to be part of this conversation. And that, they will be making some very difficult policy choices when they are putting together their state budget, so, I think my advice would be write it in a way that broadly captures your consensus view. And then as that discussion moves along, we can dig more into the details as to when they are making policy decisions, we can figure out how those decisions then impact the levels of our budget or the services we provide.

Novick: Maybe I am being too paranoid, do you think there is any consistency with the language we have now and the points that all of us have raised?

Fritz: The unamended language?

Novick: Yeah.

Pellegrino: My sense is, I invite you to jump on, but I think that this gives us the flexibility to work on both of these, both these issues. Bills drafted, if there is something that we're missing, I am happy to entertain what that looks like, but, I feel like we do have good working outline in the agenda to engage both on how the public safety budgeting piece comes together and how the state is funding mental health.

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Novick: Maybe I will just -- back off, I would like to change the title, public safety budgeting for the mental health care crisis, and to make it clear it's not limited to that, but as long as the team is comfortable, that this language gives them the flexibility, I will shut up.

Fritz: I agree with that to change for to and. Thank you.

Hales: Any other discussion about that? So, I don't know -- we are adopting policy not ordinances here, so I don't think that we necessarily have to take formal voice votes, so, I think it's the sense of the council that we'll change that for to and.

Novick: I apologize, mr. Mayor, I would like to throw the word reentry in the for.

Hales: So, unless there is any, any dissent with those two, I will show you. It was list of -- it's in the, in the third line, under the objectives. And prevention, mental health services, reentry, and enforcement programs.

Novick: The third line from the bottom.

Hales: And the third line from the bottom.

Fritz: That's good.

Hales: Unless there is objection we'll make those changes to the draft, and then let's take up the specific addition to the list that commissioner Fish has proposed. Any further comments about that, reactions from the team?

Pellegrino: We're comfortable with that.

Hales: All in favor. Call the roll.

Fritz: Aye.

Fish: Thank you, martha and andy for turning this around in 24 hours. And guys do great work. Aye.

Saltzman: Aye. **Novick:** Aye.

Hales: Aye. And then ms vogel raised the question of studded tires, which is not specifically on the list, but I have heard a lot about that over the years, and I don't know if the league has talked about it recently, but --

Saltzman: I'm not aware of the league discussing it, I think that we should ban studded tires personally.

Hales: Is there a discussion underway at the legislature about this issue? I have heard from activists on The subject over the years. As a transportation guy, i've been around this issue, and anyone who tries to drive on an interstate highway gets their lesson, you know, driven home, ha-ha because the ruts are there. What's the debate about this issue at the moment? Or is there any?

Eisenbeis: Legislation has been introduced but, it has not been successful. I think it's concept that's in there, in the context of sort the larger discussion about proper management of roads under winter conditions.

Hales: Does odot have a position at this point? Does the agency have a point of view?

Eisenbeis: I will get back to you.

Hales: I would like to not necessarily act immediately on this but I am inclined to add it to our package. I would like to have a chance to check in with the transportation commission, state transportation commission on this subject. I appreciate you raising the issue, ms vogel. I think it is, you know, a clear and dumb situation that we're in as a state, that in a state with benign climate that we have people using studded tires on bare or wet pavement a lot of times so thank you for raising. I don't want to add it specifically to the package now, but I would like us to pay attention to the issue, and if there is an opportunity to do something in this session of the legislature, add it to the package at that point. Any other thoughts about that Issue?

Fritz: The way ms vogel suggested add it go under the transportation, bigger priority, is another piece.

Hales: I'm ok with that for now.

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Pellegrino: I think it's a very good issue and one that I have heard come up at the legislature before. Typically if we were going to add something to policy position on transportation, we would also vet it through the bureau of transportation, which we have not hasn't opportunity to do. My recommendation is that what dan and amy and I will do, we will add it to the list of items we are monitoring. When it comes up at the state legislature, we will bring, you know, that back before council, not in an official way but make sure that we have time then before then to vet it through the processes, and then if appropriate, the city will weigh in. My sense is, a vast majority or diversity of voices on it, and I don't see any reason at this point why the city couldn't weigh in. But I think to go through our regular process, which is to vet it through to the bureau, obviously, check back in with your office with anything else we learn, and then keep the opportunity to weigh in open.

Hales: I would like to do that, but I appreciate the issue being raised. It is time. Thank you. Any other discussion about -- I think we act on the amendments that we have in front Of us. Any other questions.

Novick: Who's taking the lead on the video lottery establishments? We have that as a priority but we are assuming somebody else will push it, I guess?

Pellegrino: For clarification, and I think that we have that as a policy position, is that right? I am not aware of what is taking the lead on it, but, I am certainly happy to check in with the usual suspects to see who is bringing that forward.

Novick: I don't want to add more to your workload, but, it's a serious issue, particularly, in some parts of this city, and if nobody else taking the lead, I suspect frankly, the speaker might take the lead on this issue, but, if there is nobody else taking the lead, it's something that, that I would like us to strongly support.

Hales: I thought you would use the word "volunteer." [laughter]

Fritz: Under the office of neighbor involvement with our liquor licensing -- so there is a whole package of things, which we'll talk about under my comments, but, that we've been working with the speaker, and -- speaker kotek, doesn't that have a nice ring to it.

Hales: It does.

Fritz: And also with others on alcohol and lottery issues, so we have taken some runs at it, and we'll check in and find out what the next step is. But, I will be very happy to have your partnership in lobbying on those things. I have not been able to push it over the top of the hill.

Novick: I guess -- if in, if nobody else is, actually, taking the lead on introducing the legislation, is it possible that we can agree to visit this and say that, have the city ask a legislator to introduce such legislation?

Pellegrino: You know, the reason I hesitate for a bit is that the deadline is friday for asking members for bill drafts, unless we are going to go to somebody to use one of their priority bills, so, our opportunity is to ask members to draft legislation, get much more difficult after friday. So, that will be one, if we are not sure whether the city will lead this, or somebody else is going to be the lead, I prefer not to wait too long because I want to be clear what are the bills we're moving on and getting them in and drafted because we need to get council time to do their work. What I can commit is trying to get sense of the landscape this week of who is introducing lottery bills and getting a sense of what the scope of those are because I anticipate there will be bills. We just need to see who is taking that on, and then I can report, report back to you and the rest of council.

Novick: Maybe commissioner Fritz or I could make a couple of calls and make sure somebody introduces the bill by friday if they have not already. Thank you. And one more question, which is you have taken the lead in this issue, so I assume that you gave thought to whether to adopt the gun safety agenda items as Priority items, and concluded that they should be policy positions rather than priority items, but I wanted to, to -- I wanted to ask you if, if, I mean, and also to ask the government relations team would it be too much of a burden to take those up as priority items?

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Hales: I am comfortable either way. Obviously I plan to be active on the issue at the state and federal level personally. But, I invite everyone to participate in that effort. Is exactly where it's designated in this package, you know, could be in either situation as far as i'm concerned. I don't think it changes the burden on the staff, necessarily, if we loft it to the level of priority instead of having it on the policy list. And any, any concerns about that?

Pellegrino: Mayor and commissioner novick, I don't have strong preference. If it's on the priority list, it sends a stronger signal that it's the priority of the council, and it is -- but ultimately it's decision I would like to you all for, and I am comfortable with that.

Hales: Let me comment on that, as well, and maybe accept an amendment here, and that is I think like everyone else on this council, when we met in december or november, rather, I didn't think that this issue was as critical as I do now. Because like everyone else, i've been shocked and, and saddened by what's happened. And so we have decided as a community, by putting this on The legislative agenda, it is important to us. And therefore, it was not originally as high on anyone's priority list as it is now. So, I think that it would be from, from, in my heart, it would be a priority, and therefore, I would be open to raising it to that level on this list. Any, any -- so hearing now objection, we'll make that priority item and amend the list accordingly. Thank you. Any further discussion? Thank you, team, for a lot of work. We'll talk more about that as we take our vote, but, thanks for good discussion today. Carla, call the roll.

Fritz: Thank you to martha and the team at government relations. It's terrific to work with you, and to work with the citizens of Portland. Ms vogel showed this you can show up at the last hearing of the year and process of setting an agenda and get a significant amendment, so, I appreciate all the citizens who showed up, both in august and september, at our listening sessions. Many of the priorities and initiatives reflect the input that we received, in particular, the shared residential roadways and the speed limits on that. That was something the community heard. The package also reflected previous listening sessions and the input of the film industry into tax abatements. It is people showing up and Showing why they make a difference in an important way that makes a difference. We had 240 people at our advocacy 101 session last week. So, the beauty of that and the value of that is not only that we have the input into the city's agenda and then our wonderful lobbying team working in close consultation with the city council in salem. We also have the citizens who are willing to go down to salem to call their legislators, ask which constituents to make sure that we are working as a team. And that's how government supposed to work. And I am very proud to be part of that. I thank mayor hales and former mayor adams for their work in setting the agenda. I trusting the home buyer opportunities tax exemption continuing to be there. And the independent authority of the fire and police disability and retirement fund is crucial for our office goal management. The alcohol impact areas and immediate cessation of alcohol sales when there is a problem, are two of my ongoing priorities that I will continue to work with you on. Hopefully we can make some progress this session. Funding for the 9-1-1 taxes and for making sure that we do have adequate funding for school funding, which we have not for decades. And that, I am so pleased, mayor hales, that's one of your priorities. We must educate our children. We must use the teachers who have been trained and make sure that those buildings that are upgraded have the teachers and the support within them to make our educational system more functional. Thank you very much. Aye.

Fish: A lot of work goes into this, so anyone watching this proceeding today thinks we kind of get together and have a civil discussion about a few tweaks and we're done, but an awful lot of work goes into getting to this point. So I want to thank my colleagues and especially Martha, Dan, Andy, Stephanie, Leslie, Molly and Amy. Once we're finished with this, is the hard work of actually moving this agenda in Salem. You invite each of us to come down when appropriate to make the case. What I'm always impressed by and proud of, is when we meet with legislators, what they always tell us, the Commissioners is that we have a lot of credibility in Salem because of the quality

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of the people who represent us in salem. They're always singing your praises, martha and your team and that creditability gets us in the door and chance at a fair hearing. In my opinion, we are very well represented by the office of government relations. I want to thank you for all of your great work. Commissioner Fritz mentioned support for public education. My nine-year-old son thanks the council too for fighting for adequate funding since he is a third grader hoping that he actually -- the classroom size stays at 35, or whatever. And it doesn't go much bigger over the years. I look forward in the next few months to working with you martha in salem to advance the issues i'm particularly passionate about. I want to call out we're fortunate that the speaker has identified a number of things that are high priority for her. Early childhood education, health and human services issues, and i'm grateful that she put housing on her agenda and she dropped a bill this week which would address the question to barriers of housing choice which we have teed up as one of our priorities. People with section 8 vouchers would no longer face barriers to finding a landlord willing to rent to them. And it deals with a long festering problem and i'm delighted that she has agreed to take the lead on that. Thank you, mayor hales and colleagues and particularly thanks to our team at government relations. Aye.

Saltzman: I want to thank you all for your work. Maybe I shouldn't thank you yet. I will wait and see how you deliver. I thank you for all of the preparation. And I do want to thank you -- I think this is now our fourth year, fourth legislative session that we have had a priority for support for rural communities. I think it is very important. I think it not only sends a powerful signal to legislators when Portland has a rural agenda in its legislative agenda, but I think it is very important that we recognize that the rest of the state is still very, very impacted by the recession. And not to say that Portland isn't, our rural communities are really hurting and so to the extent that we recognize that, I think that not only helps us advance our agenda but it does increase our standing I think with many legislators outside of the Portland area. So, thanks again for doing that and pleased to support this. Aye.

Novick: I echo the sentiments of my colleagues. I really appreciate the input of all of the citizens that have been part of this process and I appreciate mayor adams and commissioner leonard to inviting mayor hales and myself to a meeting on this agenda last month before we were sworn in.

I remember feeling at the time as we had that discussion that this feels like a really good team. I'm proud to be part of this team. I have the same feeling today. I think this is a great agenda. Thank you so much. I vote aye.

Hales: I'm really proud of us for this. Proud of this council for being passionate and well informed about these issues and being prepared to go and advocate to the legislature and to anyone else that is paying attention to these issues that they are priorities for us as a city. I'm proud of our professional staff for working well and effectively with us and the citizens who care about these issues as well and i'm proud of us as a community that we have had a lot of good suggestions and advice and willingness to be partners with us from community members, including those who came here today. This has been a very effective process. It falls to all of us now to go do that advocacy and for each of us to dedicate time and whatever political influence we have to work with I think a legislature that is prepared to listen to us. So, to me this is not only a well-crafted package, but is arriving at a time where I believe our influence can be felt. And I particular appreciate some of the points that we heard here today that that influence will be not only for our own citizens, but for the citizens of the whole state. So, if this package is influential and adopted by this session of the legislature, many parts of it are, will not only make Portland a better community but make Oregon a better community as well. I commend the good work being done. I look forward to being one of the advocates in this community that goes down and helps make sure that these proposals become law. Thank you all for the good work and I vote aye.

Pellegrino: Thank you.

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Hales: Another time certain item, I believe, and staff standing by to talk about it. Karla.

Item 37.

Hales: Good morning.

Andrew Scott: Good morning. I'm Andrew Scott, Sara Lowe is with me, city budget office analyst -- I will quickly summarize what is in this supplemental budget. Since it is a little different, I don't think there is anything that you're not expecting in the budget but we don't often do a supplemental budget outside of the normal bump process. It appropriates funding -- arts education and access tax program, private-for-hire program. We would normally do this in a budget monitoring process. In the case of these two particular programs, need to appropriate the funds and approve the positions quickly. If you also note the title actually of the original item has department of justice in it as well. Those items have been taken out and actually -- does a substitute need to be introduced?

Moore-Love: It does.

Scott: I will explain that as well. We did receive questions. This was filed back in December. We received questions from council about the DOJ costs and asked the city budget office to take another look at those. We are in the process of doing that now. We will be providing that review back to council as part of the winter bump process, three, four weeks from now when we will be back to talk about the winter bump. We will provide our analysis of the DOJ, reform costs and any recommendations that we have and as part of the winter bump process is when we will deal with the DOJ costs. What is in the budget before you today, 6 1/2 new positions in the revenue bureau, appropriates \$9 million in new expenses. Arts education and access tax is the largest piece of that. Just under \$9 million in total revenue. Which is funded by the new tax passed last November. \$762,500 for program expenses to run the program. \$8.2 million will be held in contingency in the new fund that voters created when they passed the measure that, again, dedicated to the arts education and access until the distribution decisions are finalized. And then under that program again, 4 1/2 FTE in the revenue bureau to implement the program. Private-for-hire transportation reforms previously approved by council and that essentially increased taxi company and taxi vehicle renewal fees. Those revenues are going to fund new positions and implementation of those reforms. Two FTE and in the current year, \$46,000. That is prorated for the rest of the year. Those reforms will collect enough to fund both of these FTE in future years going forward. With that, I guess we -- I think we need a substitute that again was filed for this week.

Hales: Motion for the substitute?

Saltzman: So moved.

Fritz: Second.

Hales: Substitute is replaced and before us. Thank you.

Scott: And I'm happy to answer any questions that you might have.

Fish: I have a question. The arts education and access tax is obviously a new initiative, and there is an assumption built into this about the amount that we will collect. But we're not going to know until we actually bill folks and see how successful we are. The measure that was voted on had a cap on administrative expenses?

Scott: Yes.

Fish: Percentage cap or hard cap?

Saltzman: Percentage.

Thomas Lannom, Director, Revenue Bureau: Well, hard cap on the start-up costs, \$500,000.

And --

Saltzman: Please state your name.

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Lannom: I apologize. I know better than that. Thomas Lannom, Revenue Bureau director. One time cap is the \$500,000 start-up cost, the on going cap is a percentage, 5 percentage of the revenues collected.

Fish: Half million budgeted for start-up, voters have authorized us to spend that regardless of how successful we are in terms of the collection, is that correct?

Lannom: That is correct.

Fish: Then the percentage kicks in once we start receiving funds and we're capped as a percentage of what we receive in terms of administrative overhead.

Lannom: That is correct. Calculated over five years. 5% cap over the five-year period.

Fish: It could fluctuate --

Lannom: It could slightly drift above in one year and below in other years but overall we will maintain below 5%.

Fish: Thank you.

Fritz: What is the mechanism of collecting the tax?

Lannom: We'll have a range of tools available to us. We hope that people will really use our web site. Keeps the cost of customer contact minimized. We expect to bring up a web site in the next 45 or so days and make sure that we have a press release, marketing campaign and make sure that people are aware of the tax and request that they go to the web site. And that is the primary means in the first year. They will be able to file paper returns and that sort of thing and get information from that web site. And out years, we will leverage our partnership with turbotax and other third-party software preparation providers. If you are in the city of Portland and using the turbotax application you will be presented with your -- get your federal, state, and local tax will be presented there. We anticipate that that will really help to remind people and keep this in the forefront of their minds that they need to pay this tax.

Fritz: This year it will be separate from the income tax return?

Lannom: That's correct.

Fritz: Thank you.

Lannom: And it is just the nature of the timing of the passage.

Hales: Other questions?

Fish: When you come back on the doj settlement, will we get a briefing on any related legal proceedings?

Scott: I can talk to the city attorney about providing that briefing.

Fish: To the extent that they are linked, I think we would need a briefing.

Scott: Yeah, let me do that.

Scott: Mayor, since this is your first supplemental budget, I'll just remind you we need to open a hearing before we have testimony and then close it afterward if there is any testimony.

Hales: We will be accepting testimony if there is any. Thank you. Any other questions for staff at this point? Then I want to take the vote to place the substitute before us. And then we will conduct the hearing on that. So, call the roll on accepting the substitute.

Fritz: Aye. **Fish:** Aye. **Saltzman:** Aye. **Novick:** Aye. **Hales:** Aye.

Hales: Anyone signed up to testify on this item?

Moore-Love: No one signed up.

Hales: If that is the case, vote on the ordinance as substituted.

Fritz: I am happy to support this so that the revenue bureau can start implementing the voter approved arts tax and the important changes in the private-for-hire reforms. Again, very grateful to the voters for approving the tax. Aye.

Fish: Aye. **Saltzman:** Aye. **Novick:** Aye.

Hales: Aye. I think we have one more regular calendar item in front of us. Item 50. Karla.

Item 50.

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Hales: Mr. Saltzman -- any staff presentation on this? If not, roll call, please. Public testimony? I don't think there is any. Just moves to second reading. Move to second reading. And I believe we are adjourned until this afternoon at 2:00 p.m. At which time we have a single item, land use case, council is adjourned. [gavel pounded].

At 11:13 a.m., Council recessed.

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Closed Caption File of Portland City Council Meeting

This file was produced through the closed captioning process for the televised City Council broadcast and should not be considered a verbatim transcript.

Key: ***** means unidentified speaker.

JANUARY 16, 2013 2:00 PM

Hales: I think we should get started, I assume commissioner Fish going to join us. Would you please call the roll.

Fritz: Here. **Saltzman:** Here. **Novick:** Here.

Hales: Here. So, could you read item no. 51, and then I will start with the procedure.

Moore: Ok. I think we would read both.

Hales: 51 and 2, yes, right.

Items 51 and 52.

Hales: Thank you, this is a quasi-judicial land use hearing, I need to ask if any members of the council wish to declare a potential conflict of interest. Hearing none. Do any of the members of the council have ex parte contacts to declare or information obtained outside of the hearing to disclose? Hearing none. Do any of the council members have any other matters that need to be discussed before we begin the public hearing?

Linly Rees, Deputy City Attorney: Mayor, this would be typically I will do the city attorney announcements even before the ex parte, but this would be an appropriate time before you start going through the testimony.

Hales: Go ahead.

Rees: Ok. This is an evidentiary hearing. This means that you may submit new evidence to the council in support of your arguments. Testimony concerning the hearings officer's recommendation will be heard as follows, we'll begin with a staff report by bds staff for approximately ten minutes. Following the staff report, the council will hear from interested persons in the following order, the applicant will go first, and will have 15 minutes to address the council. After the applicant, the council will hear from individuals or organizations who support the applicant's proposal. Each person will have three minutes to speak. Next, council will hear from persons or organizations who oppose the applicant's proposal. Again, each person will have three minutes. If there is testimony in opposition to the applicant's proposal, the applicant will have five additional minutes to rebut testimony given in opposition to the proposal. The council may close the hearing and deliberate. The council may vote today on the hearings officer's recommendation. If the vote is tentative the council will set a future day for adoption of findings and final vote on the hearings officer's recommendation. If the council takes a final vote on the findings and recommendation today, that will conclude the matter before council. I have a few announcements on guidelines for those addressing council today. First, submitting evidence into the record. Any letters or documents you wish to become part of the record should be given to the council clerk after you testify. Similarly, the original or copy of any slides, photos, drawings or other items you show to council, including powerpoint presentations should be given to the council clerk to make sure that it becomes part of the record. Second, testimony must be directed to approval criteria. Any testimony, arguments, and evidence you present must be directed towards the applicable approval criteria for this land use review, or other criteria in the city's comprehensive plan or zoning code that you believe apply to the decision. Bds staff will apply the applicable approval criteria to council. Third, issues must be raised with specificity. You must raise an issue clearly enough to give the council and the parties an opportunity to respond to the issue. If don't, you will be preclude from appealing to the land use

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board of appeals based on that issue. And finally, the applicant must identify constitutional challenges to conditions of approval. If the applicant fails to raise constitutional or other issues relating to proposed conditions of approval with another specificity to allow council to respond, the applicant will be precluded from bringing action in for damages in circuit court.

Hales: Thank you very much. Any questions before we call for the staff report in let's have the staff report.

Shelia Frugoli: I am Sheila Frugoli, the assigned planner, who will be presenting --

Hales: Your mike is not on.

Saltzman: Need to press the button.

Frugoli: Here we go. It sounded so much better before. Good afternoon, I'm Sheila Frugoli, the assigned staff. I am here to present hearings officer Gregory Franks' recommendation on land use review 12-160096-cp zc, this is comprehensive plan map amendment and concurrent zoning map amendment request. The subject property is a 15,000 square foot split zone site that is located at 7424 North Mississippi. The request is to change the zoning and designation from R5 single dwelling residential to the CM, mixed commercial residential zone, that implements the urban commercial comprehensive plan map designation, and the applicant has requested to also change the portion of the site that is zone CG, general commercial, to the CM zone in the urban commercial designation. Here we go. In order to be approved, this proposal must be found to meet approval criteria 33.810.050a in criteria 33.855.050, a-d. Looking at the current zoning map, we see that the northern third of the site is currently zoned CG, and the southern two-thirds, R5 the CG zone allows retail sales and service, quick, quick vehicle servicing, vehicle repair, and office and residential uses. This zone is an auto oriented zone that allows drive-through facilities and exterior display and storage of goods. R5 is a single dwelling residential zone that allows development, at a density of one dwelling per 5,000 square feet of site area. Here, we see the proposed map change. The CM zone promotes development to combine commercial and housing uses on the same site. For sites with existing non residential development, such as this site, the only residential development will be required if additional floor area, commercial floor area is added to the site. And/or if it's redeveloped. If the site were to be redeveloped, 50-50 match of residential to commercial would be required. The CM zone prohibits drive-through facilities, quick vehicle servicing, auto repair uses, and does not allow exterior storage and display. In addition to this land use review, the applicant has submitted a building permit application to BDC. This site plan shows the proposed improvements. The owner hopes to renovate an existing three-story building for commercial use, and intends to update the existing parking area with new paving and landscaping. The existing building was constructed with administrative offices and classrooms to support an adjacent church building. For historical context, here we see a pre 2008 aerial photo of the site. The sanctuary building at the southwest corner of the site was demolished in 2008. According to records, the church was constructed in 1924 and, and the attached support building was constructed in the early 1950s. Here we see a current photo of the support building. The main entrance faces north Stafford, we see the plywood boards filling in the openings where the building was connected to the sanctuary building. And this building has remained unoccupied since the demo of the church building. Here we see a closer view of the front facade and two adjacent homes. This is the remainder of the foundation that supported the sanctuary building, and the applicant intends to use this as an, as an outdoor patio area. And then here we see a portion of the building on the right-hand side of the photo. The gravel and paved area is where the, the parking will be located to support this building, and then the gray concrete building that we see in the background sits on an abutting, eastern abutting lot. And then here, we see the back of the building, or the north facing side of the building, in the foreground, you could see a vacant abutting lot. This lot has frontage on North Lombard Street. Both this lot and the eastern abutting lot are zoned CG.

Fish: Do you know what that tower is in the background? The column?

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Frugoli: That, actually, is on top of the building. It's a, a stealth chimney for, for a cellular facility. The cellular facility was reviewed through a conditional use review and received approval. Ok. And it will remain, probably.

Fish: I was expecting incinerator or something.

Frugoli: Yeah, and I think that poses a question for future thought.

Fish: Intrigued here.

Frugoli: It poses a question for future thought whether that is as stealth approach to hiding cellular facilities or not. Here we see a photo that shows --

Hales: -- notice it right. Sorry.

Frugoli: The aerial photo, this aerial photo helps to identify the vicinity of the site. The subject site is one block east of the i-5 freeway, and 50 feet south of north lombard and to the east, we see a signalized intersection at the intersection of north lombard and north albina, and then the areas, both north and south, of the lombard corridor are developed with single dwelling residences. This photo shows the northern abutting vacant lot that fronts lombard street, and then across the street, on the north side of lombard, we see storefront type retail buildings, and then, directly west of the storefront buildings is an apartment complex that's known to "r" 1, which is multi-dwelling residential zone. And then where mississippi and lombard intersect, there is a, a commercial, what we would call a strip commercial development with multiple tenants. This building was constructed in 2004. And this, this particular commercial center has 30 spaces as accessory parking behind the building. The vehicle access to this building is off north mississippi. And northeast of the site, at the corner of north albina and lombard, there are auto oriented commercial uses in the foreground we see an auto repair use, and in the background, we see a rental truck business. And all of those properties mentioned are zoned cg. And then on the north side of stafford, just east the subject site, the lots are developed with single dwelling residences. Most of the homes in this area were constructed in the 1920s, about the same time that the original church building was constructed. In here, we see the homes directly across the street from the site on the south side of north stafford. And then, again, across from the site, on the west side of north mississippi, we see more homes. As provided in the findings of the hearing's officer's report, the requested map change is on balance supportive of the relevant policies. Changing the map designation and zoning on this site will allow utilization of an existing commercial building. The cm zone will allow commercial uses that are compatible with the adjacent residential development. This proposal with conditions satisfies the zone change approval criteria for service adequacy. To address traffic capacity for the north lombard, north mississippi intersection, the Portland bureau of transportation recommends conditions that set vehicle trip limits to address possible future expansions and/or redevelopment. I should note that fabio de Freitas from the bureau of transportation is here to answer questions about the traffic analysis, and the hearings officer's recommended conditions. In summary, the hearings officer recommends approval of the request with condition that applies a vehicle trip cap on the site. Even if divided this trip cap will continue to apply to the 15,000 square foot site. Recommended condition a-2 will allow without a traffic analysis a modest increase of 1,000 square feet, and/or two new residential dwelling units. That would be in addition to the existing 9500 square foot building that's there now. And if the owner or future owners wish to redevelop the property and/or exceed this floor area allowance, this condition will require a traffic analysis to document that the proposed development will not exceed the trip cap. This concludes my presentation. Any questions?

Hales: Questions for sheila?

Fritz: I have question on the trip cap. One of the things that is allowed in the cm is completely residential development, right? So, supposing an apartment building with no parking was proposed for this, how would they calculate the trip cap?

Frugoli: I think that, that that's probably a good question for fabio, but yes, the analysis would still be required. Fabio?

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*****: Is there a magic button here?

Hales: Not on that one.

Fabio de Freitas: Good afternoon, council and mayor Hales. In answer to your question, commissioner Fritz, trip caps will be based on traffic analysis that will be calculated utilizing the i.t. manual, which is based on the number of trips, not based on, on number of parking, necessary or not. So, parking and trip generation are really two different animals.

Fritz: And are those trip caps, is that calculated on all developments or would that be a particular condition for this? How would the planner at the desk know that this had a trip cap on it?

de Freitas: This will be not a challenge for us in the future, but it will definitely be something for us to keep tabs on because of the condition of the approval being applied here. The goal would be that when a billing permit comes in, over the counter, that the planner would pull the land use case associated with this site. Wherein they would review the condition of approval requiring the traffic analysis based on the development that Sheila identified.

Fritz: Thank you.

Hales: So that might be a learning curve question for me. These trip caps are relatively a recent phenomenon in terms of a condition of approval?

de Freitas: Their not relatively recent mayor. They are relatively not typically imposed. Typically we don't have an intersection like we have here that is currently failing. It will be failing regardless of the circumstances related to this case. And in order for us for get to yes in this case, and affirmatively address the approval criteria, we needed to impose a trip cap. It hasn't been in the past, so it's not new.

Hales: And that's triggered by the adequacy of services criteria and if there's not it's already a failing intersection we cannot do more harm?

de Freitas: That's correct.

Hales: Ok, I get it thank you. Other questions for staff? Thank you both. And do we have the applicant here in presentation, come on up, please.

Fish: I would like to inquire looking forward, to -- do we have someone here to testify in opposition?

Dave Spitzer: Good afternoon, I'm Dave Spitzer, the architect.

Rich Nys: I am Rick, last name is Nys.

Spitzer: I can start here, I guess the reason that we're here is primarily because it's an existing building. If there was a nice post-world war II building built from the 1950s on this site, 9500 square feet, we would not be asking for a zone change but there is a nice building. We have a chance to save this building. And but obviously it does not make a lot of sense to renovate it as, as a single family residence. It makes more sense to do it as a commercial building. And that's really what started this whole project, this church got torn down because it was an easy building to tear down, with a wood frame building, the building that is remaining is a concrete bunker, more or less, it's very difficult to tear down, and it has good, solid bones. No reason to tear it down, if we try to recycle this. It would be recycling down the drain. I know that the traffic is, is a, a big issue, probably, the biggest issue here, to me, in layman terms, I don't work with traffic engineers all the time but we, basically, have an "R" 5 site and a C.G. site. And the proposed development of the C.M. site is sort like putting the R5 site in the C.G. site in a blender and mixing it all up. Since the C.G. site is 5,000 square foot and the "R" 5 is 10,000 square feet, we mix it all up and what we get we spread the traffic over that entire site instead of concentrating it on the C.G. site with hardly any traffic on the "R" 5 site. So at the end of the day we have less trips on the C.G. site on 5,000 square foot site because we cannot build a five-story building anywhere on this site now. We're limited to the, to the floor area ratio for the building. At the last hearing, we did have some of the neighbors come to testify. They did have some concerns. They were worried about the wrong type of tenant going into the building but that was their only concern. They spoke in favor of approval of this so when

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we get neighbors, coming up to support a project, that says a lot about, about, you know, what we're proposing and it says a lot about haddish, the owner of the building. The pictures you saw actually make the building look fairly nice. If you saw pictures two years ago it was graffiti-filled trash, somebody living there in the trailer, I believe, on the site, it was kind of, a, a, an urban blight in that area, and he's taken that and moved it as far as he can without the building permit approval. One or two more things, and then I will be done. The type of tenant that is going to be moving in here, we're not going to attract that fortune 500 company from downtown, we're going to get neighborhood people, the people he's in negotiations with are a charter school for ten children, and they are currently, I can't remember exactly where they are, they are located a little further down the street on, off of lombard, west of the site. So, it's a local neighborhood. People using the street from the neighborhood, and the other people that are considering the ground floor is a daycare. So, again, these are people that live in the neighborhood that would benefit from this use. And finally, it sounded like, if we don't do the zone change today, it will probably happen in the near future, as lombard gets more developed. And as density increases upon lombard, we were told at the beginning that if we waited four or five years it's possible that we would not have to go through this, whether that's accurate or not, who knows. But, it does sound like that is the direction that lombard is going. That is increasing in density. That's all. Thank you. Any questions? Rick is the traffic engineer.

Hales: Not so much a question but to raise the concern, and obviously, I did not attend the hearings officer's hearing but I understand that there was testimony. So, this was the annex to a church, and therefore, the fact that you had a multi-story building, immediately adjacent to, to the single family residence didn't cause friction in terms of the kinds of uses that would be accommodated in a commercial building. The ones you are talking about, for the moment sound fine, is there a reason to be concerned that by approving this land use decision we're setting this neighborhood up for future conflict if there were, for example, is a restaurant in that space that operated until 2:00 a.m. with a liquor license, you could see the scenario i'm painting. I'm not asking you to guarantee all future tenants here, but just trying to make sure that we're not identify a problem while we're solving one.

Spitzer: Sheila may be able to answer that better. The use that is we are negotiating with the school and the daycare could both be done without the zone change. We could have them come in through a conditional use process, and in the residential neighborhood. And that was the neighbor's concern if we got something less desirable than restaurant coming in. Obviously, that's, that's an issue. And I guess the tenants or the neighbors felt like they know haddish and trust him enough. He lives down the road. He's not one of the evil developers from out of town. So, that is always a risk. Who knows what's going to happen on the site down the road. But I don't know if there is a way that the city can control that, I don't think that there is.

Hales: I don't, either but I might want to pose that question to sheila to reflect on that. This is c.m., it would not be possible for conditional use.

Frugoli: Yes, staff did consider that in making our recommendation to the hearings officer. The applicants asked that the site be changed from a, a conditional use status site to a commercial zoned site. And hence we have got to consider all the variety of uses that would be allowed as retail sales and service, including restaurants and pubs, etc. And the neighbors who called and asked and, and wanted information about the proposal, they were explained that what would be allowed at that site, we never did hear a concern raised about potential -- the bad types of commercial or commercial uses that would, that had adversely impact the residential area. There were never concerns raised about that. But, in looking, what staff recommended was the c.m. zone, which limits the amount of retail requires a residential components so we thought that that would be the best fit. The best zone to create a transition between those, those single dwelling homes and the commercial corridor on

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lombard. But, admittedly, there can be uses that, utilize that space that could create some impacts.

Hales: So the retail is limited to what, 50% of the far?

Frugoli: With this particular decision, the commercial floor area will be less than that. The zoning code, if we did not apply those conditions, the zoning code would allow a 1-1 far, which would be 15,000 square feet of commercial. With the, with the hearings officer recommended conditions, the maximum amount of commercial floor area on this site will be 10,500 square feet.

Hales: Thank you. Other questions for the applicant or staff? Thanks very much. Did you want --
*****: I would like to.

Hales: Go ahead. I'm sorry. I thought you were just here to answer questions.

Nys: I am rick nys, for the record. I am the traffic engineer with greenlight engineering, and I completed the traffic impact study for the project. I wanted to address a letter that was submitted by james and michele stemler regarding traffic issues. The first being congestion at the intersection of lombard and mississippi. And the second being pedestrian safety issues crossing lombard at mississippi. And first, with regard to congestion, fabio and sheila discussed it briefly. There is an existing failure of that intersection, and at the a.m. and p.m. peak hour, but with our trip cap, we are going to make that problem worse. And --

Fish: Let me ask you a question, in layman's terms, what does a failure mean?

Nys: Level service f, would be the failure. So it's based on a delay the driver experiences from the side street trying to turn onto lombard street.

Hales: So the traffic is backed up enough it will be difficult to get into traffic on lombard, basically to, make a left turn that, kind of thing?

Nys: Basically. The critical term, critical turn from mississippi onto lombard is the left turn, and that's the most difficult turn to make, it causes the most delay. And a failure is a level service f.

Fish: And it cannot be cured by adjusting the sequencing of the light or things of that nature?

Nys: It's an unsignalized intersection currently so basically, you are at a stop sign and have to wait. So there is really no -- we're not going to make the problem worse, we'll generate the same trips or less than the amount of trips allowed under the current zoning. Secondly, with regard to the pedestrian safety, I have watched that intersection for several hours, and the letter indicates that the pedestrians take their lives into their own hands trying to cross lombard. And during the time that I was there I did see the pedestrians running across the intersection. I did see some of the vehicles yielding to those, and there are bus stops on both corners. But, I wanted to note that 340 feet to the east, there is a signalized intersection, at lombard and albina, and you know, again, the fact of the matter is, that we don't -- we are not generating any more traffic with the proposed zone change than exists under the existing conditions, and lastly, I reviewed the last several years of crash data, and there hasn't been any crashes related to pedestrians at this intersection. So, just in closing, all the city criteria and the transportation planning rule criteria is meant for this application so I want to urge you to, to prove it. Thank you.

Hales: Thank you. Questions for rick? Thanks very much.

Spitzer: Thank you.

Hales: Anyone else that wants to testify in support of the application?

Moore: No one else signed up.

Hales: And I believe no one signed up in opposition, is that correct?

Moore: Correct.

Hales: Anyone else here to testify in opposition? Any further council discussion on this before we move to take -- we have to take two votes, I believe, on both the report and the amendment itself. So any other questions? Let's have a roll call on adopting the reported, please.

Fish: Do we need motion?

Hales: I'm sorry we do a motion to adopt the report.

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Fish: Commissioner Fritz would you care to make a motion? [laughter]

Hales: I sure she would.

Fritz: I move acceptance of the hearings officer's report.

Fish: Second.

Hales: Let's take a vote. Thank you.

Fritz: Thank you to staff, thank you to the applicant. It's good to hear when there's been little neighborhood opposition on what was voiced has been addressed skillfully, and knowing that you have been taking care of the property, and in particular, I am grateful for the graffiti removal and your partnership in that because it makes difference to the neighborhood. And thanks to staff for your good work on this including transportation as well as planning, aye.

Fish: Another high quality presentation. Thank you. And appreciate the testimony and pleased to support it. Aye.

Saltzman: Pleased to support this. Appreciate the work of the applicant. And appreciate the commitment of the architect, to recycle this building and the applicant. That's always a good thing. Aye.

Novick: I add my thanks and aye.

Hales: Aye. Now, a motion to approve the amendment.

Saltzman: So moved.

Fritz: Second.

Fritz: Thank you, aye.

Fish: Aye.

Saltzman: Aye.

Novick: Aye.

Hales: Wish you luck in bringing this good old building back to life. Thank you for a good presentation. Aye. [gavel pounded] We are adjourned.

At 2:33 p.m., Council adjourned.