



CITY OF  
**PORTLAND, OREGON**

**OFFICIAL  
MINUTES**

A **SPECIAL MEETING** OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **22<sup>ND</sup> DAY OF NOVEMBER, 2016** AT 9:00 A.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Fish, Fritz, Saltzman; Commissioner Novick teleconferenced at 9:45 a.m., 5.

OFFICERS IN ATTENDANCE: Susan Parsons, Acting Clerk of the Council; Kathryn Beaumont, Chief Deputy City Attorney; and Jason King Sergeant at Arms.

The meeting recessed at 10:39 a.m. and reconvened at 12:17 p.m.

<b>SPECIAL COUNCIL MEETING FOR COUNCIL DELIBERATION AND VOTE ON AMENDMENTS</b>		<b>Disposition:</b>
<b>1293</b>	<b>TIME CERTAIN: 9:00 AM</b> – Amend the Official City Zoning Map, Planning and Zoning Code and Transportation System Plan to carry out Portland’s 2035 Comprehensive Plan; establish a new Community Involvement Program and Committee; amend related codes, the 2035 Comprehensive Plan and Plan Map to coordinate policies and programs (Previous Agenda 1292; Ordinance introduced by Mayor Hales; amend Code Titles 3, 17, 33 and Ordinance Nos. 165851, 177028, 187832) 3.5 hours requested	<b>CONTINUED TO DECEMBER 14, 2016 AT 2:00 PM TIME CERTAIN AS AMENDED</b>
<b>Motions attached.</b>		

At 1:17 p.m., Council recessed.

November 22-23, 2016

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **23<sup>RD</sup> DAY OF NOVEMBER, 2016** AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Fish, Fritz and Saltzman, 4. Mayor Hales left at 12:26 p.m. and Commissioner Saltzman presided.

OFFICERS IN ATTENDANCE: Susan Parsons, Acting Clerk of the Council; Ben Walters, Chief Deputy City Attorney; and Jason King and Jim Wood, Sergeants at Arms.

Item Nos. 1303 and 1307 were pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

		<b>Disposition;</b>
<b>COMMUNICATIONS</b>		
<b>1294</b>	Request of Peter Rink to address Council regarding Eagle Scout project of care packages for the homeless (Communication)	<b>PLACED ON FILE</b>
<b>1295</b>	Request of Julie Reardon to address Council regarding Corporate Securities Do-Not-Buy list (Communication)	<b>PLACED ON FILE</b>
<b>1296</b>	Request of Steve Myers to address Council regarding Corporate Securities Do-Not-Buy list (Communication)	<b>PLACED ON FILE</b>
<b>1297</b>	Request of Gary Bucholtz to address Council regarding criminal activity at a homeless camp and law enforcement (Communication)	<b>PLACED ON FILE</b>
<b>TIMES CERTAIN</b>		
<b>1298</b>	<b>TIME CERTAIN: 9:45 AM</b> – Require disclosure of energy performance ratings for residential single family buildings when listed for sale to promote transparency in housing costs and reduction in local carbon emissions (Ordinance introduced by Mayor Hales; add Code Chapter 17.108) 1 hour requested <b>Motion to accept amendments from November 23, 2016 staff handout:</b> Moved by Fish and seconded by Fritz. (Y-3; Hales and Novick absent)	<b>CONTINUED TO DECEMBER 7, 2016 AT 9:30 AM AS AMENDED</b>
<b>1299</b>	<b>TIME CERTAIN: 10:45 AM</b> – Appoint Andrea Chiller to the Citizen Review Committee advisory board to the Independent Police Review, a division of the City Auditor’s Office (Resolution introduced by Auditor Hull Caballero) 15 minutes requested (Y-4)	<b>37249</b>
<b>CONSENT AGENDA – NO DISCUSSION</b>		

November 22-23, 2016

<b>Mayor Charlie Hales</b>		
<b>1300</b>	Appoint Joaquin Lopez to the Portland Community Media Board of Directors for term to expire November 30, 2018 (Report) (Y-4)	<b>CONFIRMED</b>
<b>1301</b>	Reappoint Lisa Faust to the Portland Community Media Board of Directors for term to expire November 30, 2017 (Report) (Y-4)	<b>CONFIRMED</b>
<b>Bureau of Police</b>		
<b>1302</b>	Ratify an amendment to the collective bargaining agreement between the City and the Portland Police Commanding Officers Association to make PPCOA Labor Agreement Article 33 consistent with Human Resources Administrative Rule 8.03 (Second Reading Agenda 1266) (Y-4)	<b>188103</b>
<b>City Attorney</b>		
<b>1303</b>	Amend City Code to set procedure for returning evidence, found property and safekeeping prisoner property (Ordinance; amend Code Section 14C.30.040 and add Section 14C.20.050) Continued to November 23, 2016 at 2:00 pm.	<b>PASSED TO SECOND READING DECEMBER 7, 2016 AT 9:30 AM</b>
<b>Office of Management and Finance</b>		
<b>*1304</b>	Amend the FY 2016-17 Revised Budget to include additional funding for City Council Office transition work in the amount of \$76,499 (Ordinance) (Y-4)	<b>188104</b>
<b>*1305</b>	Authorize a contract with Interface Engineering, Inc. for The Portland Building Commissioning project for a total not-to-exceed amount of \$198,720 (Ordinance; Contract No. 30005569) (Y-4)	<b>188105</b>
<b>Commissioner Steve Novick</b>		
<b>Bureau of Transportation</b>		
<b>*1306</b>	Amend Intergovernmental Agreement with Multnomah County for Healthy Streets Project (Ordinance; amend Contract No. 30004973) (Y-4)	<b>188106</b>
<b>*1307</b>	Accept a grant in the amount of \$15,000 from KaBOOM! Play Everywhere Challenge for Sitton Elementary and George Middle School Walking School Bus Stops (Ordinance) Continued to November 23, 2016 at 2:00 pm. (Y-4)	<b>188108</b>
<b>Commissioner Nick Fish</b>		
<b>Bureau of Environmental Services</b>		

November 22-23, 2016

<b>1308</b>	Authorize the Bureau of Environmental Services to execute an easement with TriMet as part of the Portland to Milwaukie Light Rail: SE Powell Boulevard/16th Avenue Storm Sewer Project No. E10060 (Second Reading Agenda 1279) (Y-4)	<b>188107</b>
<b>REGULAR AGENDA</b>		
<b>Mayor Charlie Hales</b>		
<b>Bureau of Police</b>		
<b>*1309</b>	Authorize application and accept a grant in the amount of \$100,000 and appropriate \$67,000 for FY 2016-17 from Oregon Impact for overtime reimbursement for participation in DUII High Visibility Enforcement events during Federal Fiscal Year 2016-17 (Ordinance) Continued to November 23, 2016 at 2:00 pm. (Y-4)	<b>188109</b>
<b>Office of Management and Finance</b>		
<b>*1310</b>	Pay claim of Tinca Stoica in the sum of \$18,000 involving the Portland Police Bureau (Ordinance) 10 minutes requested Continued to November 23, 2016 at 2:00 pm. (Y-4)	<b>188110</b>
<b>Commissioner Steve Novick</b>		
<b>Bureau of Transportation</b>		
<b>1311</b>	Authorize the Bureau of Transportation to allocate \$500,000 to the Portland Parks Foundation for construction of the Footbridge Over Burnside (Second Reading Agenda 1283) Continued to November 23, 2016 at 2:00 pm. (Y-4)	<b>188111</b>
<b>Commissioner Amanda Fritz</b>		
<b>Portland Parks &amp; Recreation</b>		
<b>1312</b>	Amend provisions relating to possession of cannabis in parks to conform to State law (Second Reading Agenda 1285) Continued to November 23, 2016 at 2:00 pm. (Y-4)	<b>188112</b> <b>AS AMENDED</b>
<b>Commissioner Nick Fish</b>		
<b>Water Bureau</b>		
<b>1313</b>	Authorize a contract and provide payment for the construction of the Sandy River Engineered Log Jam Placement Project at an estimated cost of \$2,300,000 (Second Reading Agenda 1289) Continued to November 23, 2016 at 2:00 pm. (Y-4)	<b>188113</b>

November 22-23, 2016

**Commissioner Dan Saltzman**

**Portland Housing Bureau**

**\*1314**

Authorize a contract with CBRE HMF, Inc. for the refinance of the  
Headwaters Apartments (Ordinance) 15 minutes requested

Continued to November 23, 2016 at 2:00 pm.

**REFERRED TO  
COMMISSIONER OF  
PUBLIC AFFAIRS**

At 1:06 p.m., Council recessed.

November 22-23, 2016

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **23<sup>RD</sup> DAY OF NOVEMBER, 2016** AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Fish, Fritz and Saltzman, 4.

OFFICERS IN ATTENDANCE: Susan Parsons, Acting Clerk of the Council; Lauren King, Deputy City Attorney and John Paolazzi, Sergeant at Arms.

<p><b>1315</b>      <b>TIME CERTAIN: 2:00 PM</b> – Appeal of LRS Architects Inc. against Design Commission’s decision to approve with conditions—specifically C.1 and C.2 corner building element—a new ¼-block 12 story residential building located at NW 14<sup>th</sup> Ave and NW Raleigh St (Hearing introduced by Commissioner Saltzman; LU 16-197257 DZM) 1.25 hours requested</p> <p><b>Motion to grant appeal and remove conditions C.1 and C.2:</b> Moved by Fish and seconded by Fritz. (Y-4)</p>	<p><b>Disposition:</b></p> <p><b>TENTATIVELY GRANT APPEAL; PREPARE FINDINGS FOR DECEMBER 7, 2016 AT 9:30 AM</b></p>
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At 3:24 p.m., Council adjourned.

**MARY HULL CABALLERO**  
Auditor of the City of Portland



By Susan Parsons  
Acting Clerk of the Council

Item 1293 Comprehensive Plan Amendments follow.  
For a discussion of agenda items, please consult the Closed Caption File which begins on page 15.

November 22-23, 2016

## **Item 1293 Comp Plan Implementation Amendments**

November 22, 2016

### **Errata Memos**

- 1. Motion to adopt the amendments identified on the three staff “errata memos” dated September 30, 2016; October 13, 2016; and November 17, 2016:** Moved by Fish and seconded by Fritz. (Y-4; Novick absent)

Description: This includes correcting a number of mapping errors identified by staff, correcting a few omissions to the code document, and making some stylistic changes to recommended Title 17 language to comport with the Auditor’s Office recommendations.

### **Minor/Technical**

- 2. Motion to adopt the amendments identified on the two staff “minor/technical amendment” memos dated November 4, 2016 and November 14, 2016, but without item #2e:** Moved by Fish and seconded by Fritz. (Y-4; Novick absent)

Description: This includes 10 minor mapping changes, and 9 minor changes to the recommended code. Many of the code changes are clarifications requested by BDS. Staff recommends pulling item 2e (SE Reynolds) based on testimony received on 11/17.

### **General Lists**

- 3. 3a. Motion to adopt zoning map amendments 5, 6, 7, 8, 10, 15, 17, 20 and 24 from the amendments memo dated November 4, 2016:** Moved by Fish and seconded by Fritz. (Y-4; Novick absent)

**3b. Motion to adopt zoning map amendments 16 from the amendments memo dated November 4, 2016:** Moved by Fish and seconded by Fritz.

**3c. Motion to adopt zoning map amendments 22 from the amendments memo dated November 4, 2016:** Moved by Fish and seconded by Fritz. (Y-3 Fish, Saltzman, Hales. N-1 Fritz. Novick absent.)

Description: These are a collection of zoning map amendments that BPS staff have identified for a single vote because they appear to be non-controversial and supported by most Council offices. Note that amendment #18 (related to parcels on SE 102<sup>nd</sup>) was pulled from this package and withdrawn from consideration based on testimony supporting amendment #30 instead.

November 22-23, 2016

- 4. Motion to adopt zoning code amendments 26, 27, 29, 31, 32, 33, and 35 from the amendments memo dated November 4, 2016. Add business associations to school district notification to 26:** Moved by Saltzman and seconded by Fish. (Y-4; Novick absent)

Description: These are a collection of zoning code amendments that BPS staff have identified for a single vote because they appear to be non-controversial and supported by most Council offices.

#### Trails

- 5. Motion to adopt amendments 40, 43, 44, 45, 47 and 49 from the amendments memo dated November 4, 2016:** Moved by Fish and seconded by Fritz. (Y-4; Novick absent)

Description: This includes adjustment of the Columbia Steel trail alignment, relocation of a trail on Dosch Park Lane to SW 27<sup>th</sup>, relocation of a trail on Marine Drive, removal of a trail near SW 64<sup>th</sup>, addition of a trail near I-405, and a new Gateway green connection on both the TSP bike classifications map and major public trails map.

- 6. Motion to relocate the trail segment 82 on Marquam Hill to follow SW Campus Drive:** Moved by Saltzman and seconded by Fish. (Y-4; Novick absent)

Description: This is a modified version of amendment # 46.

- 7. Motion to remove major public trail amendment 48 from the amendments memo dated November 4, 2016:** Moved by Hales and seconded by Fish. (Y-4; Novick absent)

Description: Trail segments on Saltzman Rd. west of Skyline.

#### Individual Code Amendments

- 8. Motion to adopt code amendment 36, as modified by the Commissioner Fritz memo dated November 15, 2016:** Moved by Fritz and seconded by Hales. (Y-4; Novick absent)

Description: This section of Title 3 establishes the Community Involvement Committee. This is included in Title 3 rather than Title 33 because the Community Involvement Committee will not make land use decisions. As described in the staff report, the process of chartering the committee and selecting members will begin after the Comprehensive Plan is adopted. The Bureau of Planning and Sustainability will work in collaboration with the Office of Neighborhood Involvement, the Office of Equity and Human Rights, and the Public Involvement Advisory Council to charter, recruit and select members for the Community Involvement Committee. The Commissioner-proposed changes provide more specificity about membership, meetings, and appointments.

- 9. Motion to adopt zoning code amendment 37 from the amendments memo dated November 4, 2016:** Moved by Fritz and seconded by Fish. (Y-4; Novick absent)



November 22-23, 2016

Description: Metro Title 1 requires cities to codify minimum residential densities in designated centers and corridors, and once established, those requirements cannot be reduced. Portland established minimum residential densities in the 1990's. Commercial/mixed use zones do not currently have any residential densities in Portland's zoning code. The recommended zoning map includes a number of parcels that will change from residential to commercial mixed use zoning. Some residential parcels are also being down-zoned. The result is that the overall regulated minimum residential density in Portland's centers and corridors is being reduced by the 36 recommended zoning map, even though total residential capacity is being increased. In order to maintain compliance with Metro Title 1, staff recommends adding minimum residential densities in commercial/mixed use zones, when residential or mixed use development is built. About ¾ of all development in commercial/mixed use zones over the past decade has included a residential component. These new requirements would not apply to projects that do not have a residential component.

**10. Motion to adopt zoning code amendment 30 from the amendments memo dated November 4, 2016:** Moved by Saltzman and seconded by Fish. (Y-4; Novick absent)

Description: Allows housing on campuses with CI2 zoning. Without this amendment campus housing would be limited to student and faculty housing.

**11. This amendment, related to FAR in the Alphabet District:**

**Motion to adopt zoning code amendment 25b from the amendments memo dated November 4, 2016 (Motion B):** Moved by Saltzman and seconded by Fish. (Y-3: Fish, Saltzman, Novick. N-2: Fritz and Hales)

Description: Reject the PSC-recommended 2:1 FAR in the northern Alphabet District, retaining 4:1 everywhere where is it currently mapped.

**12. This amendment, related to drive-through regulations:**

**Motion to adopt zoning code amendment 28b from the amendments memo dated November 4, 2016 (motion B):** Moved by Saltzman and seconded by Hales. (Y-2: Fish, Saltzman. N-3: Fritz, Novick, Hales) **Motion failed.**

Description: Option B reflects staff's August 2016 recommendation to the Planning and Sustainability Commission. It would allow new drive-through facilities and Quick Vehicle Servicing uses only in the auto-accommodating CE zone (the zoning map proposes a limited amount of CE zoning citywide). It would allow exiting facilities in the CM1, CM2, and CM3 zones to be expanded or rebuilt. They would be prohibited in the Central City and in the new main street overlay, where existing facilities would be treated as 26 nonconforming development.

November 22-23, 2016

**Motion to adopt zoning code amendment 28c from the amendments memo dated November 4, 2016 (motion C):** Moved by Fritz and seconded by Hales. (Y-5)

Description: This option would prohibit new drive through facilities in all Commercial/Mixed Use zones, not just east of 80th Ave. An exception would be made for new quick vehicle servicing uses (gas stations, oil change businesses, and car washes), which would be allowed in the CE zone citywide. It would allow existing drive-through facilities to be expanded and rebuilt in CM1, CM2, CM3, and CE. All drive through facilities would be prohibited in the Central City and in the new main street overlay, where existing facilities would be treated as nonconforming development.

**Individual Map Amendments**

**13. Motion to adopt zoning map amendment 21 from the amendments memo dated November 4, 2016:** Moved by Fish and seconded by Hales. (Y-4; N-1 Fritz)

Description: Changes the zoning at PCC Sylvania from CI1 to CI2. CI2 is a denser more urban campus designation.

**14. Motion to adopt zoning map amendment 3 from the amendments memo dated November 4, 2016:** Moved by Novick and seconded by Saltzman. (Y-2: Saltzman, Novick. N-3: Fritz, Fish, Hales) **Motion failed.**

Description: Changes a property on Hayden Island (1225 Jantzen) from CM1 to CE

**15. Motion to adopt zoning map amendment 4 from the amendments memo dated November 4, 2016:** Moved by Fish and seconded by Saltzman. (Y-3 Fish, Saltzman, Novick; N-2 Fritz and Hales)

Description: Changes 6454 N Greeley from CM1 to CE.

**16. Motion to adopt zoning map amendment 9 from the amendments memo dated November 4, 2016, but modifying it to extend the CM2 to 50<sup>th</sup>:** Moved by Saltzman and seconded by Fritz. (Y-5)

Description: Changes multiple properties on the North side of NE Fremont from NE 46<sup>th</sup> to 48th from CM1 to CM2. A further extension of the CM2 to 50<sup>th</sup> was requested in testimony on 11/17.

**17. Motion to adopt zoning map amendment 11 from the amendments memo dated November 4, 2016:** Moved by Fish and seconded by Fritz. (Y-5)

Description: Changes multiple properties on the west side of SE Cesar E. Chavez Blvd between SE Division St and SE Sherman St from R1 to CM2 with a "d" overlay.

November 22-23, 2016

- 18. Motion to adopt zoning map amendments 12 and 13 from the amendments memo dated November 4, 2016:** Moved by Fritz and seconded by Hales. (Y-5)

Description: Change 5000-5018 SE Hawthorne Blvd from CM1 to CM2, and add the “d” overlay to this parcel and the CM1 parcels on Hawthorne east of 49<sup>th</sup>.

- 19. Motion to adopt zoning map amendment 14 from the amendments memo dated November 4, 2016:** Moved by Novick and seconded by Saltzman. (Y-5)

Description: Change several parcels at the corner of 60<sup>th</sup> and Belmont from CM1 to CM2.

- 20. Motion to adopt zoning map amendment 23 from the amendments memo dated November 4, 2016:** Moved by Fish and seconded by Saltzman. (Y-4; N-1 Fritz)

Description: Change 6141 SW Canyon Ct from R20 to R5.

- 21. Motion to adopt zoning map amendment #19 from the amendments memo dated November 4, 2016, with further modifications to add property between Woodstock and SE Martins, from 48<sup>th</sup> to 49<sup>th</sup>; AND to add properties facing the west side of 42<sup>nd</sup>, between Woodstock and Martins:** Moved by Saltzman and seconded by Fish. (Y-5)

Description: Change 5105 SE Woodstock Blvd, 5115 SE Woodstock Blvd, 5112 SE Woodstock Blvd, 6028 SE 51st Ave, and 5119 SE Martins St from R2.5 and R1 to CM2. An additional modification adds parcels associated with The Joinery and Otto's.

- 22. Motion to change 3844 NE 82<sup>nd</sup> Avenue from R1 to CE zoning:** Moved by Saltzman and seconded by Fish. (Y-5)

Description: Change 3844 NE 82<sup>nd</sup> Ave from R1 to CE. This was not in any of the memos distributed earlier, but is based on testimony given on 11/17.

#### Transportation Amendments

- 23. Motion to adopt amendment 50 from the amendments memo dated November 4, 2016:** Moved by Hales and seconded by Saltzman. (Y-5)

Description: Direct PBOT staff to prepare an ordinance that provides further guidance on the application of existing street connectivity requirements when redevelopment occurs in designated centers the Eastern Neighborhoods pattern area.

- 24. Related to parking and TDM**

**Motion A to adopt directive 51 (as amended by staff 11-22-16 memo), without amendment 34:** Moved by Fritz and seconded by Fish. (Y-1 Fritz; N-4) **Motion failed.**

Amendment #51 would direct PBOT to take the further actions regarding Transportation & Parking Demand Management. A staff-recommended modification to Directive #51 also clarifies that further

November 22-23, 2016

changes to the off-street parking requirements will be considered with the Phase 2 TDM recommendations.

**Motion C to adopt a modified version of zoning code amendment 34, and the modified directive 51 (copies of both provided staff 11-22-16 memo):** Moved by Fish and seconded by Fritz. (Y-5)

Description: This modified version of amendment #34 would change the recommended draft to remove minimum off-street parking requirements for buildings close to frequent transit, only if they include affordable housing approved through voluntary mixed use bonuses or under future mandatory inclusionary housing requirements. This has a similar effect as Motion A, but requires a more specific exemption to enable a site-by-site quantification of the incentive. All sites that are subject to off-street parking requirements are also subject to inclusionary housing.

Amendment #51 would direct PBOT to take the following further actions regarding Transportation & Parking Demand Management. A staff-recommended modification to Directive #51 also clarifies that further changes to the off-street parking requirements will be considered with the Phase 2 TDM recommendations.

**25. Motion to adopt amendment 54, as modified by the memo from Commissioner Fritz dated November 15, 2016 and 11-22-16 handout:** Moved by Fritz and seconded by Novick. (Y-5)

Description: The amendment links the proposed Street Vacation Code more clearly with adopted Comprehensive Plan policies on Public rights-of-way (policies 8.39-8.52, pp.GP8-16 and GP8-17 of the adopted June 2016 Comprehensive Plan).

**26. Motion to adopt amendment 41 from the amendments memo dated November 4, 2016. This amendment is conditional on a related resolution supporting the new street plan being adopted by Council before December 14<sup>th</sup>, 2016:** Moved by Fish and seconded by Fritz. (Y-5)

Description: Replace the South Waterfront Street Plan map and narrative in the TSP with revised text and map to reflect recommended changes at the South Portal, which were presented to City Council on November 16<sup>th</sup>.

**27. Motion to adopt amendment 42 from the amendments memo dated November 4, 2016:** Moved by Fritz and seconded by Fish. (Y-5)

Description: Move Policy 9.50.b. from page GP9-16 of the adopted 2035 Comprehensive Plan to replace TSP Objective 9.26.a., and move Figure 9-4 from page GP9-23 to the TSP as new Table 9.2.

November 22-23, 2016

Figure 9-4 was placed in Chapter 9 of the Comprehensive Plan because the TSP objectives were still being developed at the time the Plan was being developed. The City is required to have identified service standards for urban services in its Comprehensive Plan, and they must be consistent with those adopted by Metro. These are characterized as interim standards because the intent expressed in Policy 9.49 and 9.50 is to replace these standards with multimodal performance measures in the future. This evaluation standard and table are more appropriately located in the TSP, which contains similar performance and evaluation measures.

**28. This amendment, related to Hayden Island Bike Classifications.**

**Motion to (a) adopt amendment 38 from the amendments memo dated November 4, 2016 and (b) also remove the City Bikeway segment that passes through the manufactured Home Park on the north shore of the island:** Moved by Hales and seconded by Saltzman.

Description: Remove the City Bikeway classification from Hayden Bay.

Description: This additional change (b) was request in testimony on 11/17.

**29. Motion to move to adopt amendment 39 from the amendments memo dated November 4, 2016:** Moved by Fritz and seconded by Fish. (Y-5)

Description: Direct PBOT to retain flexibility on the location of a Major City Bikeway on either NE 7th or NE 9th until more specific project design options are developed and more outreach is completed. Classify both streets as a Major City Bikeway until the decision is made.

**Other Directives**

**30. Motion to adopt amendment 52 from the amendments memo dated November 4, 2016:** Moved by Fritz and seconded by Saltzman. (Y-5)

Description: Direct BPS to study the “f” overlay area along Skyline to determine if the overlay is still necessary, and if it should be retained, modified, or removed. Bring recommendations back to Council in 2018.

**31. Motion to adopt amendment 53 from the amendments memo dated November 4, 2016, with the additional sites recommended by staff 11-22-16 memo:** Moved by Fritz and seconded by Fish. (Y-5)

Description: Direct BPS to study the comp plan designation and zoning on the following sites, and others if appropriate, and return with recommendations for any appropriate

November 22-23, 2016

post-acknowledgment amendments in 2018: a. 7008 SW Capital Hill Rd (Hales, Saltzman) b. 9808 N Edison St (Fish) c. Strong property - 4931 – 4947 N Williams Ave (Hales) d. Marquam Hill mixed use node (Novick) 52 e. 4836 SE Powell Blvd (Staff) f. 310 NW 23rd Ave (Saltzman) g. 4337 NE Prescott St (Hales) h. 4543 SE Harney Dr (Fish) i. 5727 SE 136th (Saltzman) j. 505 NE Thompson (Fritz). These are sites where commissioners have expressed interest in exploring further revisions to the Comprehensive Plan map, as a Post-Acknowledgement amendment in 2018. Staff recommended adding several additional sites based on testimony from Allison Reynolds. This includes: 25 N Fargo Street, 3138 W/N Vancouver Avenue, and 2525 NW Lovejoy Street and several abutting lots in medical office use).

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**Key: \*\*\*\*\* means unidentifi1294ed speaker.**

**NOVEMBER 22, 2016 9:00 AM**

**Hales:** Welcome to this special meeting of the Portland city council. Would you please call the roll?

**Novick:** [teleconferenced at 9:45 a.m.] **Fritz:** Here **Fish:** Here **Saltzman:** Here

**Hales:** Here

**Hales:** This meeting is called to allow the council to begin work on amendments to the comprehensive plan. And, that is to the zoning code and map changes attendant to the plan. We have a lot of testimony behind us and bps staff is going to give us an overview or where we are in the process and then we're going to start walking our way through potential amendments after that. Commissioner novick is going to join us by phone later in the session. We're going to pause the discussion at 10:45, returning at about noon, so we can participate in the event over at the post office site. So --

**Fish:** I was in new york last week and missed all the drama. Thank you for giving me the opportunity to meet on some of the amendments. I met with joe Zehnder and his team yesterday. I'm a step behind my colleagues in terms of the cheat sheet and the sequencing. I apologize in advance for any clumsiness.

**Hales:** Okay. There are areas where we'll want further discussion. I've got and questions, as well. Okay. With that, Eric?

**Eric Engstrom, Bureau of Planning and Sustainability:** Thank you, mayor hales.

**Parson:** Could I read the title, please?

**Item 1293.**

**Hales:** Okay. Thank you. Please proceed.

**Engstrom:** As you know, over the past few weeks, each of your offices have sent potential amendments ideas to bps staff and we've compiled them into a memo released on November 4<sup>th</sup>. In addition to that memo, we published several other staff memos, identifying minor areas and some technical changes that you should adopt. Those memos were dated the 30th of September and then 10/13, 11/4 and 11/14. We have also drafted an agenda for today. In that agenda, as we go through each item, it refers to the amendments in those memos and you should have the memos in the pile of papers in front of you. If you need to be oriented, say so and we'll try and help you find the right memo. We also distributed a bundle of testimony that arrived -- the record was open until Friday for written comments and we did receive some. They've been entered into the record. I understand there are a few more stragglers that will be distributed today, probably. Today's agenda, we're going to start this morning with several consent lists, taking care of the staff identified errata. We'll move into considering public trails. Then, on to code amendments, zoning map amendments and after the break, the mayor indicated, we would focus on the transportation items then and we expect commissioner novick to join us. We have reserved a time-certain tomorrow at 3:15, if you need it. We need to discuss some of these items, so that's there if we need it. Any questions about the papers or the order of business?

November 22-23, 2016

**Fish:** Since it's the four of us and not the five of us for the first session, if we don't have three votes for a particular approach, is it your inclination to just move that forward to either the next session or to the residual session?

**Hales:** At least that there's three. I think there are going to be some of these items where we're going to have three votes or no more

**Fish:** The default is we go back to what planning has recommended. If the four of us can't resolve the issue, I would hope our procedure is to kick it to later or tomorrow.

**Hales:** I think that's the right thing to do, thank you.

**Engstrom:** We've tried to cluster the harder issues later so commissioner novick is present tomorrow. If there are no other questions, we'll start with the errata of memos and sort of ease into it with those. And, I think the way we could work this, if you'd like, is I can be the emcee and identify the amendment and then you all can then make motions, as you see fit.

**Fish:** I'll move the motion for number one.

**Fritz:** Second.

**Hales:** Further discussion on number 1? Let's take a roll call vote on that amendment, please.

**Fritz:** Aye. **Fish:** Aye. **Saltzman:** Aye.

**Hales:** Aye. Okay. And then, let's move on to number two.

**Engstrom:** It is a number of technical amendments. They're not errors, they are fairly small. We recommended nine minor changes to the code and 10 mapping changes. We recommend that you pull, item 2-e, concerning southeast Reynolds street. You heard testimony about us not removing the commercial zoning. We recommend you pull that item

**Hales:** So, the effect of pulling item 2-e is to retain --

**Engstrom:** They would retain mixed use commercial zoning which is what they had asked for.

**Fish:** I move the motion.

**Fritz:** Second.

**Hales:** Further discussion? In this, it has been removed?

**Fish:** I move the motion that includes removing 2-e.

**Fritz:** Aye. **Fish:** Aye. **Saltzman:** Aye.

**Hales:** Aye. Okay. Number three?

**Engstrom:** Now we're moving into some more general bundles of things that we did not get the sense from any of you that you were concerned about so we bundled these into group votes. We pulled from item number 3, amendment 18, which relates to southeast 102nd because there was testimony saying that they prefer amendment number 30 and if this passes, they don't need it. The site is residential property owned privately within the Adventist hospital. They would like to keep residential zoning so amendment 18 did that. However, when we introduced the amendment, they wrote in again saying they would be okay with that and would prefer it over 18.

**Hales:** Okay.

**Fritz:** I haven't seen that testimony. I was wondering why, in principal, should we have campus zoning on a property that they don't have ownership of?

**Engstrom:** In general, that has been our approach unless the property owner specifically had other views. The property owner does not have an issue with the campus zoning but wants to be able to maintain residential.

**Fritz:** Would it mean they can only sell to the campus, to the institution?

**Engstrom:** I don't think so because it would allow other uses. It restricts the property differently than a residential zone would be restricted. If you keep residential they would not be able to do medical offices, if you keep the campus zoning, they could do private



November 22-23, 2016

medical offices without being associated with the campus and not necessarily have to sell to the campus. Or, they could do housing if you're inclined to doing housing in that zone. It hinges the philosophy of when you apply the campus zone and in this case, whether you intent to vote for number 30 or not.

**Hales:** It's no longer number 30, it's something else now.

**Fritz:** Number 10.

**Engstrom:** I guess we should state that the amendments have their numbers from the memos, but the motion item number.

**Hales:** Motion number, code amendment 30, motion number 10.

**Engstrom:** Sorry for that confusion.

**Fish:** I move the motion.

**Fritz:** What motion?

**Hales:** Number three, as drafted.

**Fritz:** I have some comments on 16 and 21, as well. I'd like to pull those for discussion. 16.

**Hales:** In that list? Okay.

**Fish:** We'll do the ones that are noncontroversial

**Fritz:** 16 and 22, please.

**Fish:** My motion is number three, excluding 16 and 22.

**Fritz:** Second.

**Hales:** Further discussion on that revised motion?

**Fritz:** Aye. **Fish:** Aye. **Saltzman:** Aye.

**Hales:** Aye. So do you want to go ahead and pull out 16 and 22 and talk about those, Amanda?

**Fritz:** 16 is the south side of Powell and west of 17th avenue. The request is to change it from ce to cm2. Staff says that the north side is zoned ex, so it's a step-down.

**Hales:** And you support that?

**Fritz:** I support the staff's recommendation.

**Hales:** Okay. So, why did you pull it? Wouldn't that have been accomplished if it had remained in the package?

**Fritz:** I'm quite challenged by the process here.

**Fish:** I hope we err on the side of ventilating.

**Hales:** You're comfortable with cm2 being apply applied to that property at 17<sup>th</sup> and Powell you didn't want to change that you wanted to apply.

**Fritz:** Which is the more intense zone, ce or ce2?

**Engstrom:** There both roughly equivalent Ce has a slightly broader allowance for manufacturing and a slight broader allowance for auto-accommodating uses.

**Fritz:** Wouldn't that be a good thing in the central east side.

**Hales:** I think cm2 makes sense here and that's what the property owner's actually request, I believe. Again, if the north side of Powell there is going to redevelop, then having more -- less auto-oriented uses across Powell at that point, would make sense. Major industrial sites near there, it's the transition into the Brooklynn neighborhood. So, to me, that made sense as a scale.

**Marty Stockton, Bureau of Planning and Sustainability:** Just to clarify, I spoke with Eric wyland and he said, we've been wanting this change for years. They did not submit testimony in support for them, it was -- they were very favorable. They --

**Fritz:** I'm sorry, i'm fine with it.

**Hales:** Let's act on 16, then unless there's any other discussion around that.

**Fish:** So moved.

**Fritz:** Second.

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

November 22-23, 2016

**Fritz:** 22 is the sylvan highland issue and there's a couple of them that are here and we had many discussions about if they should be up zoned from r20.

**Hales:** There's one or more here in the package.

**Fritz:** My recollection is that we did handle each one individually but we had good discussions about let's not change the zone and we would do what property owners said and we could put the comprehensive plan designation up. But we need a quasi-judicial zone change process so the neighbors can weigh in so we can require all the transportation improvements we need.

**Hales:** What does 22 in particular cover?

**Engstrom:** It covers the properties on southwest 58th -- 1434 and 1512. You received testimony from the property owner. There -- the frontage in front of them is unimproved sidewalk but they are north of where there is a sidewalk. They testified it is their intent to build a sidewalk. Staff told you we are slightly more comfortable with doing a quasi-judicial change in this situation. They testified that there is evidence that we have succeeded in requiring sidewalks with building permits and so it's a little bit of a debate about how strong our ability to require sidewalks is and whether we need the quasi-judicial hearing. The property owner is comfortable building a sidewalk.

**Fritz:** They still need to go through the process because the neighbors might not have been paying attention to this. I've been looking obviously while we've been doing all these changes I've been extra vigilant at looking at where pbot have required sidewalks and where have they not. There is evidence that sidewalks are always required where needed.

**Hales:** I think I have the opposite viewpoint on this. These are r20 today, right?

**Engstrom:** They're in r2 comprehensive plan.

**Hales:** If we're doing long-range planning, r-2 doesn't make sense. I think making someone go through a quasi-judicial process to get a sidewalk is a wrong tool. We should make sure that pbot's requirements are clear and strict so when that development occurs that sidewalks are required and constructed. But, we don't have to rely on assurances. We can rely on regulations. I would assume that we would rather, in many cases -- we have connectivity stuff in here in the tsp portion of the plan. I would rather us be, always in planning, be very explicit on what we expect and require rather than say, it's an open-ended process. If we want it to be developed for housing, let's say so but then let's make sure we get the sidewalks that are the issue, right? There's not another issue here besides the sidewalks. Are we guaranteed getting the side walk?

**Fritz:** And is it okay now? If we vote for r2 we're saying, go ahead. The challenge mayor is you're not going to be in charge of pbot, I'm going to be in charge of pbot. We don't have the same pressure from neighbors at the hearing on a quasi-judicial change.

**Hales:** I'm pretty mystified that we can't require sidewalks in a situation like this. I mean, is there anybody here from pbot that can help eliminate this for us?

**Engstrom:** Based on -- I mean, pbot, feel free to come up. I think it's site-specific sometimes. There is an ability to waive the requirement or accept waivers especially when it's an isolated site. This is not isolated.

**Hales:** This is the parcel at the end of the sidewalk, right?

**Denver Igarra, Portland Bureau of Transportation:** Yeah, I think we do have the tools and code authority -- my name is Denver Igarra and we do have the code authority in making those requirements, as they're described sometimes, it's site-specific based on the conditions. We also have tools, such as the new local transportation infrastructure charge to get fee in place of improvements on local streets. With that, we're able to provide more clarity on where we need the street improvements the most and so I think pbot has been a lot firmer in recent years about getting street improvements.

November 22-23, 2016

**Hales:** Yeah, I think you have been, too. I've heard a number of complaints about pbob being too strict about sidewalks. I haven't heard a single complaint from a neighbor about they wanted a sidewalk and didn't get one. It seems to me you're erring on the side of infrastructure rather than we should get to it later.

**Fish:** Let's test where we are.

**Hales:** I'm going to move 22, as-is. Which is the change, right?

**Fish:** I'll second that.

**Hales:** Let's take a vote on that.

**Fritz:** Good discussion, thank you. No.

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

**Hales:** Aye. So, those are done.

**Engstrom:** Now we move to motion package number four, which is a collection of zoning code amendments that staff has identified because they appear to have support and are not controversial.

**Fish:** I'll move the amendment.

**Saltzman:** Second.

**Fritz:** Were there a couple of amendments that we were going to do on 26, which is school districts to add it to the contract requirement?

**Fish:** Thank you, commissioner Fritz, we have a friendly amendment to add business associations to 26?

**Hales:** Makes sense.

**Engstrom:** Yes, that's correct. Do you want to consider that separately?

**Fish:** I understand the sponsor has graciously agreed to add it.

**Fritz:** The school district, has that been added?

**Engstrom:** You would be amending 26, in addition to listing schools for the neighborhood contact requirement, you're adding business associations.

**Fish:** Do you want to vote on that or can it be a friendly amendment?

**Hales:** It can be a friendly amendment. Anymore discussion about that one? Let's take motion four with that understood friendly amendment.

**Fritz:** I'm going to, at times, look through my notes to make sure there's nothing else I was supposed to do. Aye.

**Fish:** Aye. **Saltzman:** Aye. **Hales:** Aye. Okay.

**Engstrom:** Now we're transitioning to some trails. The first motion is a bundle of trail amendments we believe we had support for. You know, you may want to have discussion of this bundle. They are relatively uncontroversial.

**Hales:** This bundle does not include the two questions on Hayden island, which are separately addressed later?

**Engstrom:** Correct. The Hayden island question is part of the street classification map, not the trails map. For individual vote, the marquam hill and the Saltzman road trail segments because we believe there was discussion necessary there.

**Fritz:** I have a question on this. It includes the trail near i-405. Can you tell me where near I-405?

**Engstrom:** As you approach westbound, the vista tunnel on the south side of 26 there, there's a trail that starts there, right before the tunnel and goes east, south of 405 and connects kind of past south of psu.

**Fritz:** Okay. I got briefed yesterday by parks on an issue, on a different park, about the green loop. Is the green loop included in any of this?

**Engstrom:** No, the green loop is part of the central city plan.

**Fritz:** Okay. Thank you. Aye.

**Fish:** I think we have a second.

November 22-23, 2016

**Hales:** Now we can vote.

**Fritz:** Aye. **Fish:** Aye. **Saltzman:** Aye.

**Hales:** Aye. Okay. All right.

**Engstrom:** Motion six related to trail segment 82 on marquam hill and the request -- this is a modified version of amendment number 46, the request or the modified version is to move the trail segment from crossing a property to follow southwest campus drive. The reason we suggested the modification is we got testimony from the southwest trails and neighborhood and ohsu folks that they all agreed with that change.

**Saltzman:** I'll move motion six.

**Fish:** Second.

**Hales:** Further discussion?

**Fritz:** Aye. **Fish:** Aye. **Saltzman:** Aye.

**Hales:** Aye. Number seven.

**Engstrom:** Number seven is an amendment to remove a segment on Saltzman road west of skyline, staff recommended against the motion. Mr. Cole is here to provide a little background on that.

**Engstrom:** This is John Cole, with my staff, who has been focusing on the trail issues.

**Hales:** Refresh my memory about this one, John, why there's a difference of opinion on this one.

**John Cole, Bureau of Planning and sustainability:** You did receive a number of public testifiers against including this particular segment based on issues, I think, of privacy and of impact on some natural resources in the area. It had been included in the packet initially to match up with a west side trail project that had been adopted through a public review process through metro. During the adoption of that metro trail segment, through a resolution of the board of county commissioners, they did raise some concerns over the specific alignments that occurred under county jurisdiction to the west of the city property. So, that was the basis of their testimony against including this particular trail segment. It is entirely within city right-of-way, so we're not on any private property and staff had taken the position that having this particular trail segment, that does match up with the conceptual trail alignment was an acknowledgment of that particular trail planning process and did indicate that we were interested in providing, if you will, a receiving point, of the west side trail regardless of which alignment it eventually settled on under county jurisdiction. I don't think it's anything that staff feel strongly about, but we do think that retaining that particular trail segment is a signal in support of the metro west side trail planning process.

**Fritz:** It's the concern of the neighbors that it's entirely private property so it takes people down a public right-of-way, but there isn't a connection to anything public on the other side?

**Engstrom:** The designation of a trail on the zone map doesn't necessarily lead to signage or any specific trail that the public would be aware of. I guess it's staff's assumption that people don't use the zoning map to navigate trails in Portland.

**Fritz:** Yes, but that doesn't answer my question there's private property on the other side so the county would have to condemn property to get the connection?

**Engstrom:** Or exact it through a development process, correct. That's been the debate with -- at the regional level about the routing of the trail to the west of here.

**Fritz:** Since it's public right-of-way, I'm not sure why we'd put a trail designation on it if the words will have exactions with the county property it should be a street not a trail.

**Engstrom:** The primary effect in public right-of-way is to give pbot a signal that this is a potential trail. You're correct, the trail could be built without us having the stars on the zoning map because it would be connecting to the public right-of-way.

**Hales:** So, your inclination is to take it off?

November 22-23, 2016

**Fritz:** Yes.

**Hales:** So that's the motion before us. Staff had the contrary recommendation.

**Fish:** I'll second that.

**Hales:** Further discussion? Roll call, please.

**Fritz:** Another good discussion, aye.

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

**Hales:** I want to say thanks to the staff. We're working our way through a lot of trails issues in this. It ended up in this -- at least for me, late in the game, turbulence between the metro process and our own. I think we're getting it right in terms of sorting out where trails are practically likely and we'll return to that conversation. We talk about Hayden island. As opposed to ones that are going to get people concerned. I don't mind pushing the envelope on trails that have a reasonable prospect. Aye. Okay. Let's move on to number eight.

**Engstrom:** We're now shifting gears into code amendments that we want to consider individually. The first motion relates to amendment 36. I believe commissioner Fritz had further revised it on November 13. This is amendment to title 3 to establish the citizen involvement committee and to provide more specificity.

**Hales:** Are you satisfied with where we are?

**Fritz:** Yes, very much.

**Fish:** As modified by a November 15 memo. Do we have that memo?

**Engstrom:** You should have that memo. If you don't, we can certainly find it. P

**Fish:** Commissioner Fritz, can you summarize the highlights?

**Engstrom:** I believe we have it in the box somewhere. [laughter]

**Hales:** In one of those boxes. [laughter]

**Fritz:** It was cleaning up who's responsible for this committee, what it does, how many is a quorum and that kind of thing.

**Fish:** I heard the word, appointment. Under your approach, what would be the appointment process?

**Fritz:** It's after 9:30, but I'm not functioning particularly well.

**Saltzman:** Bureau of planning and sustainability would be the appointing?

**Hales:** I believe that's correct.

**Fish:** Would they come to council?

**Fritz:** Yeah.

**Hales:** They typically would.

**Fritz:** Technically the mayor on the recommendation.

**Hales:** Like other appointments?

**Fritz:** Just working to make sure it was congruent with our other committee.

**Engstrom:** We also included in that, in discussion with commissioner's office, an amendment to include the phrase that it was going to be geographically represented and that was received from the neighborhood association's concern.

**Hales:** Broad spectrum. Commissioner Fritz moves and I'll second number eight. Further discussion? Okay. Let's take a vote, please.

**Fritz:** So, I apologize to Claire Adamsick, who has done an amazing job helping sort through it. She's included the memo in my packet and so it consists of five, no more than 12, board of representatives. Renewable for one second term, but not after that. And, gathering information. Aye.

**Fish:** Aye. **Saltzman:** Aye. **Hales:** Aye.

**Engstrom:** Number nine is amendment number 37. This was a staff request. I'll try to go over the purpose of it. Metro title 1 require that have densities codified in their zone. Commercial mixed use zone don't have minimum residential. If you do residential, there's

November 22-23, 2016

not a minimum. With the new comp plan and the zoning map we're asking you to adopt, we've done a number of zone changes that shift it from residential to commercial and the net result was to reduce the total minimum density of our zoning map as a whole, which may run afoul of the metro title one requirement that we maintain and not slide back on our overall total minimum density for residential zoning. We're proposing an amendment when residential development is proposed. If you're going to build residential, you have to meet a minimum density similar to how you would be doing that in residential zones and we believe that's a sufficient addressing of that issue that would satisfy metro's concern.

**Fritz:** Does that mean it has to be housing in the commercial zone map?

**Engstrom:** No, you could build 100% commercial and it wouldn't be subject to this. If you're going to put housing units on the site, it would preclude someone for using a prime mixed use zone for one house. If you're building new development -- if you have existing residential development, you can come closer to conformance without going all the way. If you're redeveloping a site, it would require a minimum density if residential is included.

**Fritz:** So moved.

**Fish:** Second.

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

**Engstrom:** Motion 10 is related to zoning code amendment 30 memo dated November 4th his is the one we referred to earlier that was requested by Portland community college to add the allowance for housing in the -- in one of the two campus designations, the denser of the two. There's a second question on whether the Sylvania campus should be zoned that. The request there's two campus zones one that's more oriented to lower density neighborhoods and example of that is Loos and Clark, another -- or reed. Another campus zone is the denser one that is more accommodating, like killingsworth, pcc or the hospitals, good sam. And the proposal, as originally recommended by the planning commission, the campus zone allows housing for staff and students. It doesn't allow just separate housing and the request was to be a little bit broader and allow housing outright and the distinction would be that it would allow those campuses to entertain the idea to build affordable housing, which is something pcc is considering.

**Fish:** It would also allow them to develop market rate housing and use the proceeds for other parts of the operation.

**Engstrom:** Correct.

**Saltzman:** So moved.

**Fish:** Second.

**Fritz:** I have a question. Is there any concern that the -- any institution would develop housing for profit and then not have enough student accommodation?

**Fish:** I don't have that. I would defer to the board of directors and the political process and the governing process. I was just clarifying there is no constraints. From a public policy point of view, there will be tremendous interest to be other housing -- housing for other than faculty and students because there is a shortage of affordable housing for students or minimum-wage workers. I have confidence in the political process.

**Hales:** I have another question.

**Fritz:** I'm just thinking about the building that psu helped complete, which is for sale. They're condos, not dorms, right? It would be good to know how many of those are being rented or sold to students versus the general public.

**Hales:** I hear you. I don't know the answer to that question. I have another question, which is -- I should know this because we have talked about this before. I understand the scale and design requirements attendant to the mixed use zones, what would prevail here, is there floor-area ratio. We don't want Loos and Clark building a 25-story tower.

November 22-23, 2016

**Engstrom:** The campus zones have their own floor ratios the lower density one has a .5 f.a.r. These tend to be big campuses with a lot of trees. The denser one has a 3:1, which is moderate to the mixed use zone. They do include some of the same design standards at the mixed use zones where it fronts up against commercial streets and mixed use streets. The transit setbacks and the articulation is the same standards.

**Fish:** One other thought I want to throw out there, I've been thinking about ways that we could create more incentives for faith communities, campuses to build housing for older adults. The idea being that we know that older adults like to be adjacent to academic institutions. Perfect case would be within the university district. We also know that we have some churches in the city that are losing their congregations, what better place if they were to develop a parking lot, to have housing for older adults. That's not before us, but I'm personally intrigued by the idea of housing for older adults and affordable housing on campuses because of the other amenities the campuses offer.

**Hales:** I like that, too. Another question, I'm assuming we're moving forward with inclusionary housing, would those apply to non-student housing?

**Saltzman:** Probably, that's a good question.

**Hales:** We might want to specify that?

**Engstrom:** Tom armstrong, I believe, is in the audience.

\*\*\*\*\*: [indiscernible]

**Hales:** Would inclusionary housing apply to the non-student on the college campus? As it should be, in my opinion. Further questions or concerns about this one? Let's take a vote.

**Fritz:** Aye. **Fish:** Aye. **Saltzman:** Aye.

**Hales:** It's a little bit of an experiment. I like it. Aye.

**Engstrom:** Now we're moving into one that we expect a little bit more debate. This is the alphabet district. We've put three alternate motions on the table, a, b and c. motion a upholds the planning commission recommendation with a slight technical change that is at staff's recommendation. Motion b adopts -- rejects the planning commission recommendation and retains the existing 4:1 f.a.r. In the alphabet district in the rh zone and motion c was an attempt at a compromise from the mayor that retains the planning commission recommendations but adds a few more properties to the 4:1 area. The rh zone has two potential f.a.r.s, 2:1 or 4:1 and it's mapped in the zoning code. The alphabet district was 4:1. There is conflicts between the landmarks design review process and the floor area and 4:1 has been rejected because of concerns about masses. You modified some of the boundaries of the rh zone so we had to go clean up these maps and we got the attention of some of the neighbors who then testified that this should be 2:1, not 4:1. You heard some testimony from affordable housing providers concerned about the loss of density in an urban neighborhood. You heard from nwda that the 2:1 was more appropriate. The planning commission's recommendation kind of split and kept 4:1 on the south side, which is close to the max station and where there is a slightly higher preponderance of buildings. The maps on the screen, the red line on the map is where the planning commission drew the line. So, the rh zone, south of that line retained 4:1. The area north of that was reduced to 2:1. So, that's sort of what would be in place if motion a passes. If b passes, the line would go away and it all 4:1. Motion c would add the properties in red in the map to the area that is 4:1 and retain south of the line 4:1.

**Hales:** To complicate this further, another notion that was floated was to look at 3:1 instead of either of these, or as a compromise.

**Engstrom:** Correct, that was discussed a little bit. Staff didn't recommend that. It would be introducing new framework into that.

**Hales:** I'm not sure which of these I like, either. I'm not sure if I like that one. It was at least worth talking about.

November 22-23, 2016

**Fritz:** My understanding is C is the one you were leaning towards?

**Hales:** I think c is a reasonable compromise. You know, there are detractors to each of these approaches. Detractors to option c is it's spot zoning. I think it is -- it was an attempt to try to make a reasonable call about where the 2:1 really should be applied for purposes of historic preservation and where higher development could be allowed, but it's subject to the landmarks. Maybe start with -- I don't know if you want --

**Engstrom:** I believe this is the point where commissioner novick wanted to join the conversation.

**Hales:** Is he available to do so? Okay. All right. So, council member is going to participate by telephone in the meeting. I need to make these announcements that need to be made before we do that. Commissioner novick is participating by telephone because there might not be enough people present. We made sure that commissioner novick is properly informed. Do any of the council members object?

**Fish:** If this was another legislative body in Washington, d.c., I would reserve my objection depending on which way he would vote. [laughter]

**Hales:** Commissioner novick, you're participating.

**Novick:** Is commissioner Saltzman moving motion B?

**Saltzman:** Moving b?

**Fish:** I will second that.

**Hales:** This is retaining 4:1 everywhere, where it is currently mapped, not excepting the recommendation from the psc or my attempted compromise.

**Fritz:** I would like to speak against the motion. In terms of answering the question of is this spot zoning I think a lot of what we've done in this comprehensive plan is lot by lot zoning. So I'm not concerned that we would be providing that. Also, as we found within the council, if you can't possibly or very unlikely to meet the historic review standards, we're not doing people a favor by developing at the higher intensities.

**Hales:** I agree with that viewpoint. Further discussion before we take a vote on option b? Okay. Roll call, please.

**Fritz:** No. **Fish:** Aye. **Saltzman:** Aye. **Novick:** Aye.

**Hales:** No. Okay, but it passes. All right. Let's move on, then, to option number 12.

**Engstrom:** Motion 12, like the previous one is three options. This concerns drive-thru regulations. We've discussed this, at length, in other briefings. We have three options, a, b and c. Option a retains the planning commission recommendation and clarifies, includes some clarifying language from staff. Essentially, it would prohibit drive-thru's east of 80th. West of 80th, it would allow it in the accommodating ce zone. West of 80th, it would allow rebuilding and expansion of existing facilities in cm1, 2 and 3 zones. Motion b, we tried to keep the same pattern. I believe this was commissioner Saltzman's amendment. It goes back to the staff august recommendation before they added the 80th avenue distinction. So, it would allow new drive-thrus and quick vehicle services in all of the ce zone citywide. It would also allow existing facilities to be expanded or rebuilt. They would continue to be prohibited in the central city and the new main street overlays. And those would be treated as non-conforming development. The option c was a potential compromise. It would continue to prohibit drive-thru facilities in the mixed use zones, but not just east of 80th. Unlike the planning commission, it would allow quick vehicle servicing uses in any of the ce zones citywide. It was drawing the distinction. All drive-thru facilities would be treated as non-conforming. Like the other a option, it would allow existing facilities to be rebuild in the c1, 2 and 3 without being non-conforming. We had some maps we had prepared of the net effect of this. They are on the screen. Option a, in these maps, they use the same color scheme where red is showing where new ones are prohibited. Orange is showing where new one are prohibited but existing ones have a more liberal rebuild bounds, green is



November 22-23, 2016

where you can build new ones. Under option a, you can see the green has retreated to the remaining ce zoning west of 80th. Under option b, the green basically corresponds to the ce zone, city-wide and is east and west of 80th. In option c, there is also -- there is less green, but more orange and it depends -- the distinction is whether your quick vehicle servicing or drive-thru.

**Hales:** So, let me speak about motion c -- let me speak about all of these. I thought the planning commission's idea of east of 80th was laudable, but not -- I don't think really workable. I think what we should be trying to do in this planning effort is zone for the city we want and be serious about climate. Well, we want the whole city to be less auto-oriented. We have to acknowledge the reality that people need to have their vehicles serviced. The distinction we're making in c and b about quick vehicle servicing is just being practical to me. And then secondly, I don't want to -- the problem I have frankly with option b is it really does the opposite to east Portland. It says east Portland is very auto-oriented now and it's going to stay that way. I'm concerned about that. So, my preference here would be, first choice, c, second choice, b. In my evaluation of these options, I can live with b, but I think c's better.

**Fish:** Can I make a couple of observations? This discussion about drive-thrus brings back some memories because this is an issue that the mayor has been very passionate about and has shaped the debate and has brought a lot of his own values and history to this and I'm reminded, when I served with another mayor named Adams, he helped me doing something called bud clark commons there was an issue a couple years later he cared a lot about. He passed a note down to me and I opened the note and it said, this is my bud Clark commons. Unfortunately, I still couldn't support it. [laughter] based on the briefings I've had, mayor, I have a one-a, one-b on this. I want to make a couple of observations. As my colleagues know, last year, I lived by myself with a much more limited support network because my family was in Europe and from time to time, I got sick. And, it was really eye-opening, frankly, to navigate hospitals, doctors, drugstores and the basic necessities of life. It really sucked to have, you know, a medical condition and be in a drugstore trying to navigate all the things. I began to appreciate the convenience for some people of staying in their car and pick something up. And, you know, years and years ago, we had younger children and there was a benefit of not having to get out of the car. There was a convenience factor. I think commissioner Saltzman has made an important argument about opportunity to some of these businesses that we don't necessarily endorse as a city, but have created opportunities, particularly for majority entrepreneurs, our newest member of the state legislature is a successful entrepreneur who owns McDonald's franchises. There's another concern I have here and that is, I have a young -- I have a 12-year-old now who seems to be spending a lot of time in Washington county and Clackamas county because they have malls and that is a safe place where kids get sent on the weekends. So, I'm seeing a lot more Clackamas and Washington. And I notice that there's a lot of drive-thrus in those counties and it would be a pre verse outcome if we ended up encouraging people to get in their car and drive to another county to take advantage of something they can't take advantage of closer to their home. I will close by saying, on the question of what kind of economic activity we try to encourage, again, thanks to my daughter and chuck and others, I have a different view about food and about choices. But, as I get older, I'm loathed to impose those on others. When I go to the county fair, I don't break out in hives because people walking around with candy apples and cotton candy and smoking and have above what the weight limit is for our age. Because people get to make those choices. We hope we can encourage them to do healthier things. I'm an example of someone who can be taught to do healthier things. I'm reluctant to mandate. In parks, for example, when I was a commissioner and continuing under commissioner Fritz,

November 22-23, 2016

we offer healthy choices, but they're not mandates. Those are the kinds of things I've been struggling with this. I have a one-a and a one-b. I hope we can vote first and if there isn't a consensus, take up c.

**Fritz:** Could you just show me option c map, please? I'm looking at barber, going diagonally on the west side and also at sandy on the right side. Those are places which I would prefer to have fewer drive-thrus than there are now, which it looks to me like the Hales amendment [indiscernible].

**Engstrom:** Both are showing the ce zone. The distinction is only the quick vehicle servicing. The green shows with the ce zoning is. Commissioner, there may be further opportunities to perfect that map as we learn about light rail stations.

**Hales:** To put it in a policy term, the approach I'm recommending in option c says we want walkable urbanism everywhere we have zoned for mixed use. And, drive-thrus would be -- would generally not occur there. We want quick vehicle servicing in the ce zone because that's the kind of use that's supposed to happen in the ce zone.

**Engstrom:** The other distinction, I guess, or element of several of these options is the idea of allowing a liberal rebuild allowance and not considering the ones non-conforming. It allows the property owner to upgrade their facility to the latest brand design, which usually means they're going to come closer to meeting our pedestrian standard rather than locking them into the exact footprint they have now.

**Fritz:** Presumably the vertical ones are 82nd and 122nd, it seems like that is zoning for what we want. Trying to change from the very auto oriented properties, I think that was why the Portland action plan was so keen to have slightly less liberal allowances than they have now.

**Engstrom:** All of these have less green than the current zoning map.

**Hales:** The only other comments I would make; this has been a really robust debate. The only comments I would make is I was struck on this discussion, as I have been in a lot of things, about a generational divide. The young, progressive Portlanders saying we don't want to live in an auto-oriented city. We don't want parking. Along generational lines. Secondly, is our commitment to climate action. We should have started 25 years ago, but we're trying to catch up.

**Saltzman:** On behalf of my amendment, you know, I believe there's a lot of different currents running through this issue on drive-thrus, climate action. I'm looking at it from a point of view that these are -- drive-thrus are things our residents want. Every time I see a line in front of a Dutch brother's or taco bell, people want the convenience of drive-thrus. I don't want to impose my set of values here and restrict that option. I think we are restricting it but we should be more tolerant of them. As commissioner Fish eluded to, a lot of these are the first rung for minority entrepreneurs to be successful. It does provide an avenue for successful people. People to be successful as business people and I think these are values that, to me, make me support my amendment. I would move my amendment.

**Hales:** Dan moves motion b. Steve; do you want to comment before we vote?

**Novick:** Yes. I'm persuaded by the mayor's argument. I think option c is correct. I would also note that limiting drive-thrus is a way of honoring Michelle Obama and her healthy campaign.

**Fritz:** No.

**Fish:** I really appreciate this discussion and again, I was being light-hearted. But the mayor has made this is a signature part of our debate and have a much deeper understanding of the competing values here and I think there may be a couple of right answers. Aye.

**Saltzman:** Aye. **Novick:** No. **Hales:** No.

November 22-23, 2016

**Fritz:** I move option c.

**Hales:** Second that. Further discussion? Let's take a vote on option c.

**Fritz:** Aye. **Fish:** Aye. **Saltzman:** Aye.

**Novick:** This is c?

**Hales:** This is c.

**Novick:** Sorry.

**Hales:** You're at a disadvantage. This is c.

**Novick:** Aye.

**Hales:** Aye. Thank you very much. Okay. Let's move on then to 13.

**Engstrom:** Motion 13 is -- we're now moving into the zoning map amendments, shifting gears out of the code and into the map. This first one goes back to something we touched on earlier. This is the request from pcc Sylvania to change their zoning designation from campus institution 1 to campus institution 2. There is a caveat that the request comes with a .75 f.a.r. Rather than the normal 3:1 that would come with that denser zone, acknowledge acknowledging that this isn't quite a urban. You did get a letter from pcc saying that they were okay with that caveat. It may help calm concerns from neighbors about the scale of development.

**Fritz:** So, what kind of buildings would we get if they wanted to do a residential with .7?

**Engstrom:** .75 -- both the current .5 that would exist and the .75 would allow a substantial increase in what they have now. Their intent, we believe, is to try to move the new building in the direction of the street in front and toward the light rail line to the north. There is an e zone that wraps around the south and west of the campus, which would restrict some of the growth in that direction. But both zones would allow considerable growth above what's currently allowed by their master plan. The main distinction is that the ci2 zone has a broader use in campus beyond the ones that are strictly part of the college and as your earlier amendment did, it allows a broader allowance for housing and the building orientation and other standards are more like the mixed use zones more like the cm2 zone

**Fritz:** So again I'm getting back to how do we get sidewalks within the campus?

**Engstrom:** Both designations, campus zoning has similar requirements for pedestrian connections as the mixed use does.

**Fritz:** They have internal pedestrian circulation but they don't have any connection between the buildings in the middle and the streets outside. How would that be effected by having the ci2 and the designation and some kind of process to approve it?

**Engstrom:** Oh, I see what you're asking. Yeah, if this was left to a quasi-judicial request, both of these zones are allowed with the campus designation on the camp plan map you've given them. That would be an option to ask them to do this quasi-judicially.

**Hales:** I think I share some of the basis for your concern. This is a huge area. I mean, I have the same reaction. Oh, my god, that's a huge area. So, we're moving from, you know -- in the past, what we did with campuses is we zoned them r5 and had a conditional use master plan. We've come a long way, baby, from that. We're deliberately zoning campuses. Do we get a mixture of housing or just student housing? I like adding other housing in. We've done that. Does it actually fit into the neighborhood and do we have the kind of transportation leverage that we need to get the infrastructure that should be there if it's more than just a campus? And, those details are going to matter in terms whether the innovation of this special zone is going to be in practice.

**Engstrom:** The pedestrian improvements, I think -- I attended the charrette that the college eluded to in their testimony where they did a pretty comprehensive discussion about what the future of Sylvania should look like. A dominant part was the pedestrian environment is terrible on the campus and for people with disabilities. That, I believe, is an emerging theme within their internal master plan discussion. A second angle is as we

November 22-23, 2016

consider the southwest light rail line, one of the associated projects is a pedestrian improvement that would connect the campus better to the light rail station.

**Fritz:** The barber transit center is a mile from the campus. There is a sidewalk. I live in north Portland park neighborhood, which is to the east and to the south is the far southwest neighborhood how does the master plan work? If you have a quasi-judicial process, you get to say, you need to have this connection to here and here.

**Engstrom:** We'll still have a quasi-judicial case because we reviewed it as a requirement for both of these zones. The floor area is allowed, it still comes with a land use review to look at transportation impacts, which would give you an opportunity to discuss that element.

**Fritz:** You get to discuss it, but can you actually effect the choices. Unlike university of Portland who has made it a point to attend every cathedral park meeting I don't think there has been that ongoing conversation with pcc Sylvania and far southwest or west Portland park I'm concerned about giving them more intensity without the ability of the neighbors to point out what might work for them especially because we know we're not getting light rail going to the campus. I think there needs to be more discussion about how does this work.

**Hales:** Staff recommended in favor of this, tell us why we should be reassured.

**Engstrom:** The southwest project offers a big opportunity to effect this and that has been a focus of that discussion, not only the sidewalk connection but how do we improve bus service and shuttle service to the college? The fact that we're still requiring a transportation impact review with substantial expansion, they'll have to do a transportation plan. The criteria have been strengthened and you heard nervousness and testimony from the colleges that we've upped the game and we've reoriented the criteria for multi-modal. It will look at pedestrian and bike and transit access and what are we going to do about that? The other driver in this case is their land base is basically their parking lot. If they want to build new buildings, they're going to have to figure out a way to build structured parking or shift their mode split to other modes, to make that land available because their students are driving at a fairly high rate.

**Fritz:** Actually their not, their parking at the barber transit center and taking the bus or walk? It's really different on days that the campus is not open. With the transportation review, that that would happen in a quasi-judicial setting?

**Engstrom:** Yes.

**Fritz:** And neighbors would have input and there would be a hearings officer deciding whether it's good or not?

**Engstrom:** I have to refer to staff.

**Hales:** Come on up, john.

**Cole:** One of the amendments that'll come before the commission later today is a direction, if you will, from the commission for staff to work with neighborhood associations, the public and the institutions on transportation demand management and what that means. But, currently in our discussions and currently, as it stands in the code, the transportation impact review is a type ii application that's appealable by the neighborhood associates, if they were aggrieved to the hearing's officer.

**Fritz:** Have we had that input from either of the neighborhood associations on this amendment?

**Engstrom:** We had a few letters in opposition from neighbors earlier in the process. We have had testimony from a few neighborhoods, preferring to keep the existing conditional use process and expressing nervousness about the new system.

**Fish:** Should we test this motion? I'll move the motion.

**Hales:** Is there a second? Further discussion? Let's take a vote and see where we are.

**Fritz:** Thank you for the information. No.

November 22-23, 2016

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

**Hales:** Aye. Okay. I think we're going to have to make sure that that transportation master plan works.

**Engstrom:** So, moving on to number 14, this is map amendment number three from the amendment -- the November 4<sup>th</sup> amendments memo. This changes one property on Hayden island. Its missing a number in the address there, but it's on the map in front of you.

**Fritz:** 1225, not 1.

**Engstrom:** Yeah. It changes it from cm1 to ce, this was a request from joe angel.

**Hales:** This was a island of ce surrounded by cm1.

**Fritz:** Isn't ce the more intense zone?

**Engstrom:** Ce is more intense and allows a broader range of auto-accommodated uses. Cm1 is a neighborhood-oriented commercial zone. I believe the -- currently, this picture shows after the amendment. So, this broader area is an island of cm1 in the ce zoning on jantzen beach.

**Fritz:** So our current plan is to have it cm1 like the rest of that area?

**Engstrom:** Currently, I believe -- Marty can correct me -- I believe it's cn.

**Hales:** It's cn now. There's all that -- across the freeway is the whole -- you know, the whole area that was -- how did we end up zoning that?

**Engstrom:** All that is still ce, although it has a plan district, which has a street requirement that is different and it has some housing, you know, requirements with bonuses.

**Hales:** I'm inclined to accede to this. The prospect of change on hayden island is distant. Where it will happen is in the giant strip mall complex on the west side of i-5.

**Fritz:** What was the reasoning for having the cm surrounded by ce?

**Engstrom:** We took this area, in general, to cm1, because we believed it was the closest analogue to the cm zoning that the neighborhood plan established at that time. The intent time was the area west of the freeway be the more urban area and this area east was a more neighborhood-oriented node.

**Fritz:** That would be a spot zone and have one property in the middle?

**Hales:** Fair enough. That's what the property owner requested. I would be willing to go ce over more of this. The gas station, the fast food restaurants, the motel, the car wash, they're not going anywhere anytime soon. But --

**Engstrom:** You could amend your motion to change the whole pink area on the map to ce, that would be a choice.

**Fritz:** We haven't had any testimony on that, right?

**Engstrom:** No, you just heard from the one property owner.

**Fritz:** We didn't hear from the Hayden island high noon?

**Hales:** Okay. Anybody want to make a motion?

**Novick:** I want to first note that I introduced this amendment after hearing us about it from joe angel. Eric, could you elaborate on that? What kind of discussion was there about this?

**Engstrom:** I think we were just concluding that the cm1 zone is a better representation of the neighborhood plan. That was our -- after some discussion internally with staff.

**Hales:** Mr. Angel's here. So, we only got testimony from one person about this whole area? One property?

**Engstrom:** A lot of testimony about the trails nearby, but not the zoning.

**Fritz:** I thought we had the comprehensive plan map process before and now this is another coming back at it.

**Hales:** Okay. So, yeah, I mean, seeing this map, frankly, this would be kind of an absurd result even though I thought it was a reasonable request. I'm not sure if I can support this amendment.

November 22-23, 2016

**Fish:** Do you want to move forward with this?

**Novick:** I'd be fine with moving forward with it. I move the amendment.

**Saltzman:** Second.

**Hales:** Let's take a vote, as stated.

**Fritz:** Obviously, this has been a good discussion, we need to encourage things to change. I do think we should stay true to the process and not go back on it just because somebody asked. Aye. I mean, no.

**Fish:** No. **Saltzman:** Aye. **Novick:** Aye.

**Hales:** No. I can't justify this, not when I see the map. No. Okay. Let's go to 15.

**Engstrom:** 15 is a similar request from cm1 to ce, this is 6454 north greeley. The testimony here was concerned about the existing use of the property as it relates to ce versus cm1 zone.

**Hales:** So, I'm trying to track this here.

**Engstrom:** There are other ce and cm1 in the corner.

**Hales:** It's just the red circled parcel?

**Engstrom:** Yes. I believe in this case, the concern -- the argument against was coming kind of from a neighborhood perspective that there had been some neighborhood discussion and the preference was to move this to a less auto-oriented format. We do acknowledge the ce is probably closer to the use allowances of what's there now on that property.

**Hales:** So, the amendment as -- the effect of the amendment would be to create the pattern that you've just mapped?

**Engstrom:** Correct.

**Hales:** Opposite, diagonal of ce and cm1 on the four corners?

**Engstrom:** Right.

**Stockton:** Just to clarify the uses of this intersection, on the northwest corner, there's a gas station. On the northeast corner, that is a convenient store. The subject property in question has some sort of auto-oriented nature to it and then on the southwest corner, it's a medical office.

**Fritz:** I've done a lot of sign waving on this corner. It's really good for evening rush-hour. It would be good to have it the node of commercial neighborhood, because of the gas station.

**Fish:** I move the motion.

**Saltzman:** Second.

**Fritz:** No. **Fish:** Aye. **Saltzman:** Aye. **Novick:** Aye. **Hales:** No.

**Engstrom:** 16 includes map amendment nine, it's been modified slightly based on test many that happened on the 17th. This is northeast Fremont, the original amendment changed it from cm1 to 2. The further modification is to extend that to 50th so the whole stretch between 46th and 50th would be changed from cm2 to cm1. The original logic -- this is -- the other property owner was commenting on the initial request. The logic of drawing it at 48th was that that's where the cs zone shifts to cn. But you did get compelling testimony. So, that's the change.

**Saltzman:** I move the amendment.

**Fritz:** Second.

**Hales:** Roll call.

**Fritz:** Aye.

**Fish:** First jimmy maks now stanich's we're losing our cultural heritage. Aye.

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

**Hales:** They didn't say they were going to close. Aye.

November 22-23, 2016

**Engstrom:** Number 17 is map amendment 11 from the November 4 memo. It concerns properties on the west side of Chavez between division and Sherman and this is a change from r1 to cm2 with a d overlay added. You got testimony in favor from some elements within the Richmond neighborhood and in opposition from some neighbors and other folks.

**Stockton:** There's no opposition on this amendments, but strong support from five members of the Richmond board.

**Fish:** Eric has been talking non-stop for an hour. [laughter] I think that was the first mistake.

**Hales:** Maybe in six months. What's the net effect of what you could now do with this change? I know this corner pretty well.

**Stockton:** In this case, there are five properties. The planning and sustainability commission recommendation is for this to go to r1. So, if you have a 5,000-square-foot lot, you're looking at five to seven units per property. With it going to cm2, you know, for a 5,000-square-foot lot, about a 19-unit product. It's a gain in potential housing with this change. It is at a very prominent intersection at Chavez and division we have two major bus lines that intersect at that intersection.

**Fish:** We have a lot of development happening there. This is chavez, it is -- we're going to --

**Stockton:** I actually walked down chavez at about 8:00 and was really struck by the lack of pedestrian improvements along that stretch there.

**Fish:** I move the motion.

**Fritz:** Second.

**Hales:** Further discussion? Roll call, please.

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

**Hales:** Number 18, the mount tabor sites we've talked about, these are opportunities to try to shape a little neighborhood center where there isn't one now. Aye. Okay. Let's move on, then, to 18.

**Engstrom:** 18 is accommodation of amendments 12 and 13. They both concern a node of zoning at 50th and Hawthorne. Number 12 is to change that -- one property on that node that is kind of at the end of Hawthorne to cm2 and 13 changes the whole node, including the cm1 to add a d overlay. I realize that there may be some preference among at least one or two of you to split this into two votes. I put this together to see where we were.

**Fritz:** I'm not. I think the d overlay is. But we had the discussion in the comp plan process and it's been a step-down to the residential neighborhood. So, there really isn't a step-down if you make this cm2.

**Hales:** Oh, I see. You think it's too intense with the d overlay.

**Engstrom:** There would be remaining cm1 to the east and north. I believe the property in question has cm1 doesn't actually touch the residential property, it's got cm1.

**Fritz:** It's a question of is this a big finale to the going Hawthorne or whether it starts to indicating that we're transitioning to the neighborhood.

**Stockton:** One clarification that's important to make here is that because of the comprehensive plan map amendment that was made at 50th, on Hawthorne, it does transition to mixed use neighborhood and so what that means is, even with the addition of the d overlay and if this property goes to cm2, because of the mixed use neighborhood opportunity, there is no ability to bonus height on that site if it goes to cm2. So, that is a nuance --

**Hales:** Why is that again?

**Stockton:** You have to have the mixed use urban center designation and d overlay to get to the height bonus. They don't have the urban center.

**Hales:** So wouldn't the step-down requirement apply?

November 22-23, 2016

**Engstrom:** Not to this site because it doesn't touch the r5 directly.

**Hales:** There's cm1 between it. That's not clear on the map here.

**Engstrom:** The property that has requested to go to 2 is the square that the arrow is pointing to. The pink would remain as cm1 to the east.

**Hales:** Everything to the west is cm2, right?

**Engstrom:** Correct. You're talking about where you want to draw the step-down.

**Fritz:** Is this where the animals club is?

**Stockton:** I don't know about that, but I know that the sapphire hotel is in this building.

**Engstrom:** It's a residential building now.

**Stockton:** No, the building in question is a classic -- it's the picture on the upper right. It's a classic, you know, traditional storefront building that -- the sapphire hotel is the business I'm familiar with.

**Fritz:** What would be the zoning to have that stay?

**Stockton:** So, currently, the zoning is storefront commercial so a straight translation would be the cm2. That is what the property owners are requesting is they have a straight translation of the cs to the cm2.

**Hales:** Commissioner Fritz moves.

**Saltzman:** Is this a very small design overlay? Do we do that? It's kind of like spot zoning?

**Stockton:** All of Hawthorne has a design overlay with the exception that went to mixed use neighborhoods. We have two deviations to that. We have one here at Hawthorne and the entire neighborhood of sellwood-moreland. That is a deviation from kind of the parameters that staff were working with.

**Saltzman:** So, there is a d overlay on the rest of Hawthorne? Okay.

**Hales:** Let's take a vote, unless there's further questions.

**Parsons:** Who moved and seconded?

**Hales:** Commissioner Fish moved and I seconded.

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

**Hales:** Let's move on to 60th and Belmont, number 19.

**Engstrom:** This is amendment 14 from the November 4th memo, 60th and Belmont.

**Hales:** Not sure which group of students just visited, but thank you. Where are you from?

\*\*\*\*\*: [indiscernible]

**Engstrom:** This is a change from cm1 to cm2, as well.

**Novick:** I introduced this amendment to follow-up with the comp plan. There was a question raised about the impact on the transportation system and pbot said that a few additional units that would be allowed aren't going to have a significant impact.

**Hales:** Commissioner novick moves. Is there a second?

**Saltzman:** Second.

**Hales:** Let's take a vote.

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

**Hales:** This makes good sense, aye. Okay. 20.

**Engstrom:** This is a return up to sylvan. This was the other property that had been debated in that context. This particular one is from r20 to r5, which is the compromise you ended up with when you had the comp plan --

**Fish:** I move the motion.

**Hales:** Any further discussion?

**Fritz:** I think it would be better with a quasi-judicial process so to be consistent. No.

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

**Hales:** Aye. Okay. 21.

**Engstrom:** 21 is amendment 19, from the November 4. This was at roughly 50th and Woodstock, several properties. With the further modification, you received testimony about



November 22-23, 2016

both the joinery and autos, the properties are between Woodstock and southeast martin, between 48th and 49th and on the west side of 42nd. The modification is to expand the change to add properties to the cm2 zone on those, based on testimony.

**Saltzman:** Move the amendment.

**Fish:** Second.

**Hales:** Roll call.

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

**Hales:** We're preserving long-distance future redevelopment because if northeast would mourn the loss, they would mourn the loss of autos. Aye. 22.

**Engstrom:** 22 is not something that was in any of the memos, but it's something that came up in testimony on the 17th. This was from a property owner at 3844 northeast 82nd requesting a change from r1 to ce. It is abutting other mixed use --

**Stockton:** Specifically, to the north, that's the old Shriners hospital site. There along sandy and 82nd, it is the red roof inn. It is not only south of this property, but it is also to the east so it kind of wraps around an I shape.

**Engstrom:** Staff heard that testimony.

**Hales:** Single-family house on the site now? That's kind of an anomaly at this point.

**Engstrom:** It was a comp plan designation.

**Hales:** Ok is there a motion?

**Fish:** I'll move it.

**Saltzman:** Second.

**Hales:** Roll call.

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

**Hales:** Aye. We're ahead of schedule.

**Engstrom:** You want to try and take a few from the afternoon?

**Hales:** We got to leave at 10:45.

**Engstrom:** Number 23. This is -- we're moving into a directive now. This would be -- in this case, a separate ordinance. I invite Denver from pbot to discuss this.

**Igarta:** Hi, again, I'm Denver Igarta, senior transportation planner with the Portland bureau of transportation. This amendment is not part of the transportation system plan recommended draft. However, it does relate to several sections in the transportation system plan. So, specifically, we're working on an ordinance that would advance comp plan policies to improve connectivity in centers in eastern neighborhoods. With this direction, we looked at existing city code. Specifically, thru-street requirements. And looking at the code, we determined that we have sufficient code authorities to make requirements for new connections that meet the spaces standards of in city. The ordinance that we're preparing would adopt a strategy providing further guidance on applying those existing city code, by focusing where the connections are needed most. Essentially, it would be council giving direction to pbot to enforce the requirements per city code and per the code requirement. Specifically, in centers where we in tend most of the growth to be focused. In eastern neighborhoods, where we're asked to create connections. And then along with our spacing standards, the sites that are furthest from parallel streets.

**Engstrom:** So, if you -- the effect of this amendment would be that pbot will file a separate ordinance and it'll be heard on the same day as the comp plan adoption, how to move forward.

**Hales:** I want to speak favor in this. This is a long conversation I've had with pbot and planning bureau. It is really important. You know, you start to get more of a neighborhood connected feel to an area that was -- developed without any regard of people walking around at all. This is good work; I move this item.

**Saltzman:** Second.

November 22-23, 2016

**Hales:** Further discussion? Let's take a vote, please.

**Parsons:** Who seconded?

**Saltzman:** I did.

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

**Hales:** Aye: Thank you very much.

**Fritz:** On the next few things, I would appreciate it if we could wait until I've had another cup of tea after lunch. If there is one we can take care of now, which is 29.

**Hales:** All right. The other ones, you want to be refueled for. That's only fair.

**Fritz:** Thank you.

**Hales:** Number 29 --

**Engstrom:** Motion 29?

**Hales:** Motion 29?

**Fritz:** Yes.

**Hales:** Are you ready to move that?

**Fritz:** It's making it clear that there's going to be a public process on whether it's 7th or 9th.

**Fish:** Second.

**Hales:** Further discussion about this? Let's take a vote, please.

**Fritz:** Aye. **Fish:** Aye. **Saltzman:** Aye.

**Novick:** I will support this. I think that 7th is a better option. Aye.

**Hales:** Aye. Okay.

**Fish:** Commissioner novick, are you going to rejoin us after the break?

**Novick:** I am, indeed.

**Hales:** We should take a break now and we'll return at -- is it noon, when we're coming back?

**Saltzman:** I believe so.

**Hales:** Okay. So, we're going to recess until 12:00, noon.

**At 10:39 a.m. council recessed.**

November 22-23, 2016  
**Closed Caption File of Portland City Council Meeting**

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

**NOVEMBER 22, 2016 12:00 PM**

**Item 1293 continued.**

**Parsons:** Mayor, if we could call the roll real quick.

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

**Hales:** Here. So. We have back to our transportation list. We did 23 of 30. Is that right?

**Eric Engstrom, Bureau of Planning and Sustainability:** You did 23 and 29, I believe. Next up is 24, which is another one of those multi-part options. This is the pairing of off-street parking and transportation demand management. And the off-street parking has a couple options. The transportation demand management directive is the same in all three except that we've revised the large. To aid you in this discussion you should have two pieces of paper. One that looks like this, that has the, revised directive concerning transportation demand management. And then -- you should have a piece of paper. That says option b four amendments 34 as well. That's supplemental piece of material that was noticed earlier.

**Hales:** Half sheet?

**Engstrom:** Half page. Correct. The three options that we crafted and, of course, you could bundle these motions differently than I did. But there's an a, b, and c choice. And a is to act only on amendment number 51, which is the directive to adopt further tdm work or to direct further tdm work without adopting changes to the off-street parking requirements. Option b removes the minimum off street parking requirements you put in place in 2012 and is amendment 34 and also adopts the tdm directive. Option c which is an approach which is represented by this half sheet which was shown earlier. And that's a version that has been suggested by commissioner Fish. And I can go through these a little bit more detail but before I can that I wanted to show a map. And this map is just a reminder that the current off-street parking requirements waive parking for buildings over 30 units where they are close to frequent transit. And the lines on this map show the frequent transit. There are two different flavors. The yellow what is tri-met considers frequent bus line and the gray is the stuff that isn't tri-met frequent service but does meet our definition or did at least with had we made that map last year. Some of those gray lines could come and out each year depending on the bus cuts or changes. But gives you a geographic idea of what geography we're talking about.

**Saltzman:** It's not just light rail its bus?

**Engstrom:** It's frequent bus and light rail stops. And it's defined at 20-minute peak hour or greater which could be either a.m. Or p.m. Peak. But 20 minutes is the cutoff here.

**Novick:** Clarification. Was it in 2013, not 2012, when we adopted these requirements?

**Engstrom:** It might have been 2013.

**Hales:** I think it was early 2013.

**Engstrom:** So just a reminder that the current code and the psc recommendation essentially was to, there's still limited parking required for buildings over 30 units based on the table that I just put on the screen. Farther from transit, there would be still parking requirements that are higher than that. And then small lots, it was recommended by the

November 22-23, 2016

psc in the mixed use zones that very small lots not have parking requirements. And this parallels the current code, which gives the, some of the cn zone and cs properties which are usually those small lots. Doesn't require parking there. So the psc recommendation was essentially status quo on parking but adjusting it to match the new mixed use code framework. They also recommended a few changes, wider allowances for commercial parking, maximum ratios, greater allowance for shared parking and of course the tdm program being applied to buildings with 10 or more units. So option a as I said would keep the existing framework for buildings over 30 units that was worked out in 2013. And in parallel with that direct to further work prior to the effective date of this ordinance. And as you recall this whole package isn't going into effect until January 2018. You would be directing pbot to do more work clarifying the tdm requirement for mixed use and campus zones. You would also be directing us to develop an expanded phase two, which you would consider at that time so it doesn't commit us to that but it asks us to go prepare options for that. And then the last bullet is to acknowledge that you would be directing us to revisit the parking question at that time in light of whatever we come up with that, with those more detailed and revised tdm requirements. And that just reflects the fact we think these two are related issues and that whenever you open one, you should probably look at both. Option b then would remove those requirements, as I said, for the mix use zones. But leave the same tdm directive in place. And then option c is a different version which would remove the parking requirements from residential developments but only if the building is following one of several paths that includes the affordable housing either bonuses or the future mandatory or voluntary inclusionary housing provisions. And zone this relates to the upcoming consideration of that ordinance.

**Hales:** Sure.

**Fish:** May I propose we take the motions up as follows. Motion a first because that effectively is the first test as to whether we are going to go with effectively a status quo or a change. And then depending on the outcome of that vote, go to motion c. Because motion c then has the condition that links, brings the affordable housing piece into the equation. And then depending on the outcome of that, bring motion b in, because that's essentially motion c stripped of the affordable housing component.

**Novick:** I would like to have an up or down vote or motion [inaudible]

**Fritz:** On what? Could you say that again, commissioner?

**Novick:** I would like to keep it the way it is and vote a motion a first and b second, and c third.

**Fish:** The problem with that, Steve, is that motion c is motion b with an amendment. So all I'm suggesting is rather than amend motion b to conform to c, why don't we take up the amendment first and see if that passes and if it doesn't, then motion b is the clean approach. Otherwise what I will do is just make a motion to amend b to conform to c. I think that makes it more --

**Hales:** But hang on. Before we do that, I mean, I think we could unbundle and understand our choices. I agree with you about taking an up or down on a. Because are we ok with the status quo? That will determine that question. And if we aren't ok with the status quo, then what are we going to do?

**Fish:** Right.

**Hales:** Status quo plus tdm. But in terms of the regulatory requirement. Option b is a more sweeping approach to not requiring parking.

**Fish:** Right.

**Hales:** Option b is a sweeping approach to not requiring parking and option c is -- not a compromise in that sense but is a more focused application of the change.

November 22-23, 2016

**Fish:** Right. And by the way, and I was going to say more when c came forward, but my sense is that option c will effectively, the impact of option c is that it will work just like option b with the exception being, instead of waiving a current requirement, will be creating a linkage so there's actually a public benefit for each time it's triggered. And my assumption is it will be triggered in each and every instance.

**Hales:** Let's stay in discussion and then we will see what we want to do about motions. So help us out here, staff. And that is, what's the universe of, if we were to pick b versus c, or vice versa, what's the change in the universe of projects that are not required to provide parking?

**Engstrom:** Right. Well, if inclusionary housing programs pass and go into effect, the universe will be very virtually identical in the sense that the only buildings that we require to have parking is those over 30 units. Will also be the only, subject to inclusionary housing every time. So in every case, the, this exception would get triggered as commissioner Fish just said. The universe would be different, however, if inclusionary housing doesn't end up going into effect.

**Fish:** For one of two reasons. The council doesn't adopt it which is highly unlikely or it's challenged in court on some constitutional basis, and the interim, what we have is a voluntary system, not a mandatory system.

**Engstrom:** Right. So under that scenario, the provisions in the commissioner Fish version allude, and point to voluntary bonuses that are built into the mixed use code that you are considering today that would be the default if inclusionary housing doesn't pass. And so that would still allow those projects through using the voluntary bonuses to get a relief on the parking. But projects that didn't do that, an example might be if someone tried to build three, a building just based on the standard code without using the bonuses for affordable housing. They would trigger the parking if they use the bonus, they wouldn't.

**Fish:** Mayor, let me connect the dots. When I was briefed on this, what staff told me was that if we take off the minimum parking requirements, in some of the target development, that's likely to occur, it has a substantial value to the developer. And we are talking about hundreds and hundreds. Thousands of dollars of savings. And in the current market that we're in, there is no guarantee that being relieved of that obligation there's going to be any pressure downward on rent. We are in a unique market right now where it is at least conceivable that relieved of one regulatory obligation, what we have done is we have made the pro forma more generous for the developer because there's a competition for scarce units. And people are willing to pay a premium. Now, enter stage left or stage right, however you want to look at it, we are going to have a debate about inclusionary housing. And I am not well versed in all the details. But we will be, Dan will be proposing a bunch of benefits that will be offering people to buy down to close to 60% or below of mfi. And my understanding is that the tool kit will include things like far, systems development charges, a whole range of things which will, with the exception of far will come out of someone's pocket. They will cost us something if we do a tax abatement, Deborah kafoury has to agree to it and it comes out of the county budget. If it's a system development charge, we're robbing peter to pay Paul and on and on. What my amendment is trying to get at is, that by relieving, someone of this obligation to have the park, which may be good for the environment, may be good for smart planning's, may have all these independent reasons why you want to do it, it also has a significant economic impact on the developer. And since we are about to debate a set of tools which we will propose to essentially buy down the rents in the affordability component of mandatory inclusionary housing, it seems like this is a unique opportunity to take two things. A desire to change our parking rules and leverage off the windfall that goes to a developer and merge them so that this becomes one of the things that we can fight to as buying down the affordability. What I have heard

November 22-23, 2016

from Joe Zehnder in my last briefing is that this does -- this approach is not, you know, ideal for code writing on this. It doesn't quite fit. We're probably doing something in French where English is preferred. But notwithstanding that caveat, Joe doesn't think it's a dumb idea. He's just not sure that this is the right process to achieve the goal. Here's my ultimate concern, Charlie. Every time we've talked about how to seize an opportunity to leverage affordable housing of late, and I will cite to the example on transit corridors, where we said, hey, maybe we could down zone and give people bonuses as a way of getting affordability. We have been told there is some reason why we can't do that. Here we are completely clean. But if we are and it results in a substantial savings to a developer, why not now, if this is the council will, why not now link that to it so this becomes something on the menu of options which buys down the affordability component recognizing in almost every instance that is what will happen.

**Novick:** Commissioner, may I respond to that?

**Hales:** Sure, go ahead, Steve.

**Novick:** If we eliminate minimums, the overall cost of development will go down. So fewer incentives will be necessary to make inclusionary policies necessary. Maintaining this is a way of driving up the overall cost of housing. The White House weighed in on this recently in a statement on a variety of zoning site rules that prevent development of housing and they limit off-street parking requirements as one of the local "rules inhibiting housing development, reducing options for working families and causing housing cost to grow much faster than wages and salaries." parking mince raise the cost of house, if for whatever reason we don't adopt -- then we will still have this provision that drives up the cost of housing across the spectrum. And I think that the idea that we should preserve a policy that increases the cost of housing as part of a strategy to raise more affordable housing is as convoluted as it sounds.

**Hales:** I understand that. I guess I want to respond as well. I like, I think I like the approach that you are taking, Commissioner Fish, in that I'm operating on an assumption we are going to move forward on inclusionary housing. No surprise there. I am also operating under an assumption this parking incentive assuming it's provided or, sorry, the benefit of not providing parking, financial benefit of providing park, will it will not in and itself be sufficient to offset the market effects of our inclusionary housing requirement. We might have to give other incentives in addition to that.

**Fish:** Less of something else.

**Hales:** Some additional weights in the balance in order for it to tip towards feasibility. I don't know exactly how much more but I am assuming this won't be enough all by itself I also am intrigued by the possibility, maybe it's a vain hope, doing it the way you suggested will give everyone an incentive to make sure inclusionary housing policy works rather than having people want to argue about it.

**Fish:** Mayor, I appreciate both comments. But I will use maybe this is a feeble analogy. But we all just got dealt a hand in a game of poker and there's an ace in our hands. I am not going to trade that in for another card right now. We are creating value. And I don't disagree with what Steve said about the economics which is why I think the likely outcome will be this plus something else will get us to what we want which is a certain kind of development with the affordability. If it's mandatory is, our subsidies by state law can be a lighter touch. If it's discretionary it's going to have to be more market based. That's the key distinction. But the legislature gave us some discretion. I would hate to say this tool out of our kit.

**Hales:** Right.

November 22-23, 2016

**Fish:** By the way, if at some point there's a complication in the future about the future of iz or something else, I would argue let's come back and revisit this but not take this tool off the table now. That's all.

**Hales:** Yeah.

**Fish:** I think it's a unique moment to seize this opportunity.

**Hales:** Other comments?

**Novick:** Commissioner, what we will have to do to affect the iz program?

**Hales:** Say that again, please.

**Novick:** What we are going to have to do to have an effective iz program is to have a rule and a package of incentives that make this economically feasible to create housing that includes affordable housing at the lower end. If you take the cost of parking off the top at beginning, you get as much closer to making the affordable housing economically viable as you do if you take it off somewhere down the line. The economic impact is the same no matter where you do it. The risk that you take if you tie, if you adopt commissioner Fish's amendment is, we wind up with only a voluntary program. And there's people who don't choose to follow voluntary programs and they don't have housing affordable below 80% or 60% mfi, but the housing they do build is more expensive. It's that much more expensive for people less 90% and 100% and 110 percent mfi. I think we need to be worried about those people as well there's nothing lost by taking the requirement off the top rather saving it as a carrot.

**Fish:** Mayor, the only comment I would have to that is I think it will be easier to operate off my proposal and make the fine-tuning later than to bring it back in. And if we're wrong about either the forecast about iz or how the market works, we can fine-tune this. By the way, we are talking about changes that are going to be in the future here. I just think I think we get the strong we had hinds -- head winds at our back and not our face and if we are wrong we will fine-tune it. Why miss this opportunity to acknowledge there's a benefit to the developer? And in this market, you can do any forecast you want. There's still no guarantee of affordable rents. We may be relieving someone of some obligation and just increasing their profit. The impact on iz is hard to anticipate because it's not even before us and we haven't adopted. I'm saying don't miss this opportunity to bake it in. If I am wrong, if our thinking is wrong, we can revisit it.

**Hales:** Commissioner Fritz's thoughts?

**Fritz:** Thank you, mayor.

**Hales:** Steve, I think we are going to give Amanda a chance here.

**Fritz:** Thank you. I agree with you, commissioner, we don't want to give away our ace and we haven't had any discussion with the public at all on inclusionary housing yet. That's still to come. So my recommendation is to go to option A which is do not give away the parking minimums until we have discussed inclusionary housing, what incentives we can or should do, what the rules for that is. I have not seen any evidence that says that comparable apartments with or without parking are less expensive. And certainly with my son and daughter-in-law were shopping, there didn't seem to be any discernible difference whether a unit came with a parking spot or not. As you said in this market developers are charging whatever they can get and so are landlords.

**Fish:** Commissioner Fritz, may I --

**Fritz:** Let me finish.

**Fish:** I want to assist you. As the only renter on the council, the way landlords are doing parking, they are charging everyone the same rate and charging a extra cost. In my building which has about 400 units, if you want parking, it is the market rent plus a parking space. And that is at your option. To support your point.

**Fritz:** Well --

November 22-23, 2016

**Novick:** But they're not able to rent all of the spaces. And I think you probably know that. So the cost of all the other units cover that, I'm sure.

**Hales:** Commissioner Fritz.

**Fritz:** Thank you, mayor. Rather than guessing and using our own intelligence, about what might not happen, I think we should do again, look at the whole issue. Have a different discussion on inclusionary zone and have this as one of the options as what we can give developers on affordable housing, we need to have a separate discussion on parking alone. I thought it was more in 2011 that we went through all of the challenges on division. There were literally hundreds of people involved in it. And I think that most people are not aware that we could be getting rid of parking minimums in this comprehensive plan process. Especially when the hearings have been on the afternoons of workdays. So I know that more people would like to discuss this it's a particularly good way of looking at this with an equity lens. Is that fair? Which workers are going to suffer because there may not be parking for them. And often it would be the shift workers who tend to be more women. I would just like to draw to your attention I kept a tally during the hearing that we had on this. As to how many men and women supported removing the parking or keeping the parking. So removing parking was 13 males and four females. Much of them quite young and looking like it would be an option for them. Keeping the parking was six women and one older gentleman. So I don't know that -- I wonder if any of you have had to think about parking under the street lights and then walking back to your door with your car keys between your fingers in case you would get attacked. Because that is kind of a normal thing for women to have to think about is how safe is it from getting from the bus stop to my home? It's a very intricate discussion that we could be having and we should be having it in a holistic way so that we do make sure we are going to make decisions in a, in the right order. So to me that would be 51, which has the transportation demand management. And then inclusionary housing. Then a discussion on parking alone and looking at the equity issues and coming back to these issues. I would really appreciate if we would go with not doing 31 right now and doing 51 and then we are leaving all of those options open rather than closing doors.

**Hales:** We got a lot of testimony on this issue. I mean, I disagree with the characterization we haven't ventilated this. I think we got a lot of testimony about whether or not we could keep the minimum parking requirements or not. I believe it was early 2013 because I voted for it and I think it was a mistake. I think the threshold question of are we going to stick with required minimum parking or not is a legitimate threshold question and we can answer that by voting on a. And then what is what arises with b and c. One says go ahead and do it now across the board and count the benefits, frankly commissioner novick, I am hoping that it would be, that our beneficence would be required by those still asking for more in exchange for inclusionary housing. I am not sure our beneficence will be remembered even a week or two later.

**Fritz:** It would be taken as a given.

**Hales:** that's why I am inclined to go with option c if we are going to make a change, then to hope that our -- what we have already put on the ledger to make it feasible to meet our inclusionary housing requirement would be given full consideration prior to what you get in exchange.

**Fish:** May I ask the housing commissioner a question? I think for me the final piece of just, this discussion, Dan, you have been doing some modeling in support of your inclusionary housing work. And you will be coming to given with some recommendations.

**Saltzman:** Right.



November 22-23, 2016

**Fish:** I assume that your modeling was based on the existing parking requirements. In other words, whatever the costs were and the impact of it you were assuming developers were otherwise required to meet the existing code for parking minimums.

**Saltzman:** I believe that's correct.

**Fish:** So mayor --

**Hales:** Let's take up amendment a first and see how we stand on that and then move on to the other two ok. A motion, please. For option a.

**Fritz:** So moved.

**Fish:** I am going to second for purposes of our debate.

**Hales:** Let's take a vote on that, please, unless there's any further questions or discussion. Ok.

**Fritz:** Yes.

**Saltzman:** No.

**Novick:** This is a or b?

**Hales:** This is a.

**Saltzman:** No.

**Hales:** Steve?

**Fish:** A lot of barking there, Steve.

**Novick:** Oh, sorry. All right. I am going to second what the mayor said about making a mistake in 2013. I am proud of the work I have done on this council but I am not all proud of 2013 proposal to add parking minimums in frequent transit areas. Only commissioner Saltzman did the right thing at that time. This is what should be two of our goals, fighting climate destruction. I know earlier what the wows had to say recently about the effect of parking minimums on the cost of housing. But parking minimums are also a way to continuing to build society -- if we were to prevent climate destruction we need to get people out of their cars. People are most likely to change their transportation habits when they move. Somebody moves into a new home without onsite parking, is obviously more likely to disband their car and rely on walking, bicycling and transit. Plus, take the occasional cab rides than someone who moves into a new home with onsite parking. Again, the white house weighed in on "when transit oriented development, intended to help reduce automobile dependent parking requirements and undermine that goal by inducing residents to drive counteracting goals to increase public use of transit, walking and biking. In two weeks we will vote on two major fossil fuel terminals in Portland. When it comes to fighting climate destruction, parking minimums are more important. Fossil fuels are like narcotics. We are not going to interrupt the problem. As long as the demand is there supply will find demand. Eliminating parking minimums is an important step to reducing demands. If we prevent new fossil fuel terms new Orleans to eliminate parking minimums, we could fairly be charged with climate -- I recognize to eliminate parking minimums we need to give our neighborhoods robust tools to manage parking demands through permits systems and I am working with pbot to see if we can bring the tool kit to council before the end of the year. We have a first reading scheduled on December 15th. Even if that's not feasible I am confident the bureau will be able to bring the tool kit later in the spring I vote no.

**Hales:** And as I said earlier, I do believe it was a close call then and it's a close call now but I think it was a mistake on my part to support these minimums. Although we did it for understandable reasons. I have been trying in my service on this council both in the past and now to try to preserve neighborhood livability, issues like historic preservation, accommodate a huge amount of growth and move us towards a carbon free future, all this thing do not rectify easily but I have again on this issue been particularly struck by the demographic distinction about the many young Portlanders or young Portlanders who

November 22-23, 2016

argued for a parking-less future. And I think that's where we need to go on this. We are going to have, there will be traffic. There will be congestion. There is now and there will be more. But we are not going to be able to accommodate 200,000 more cars for 200,000 more people in this city. Finally, on a personal vote living on a block that's now a favorite park and ride I like it better because traffic moves slower now that it's more crowded. Aye. No. Sorry.

**Fritz:** I would like to move option c if you would consider it, commissioner Fish, I am comfortable adding your specific code language because I think we could have a public hearing on this. I think actually the option c as modified on this paper will get us all to where we need to be. It says we are going to direct pbem to come back with further chase including recommendations to increase or decrease the minimum or maximum number of offed off-street parking but it does it in that kind of logical sequencing including a consideration of iz, inclusionary zoning that I was hoping for. I am moving c bull without your additional language because I think we could get there but I think we could get there later.

**Hales:** Option c as stated in the materials from the bureau is a provision that either voluntary or mandatory inclusionary housing requirements are the trigger for the lifting of a requirement for off-street parking. Are you saying that stays?

**Fish:** That is the amendment. That's the guts of it.

**Hales:** That's the guts of it, right. This additional language.

**Engstrom:** That was intended to be referring to the additional language.

**Fritz:** Commissioner Fish's? This one?

**Fish:** Yeah.

**Fritz:** From the city attorney, don't we have to take testimony on code changes?

**\*\*\*\*\*:** Well, at this point you have heard testimony and you are having amendments proposed in response to that testimony. So you can do that. You are not required to take testimony on all amendments.

**Fritz:** Ok. I mean, we heard from 24 people. That doesn't seem a lot given the far reaching nature of it.

**Fish:** Just so we are clear, there was a lot of testimony about the need to leverage affordable. And I have just come up with a tool. Not a perfect tool but a tool to make sure that the benefit we are conferring results in a public benefit by linking it to iz, which again from staff's interpretation of this, will mean virtually every case this is exercised but this becomes one of the tools as the mayor said, there may still be some additional consideration we have to offer to get what we're looking for. But it puts it in play. That's the gist of what I am proposing.

**Fritz:** And I can support that. So I second that.

**Fish:** Thank you.

**Hales:** So option c is moved and seconded. Further discussion before we take a vote on that? Ok. Vote, please.

**Engstrom:** Just want to be clear that option c does include this language as we wrote it.

**Fritz:** It includes both, right.

**Engstrom:** The red underlined and commissioner Fish's half page.

**Fritz:** As I read it commissioner Fish's, affordable housing when its near transit.

**Fish:** Also includes all the errata.

**Fritz:** Thank you, commissioner Fish. I appreciate that.

**Fritz:** Aye.

**Fish:** I want to thank Jamie dumphy in my office for working on short notice to craft this. I want to thank the staff at the planning bureau for being superb partners which generally means when the door is closed and I am with senior folks they push back on a lot of what

November 22-23, 2016

we're thinking to make sure that we're doing it in a thoughtful, coherent way. And if this approach falls short, colleague, then I would propose we revisit it in the future. Aye.

**Saltzman:** Well, as my colleagues know, the inclusionary housing legislation that passed in Salem requires that local governments provide some sort of an offset to the development of, for affordable housing under the law. And as we move into considering and debating this in the next few weeks, I'm very, I think it's very important that we hold on to this powerful incentive we do have to get developers to take advantage of the inclusionary zonings, whether it's 60% of median income or required 80% of median income. But as the modeling and everything shows, being able to waive onsite parking is a powerful, powerful tool. And we need to keep it for the use for inclusionary housing. That's why I'm supporting this amendment and I thank commissioner Fish for putting the words on the paper. Aye.

**Hales:** Steve, did you hear that?

**Novick:** No. I didn't that. I haven't been hearing the call. I recommend if we are going to have a rational requirement that we can then waive to encourage affordable housing we should also adopt a requirement that everybody get a pony when they get a new house and we can waive that for affordable housing. No.

**Hales:** We have heard from a lot of people in this comprehensive plan process. Neighborhoods, individual citizens, and even organizations. And the fact that we could have organizations like Oregon walks or a new one, Portlanders for parking reform, mean that we live in a city where people actually think about this tough ask that's a good thing and I appreciate their help. Aye. Ok. Let's move forward.

**Engstrom:** Motion 25 is amendments to the proposed street vacation code. This amendment has been further modified through a memo from commissioner Fritz dated November 15th. And I believe you have the final language on that, commissioner?

**Hales:** Are you comfortable with that, commissioner Fritz?

**Fritz:** I think there's just one, a couple of amendments suggested by Catherine Beaumont. Has everybody found the -- the changes that commissioner Novick and I worked out?

**Hales:** I'm looking for it. A.

**Fritz:** This is approval criteria. And the one further amendment is to -- delete the needed in the future. Is that right?

**Hales:** You had talked about that.

**Fritz:** It would now read, I don't understand this, Catherine. Could you explain it to us?

**Novick:** You're fading, commissioner.

**Hales:** Hang on, commissioner. We are looking for copies in order to be able to discuss this. I don't see that deletion of "needed in the future." we've talked about that.

**Fritz:** I think we need that in there.

**Hales:** Not needed in the future.

**Fritz:** Not needed in the future. That's what you do in street vacations. You think about it. What is it you wanted to change, Catherine? Or Claire from my office? Are they able to come in and give us copies of something?

**Hales:** Good idea. We will move on to another one and come back to this when we are better equipped. So let's.

**Fritz:** Sorry. I wasn't aware I was supposed to bring copies.

**Hales:** You and me both. Let's move to 26. You want to go to 26?

**Engstrom:** So 26 is amendment number 41. This replaces a portion. South waterfront street plan and related narrative in the tsp with revised text to accommodate recommended changes in the vicinity of the south portal. You heard a discussion of this on November 16th. And I believe it's coming back to you on Monday for a resolution.

**Hales:** Right.

November 22-23, 2016

**Engstrom:** This amendment essentially directs you to provided that that resolution pass, it directs us to make the parallel amendment to this package. There would be no sense in amending the current tsp and not also amend the new one that would be into effect in 2018.

**Fish:** This is anticipating what Andrew Aebi is bringing to council next week?

**Engstrom:** Correct. Today the way you would word it is, if that resolution passes, next week, that we are directed to incorporate the same version in this package.

**Hales:** Ok.

**Fritz:** Do we have to have the date on it? Supposing it doesn't get done by December 14th?

**Engstrom:** The only reason it has to be done before december 14th because that's when we are coming back for final action on this. We would need to know whether it's in or out by then.

**Fritz:** Ok. I was expecting to have more discussion on that with somebody's staff in the interim.

**Engstrom:** You can take that out but as practical matter we would still need it.

**Fritz:** I wanted to let you know I would like --

**Hales:** We are going to have that discussion. But this is, this will be moot if we don't do anything. But assuming we proceed, it will then go into effect.

**Fish:** I move the motion.

**Fritz:** Second.

**Hales:** Further discussion? Let's take a vote, please, then on 26.

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

**Engstrom:** 27 is a housekeeping measure. If you recall at end of the comp plan discussion, we inserted some policy related to transportation planning performance measures into the transportation chapter of the comp plan. And we said at the time that it was kind clumsy sitting in the policy document but now that we have the tsp document, portions with this package, we would like to move those to become objectives in the tsp rather than sit at the highest level in the policy document. Effectively there's still in effect. We are just moving them to the place where they are with their friends so to speak in terms of other policies that are similar.

**Hales:** Ok. All right. Any questions about this? Is there a motion to approve it then?

**Fritz:** So moved.

**Fish:** Second.

**Hales:** Further discussion? Let's vote then.

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

**Hales:** Ok. And then we have 28a and b.

**Engstrom:** This is Hayden island bike classifications. This is one you got a number of testimony about. Motion a was to remove the city bike way classification just from Hayden bay which is I believe circled on the screen. Motion b is an additional change that would also remove the bike segment that passes to the west through the manufactured home park on the north shore of the island. You got system on both of these elements. And this second motion b was not part of the original amendment. But you have got a lot of testimony supporting that. And Denver Igarta is here from pbot's perspective.

**Denver Igarta, Bureau of Planning and Sustainability:** There was a significant amount of testimony. I wanted to say a few words about background and clarification. Since 2009, the Hayden island plan was adopted then. There's been a bicycle classification in place along the river as shown on the screen. On the waterfront with exception of the Hayden bay marina. There was no bicycle classification there. The amendment, the original amendment would be no change to what's been in place since 2009. In April, the planning

November 22-23, 2016

and sustainability commission reconfirmed their desire to have bicycling access along the river and voted to add in the Hayden bay marina alignment as shown here with the circle. Extending bicycle access to the east. We did receive a lot of testimony from residents of the manufactured home park, particularly concern about being displaced and removal of the existing houses there should the path be built. Classification, this is the bicycle classification. So the classification alone establishes the policy basis to accommodate bicycles if a path is built and the design of that path. And to consider easement and property dedication when the property voluntary lie undergoes a major redevelopment. Based on the classification alone, the city would not initiate a path improvement, and prior to redevelopment and therefore there would not be removal of existing homes. A project would have to be in place within the tsp major projects list or the Portland bicycle plan project list for pbot to make that type of investment and building a path. And that does not exist in either the Portland bicycle plan or the tsp as a project. So it's not on either list. Staff was recommending to stay consistent with the adopted Hayden island plan that was adopted in 2009 which is shown on the screen. The question is, with testimony that we've heard from the manufacturing park, the motion b, the motion, the second motion was presented as an alternative.

**Hales:** Yeah. So I appreciate the policy basis. But I plan to support both of these amendments. You know, if we need any reassurance that this is the right thing to do to take these off, remember why we just had to do on a, albeit on a grander scale why we needed to move forward with better naito. We don't have room for a wide public way along this bay front and along the waterfront where the mobile home park now exists unless it was completely redeveloped. To have both people walking along the riverfront and bicycles going by we would have conflicts on the narrow paved surface that's there. So I think there's no upside to trying to mix pedestrians and bikes in this environment. There's a good bike way on tomahawk island drive. There could be good bike access in the redeveloped strip malls west of the highway when that someday happens. But there's no need to either scare people in the short run or even hold out the prospect that there's ever like leak to be a bike way on that water way. I don't think that's going to happen no matter what we say. I don't believe there's any upside and a lot of short side by scare, people. I believe we ought to pass both of these and take it off.

**Fritz:** I do, too. The manufactured home is already walkable and bikeable. Just not in people's backyards by the river.

**Hales:** It's a different environment out there than tip a I will move option a. Motion a.

**Fritz:** She we do this them together?

**Hales:** Take them both together. I will move them.

**Saltzman:** Second.

**Hales:** Further discussion? Roll call.

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

**Hales:** Ok. Thank you.

You had already done 29.

**Hales:** We have 30 and we can go back maybe to 25. You want to go back then? Let's go back then to 25 was it? Yes, 25.

**Hales:** 25. Magic of the print button.

**Fritz:** As this is being passed out, colleagues, you remember we had to have extensive discussion in the comprehensive plan policy about what things should be considered in street vacations. This is merely checking back on that and making shush it's all listed.

**Hales:** Yes. Steve, would say the area proposed to be vacated is not needed presently and not identified in any adopted plan for public services, transportation function, utility function, view corridors and/or viewpoints, tree planting, pedestrian amenities or

November 22-23, 2016

community or commercial uses. In other words, if there's a plan to use this right of way for one of those purposes, hang on to it.

**Fritz:** I actually did not realize the changes that is being requested because unfortunately we are moving away from adopting community plans. So --

**Hales:** Any adopted plan. It doesn't have to be a community plan.

**Fritz:** Comprehensive plan?

**Hales:** Yeah. Well, or these neighborhood, these district connectivity plans that they're working on now. Right?

**Courtney Duke, Portland Bureau of Transportation:** Maybe. Courtney Duke, transportation. I think originally this conversation about adopted plan had come from the tree plan. Is one of the things at least when we were looking at it as staff had looked at it. And then we look understanding at in the past when we done it as part of the comprehensive plan we have looked at existing neighborhood plans. The existing plans from the '80s and '90s we have gone back to look at and an example being in the west Moreland plan there were some connections identified to the river that were not necessarily bike or ped path identified later that we looked at in one of our street vacations. So I believe that that's why we had, that we kept that in there because we still look at old plans to just see if there's something that might be needed. We wanted to be able to give direction to, I know commissioner Fritz is interested in the future staff. As to what they should look at. And I know I wanted to make sure staff looked at any adopted plans in the area and I agree with mayor hales, it could be connectivity plan, an existing neighborhood plan, it could be the master street plan. And again it's identified. I mean there's still criteria. There's still things that even if it's there you still make a finding that it's not relevant anymore or something else has overridden it. I think the concern that as staff had was the questions about some of the tree plans and the tree plantings. And what that would mean for vacating a street. That if there was an identified tree or those are new, newer plans that we haven't used in a vacation before, but I think that we are comfortable with moving forward with this. And if we start coming up with problems or issues related to that, we can revisit it. Or that will be a part of our work as a part of team.

**Fritz:** Thank you for walking us through that. I passed out the whole approval criteria. So we have got other places where it says doesn't impede the future use of development or access use. I am moving all the amendments as written here.

**Fish:** Can I just ask one question about drafting. In sub-a it says, the proposed language now is the council will consider the following factors as relevant." and it replaces the approval criteria are as follows. What does the word "relevant" as opposed to just saying "the council will consider the following factors"?

**Fritz:** That was Kathryn Beaumont's suggestion?

**Kathryn Beaumont, City Attorney's Office:** I had suggested the "as relevant" because not every one of the listed things may be relevant to the particular street vacation. So say you would consider --

**Fish:** I see what you mean. I didn't read it that way. So as relevant is conditional, not superfluous. I read it as we are going to consider these factors because they are relevant. I was thinking why do I need to be told they are relevant if we are going to consider them? You are staying as relevant.

**Fritz:** I will put a comma.

**Fish:** A comma.

**Fritz:** A Cambridge comma.

**Fish:** After "factors." that's the missing piece for me.

**Hales:** The Cambridge comma is added as a friendly amendment.

November 22-23, 2016

**Fritz:** I do want to thank Courtney and Catherine for all their work on this and Clair Adamsick in my office.

**Hales:** Commissioner Fritz moved that. Will someone second that?

**Novick:** Second.

**Hales:** Let's proceed unless there are any questions about the language as included in the november 15th memorandum with the oxford/Cambridge comma. Roll call, please.

**Fritz:** Thank you, to commissioner novick and kate Shriver in his office and all the people who worked on this. As you have known from the beginning this was one of my most important pieces and I am very happy we got it here. Thank you. Aye.

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

**Novick:** I really appreciate the work with commissioner Fritz and Claire and the work of Erica and Katie on my staff and the work of bureau staff. Thank you. Aye.

**Hales:** Yes. Thank you for sweating those details. They will matter. Just can't quite see where yet but they will. Aye. Ok. Do we have anything left?

**Engstrom:** There's two others left. 30 and 31.

**Hales:** There we go.

**Engstrom:** 30 is a motion to adopt amendment 52. And this concerns, this is a direction for bps to take a look at, over the next year, the purpose and the scope of the f-overlay along skyline. I believe there's a slide. If you wouldn't mind. There's an area along skyline near forest park that has the future urban overlay. There was originally put in place to require 20-acre minimum lot sizes in this area. This is an area of the city that's outside the urban growth boundary which is a little unusual but it predates the ugb. We had already annexed it but upon creations of the ugb we were required to treat it as rural land. And it is still going to be rural land. But the now that metro is close to resolving its urban and rural reserves question, once that is resolved, there is the opportunity for us to consider whether 20 acres of or two acres is the appropriate rural designation in that area. And the property owner has requested that we take a look at that question. It is something that probably should be looked at. We don't know which way we would go on that. But it would probably involve looking at transportation and storm water considerations and whether that 20-acre lot size is helpful to those other issues. We don't object to looking at it.

**Hales:** Ok. Any further questions about this one? There is a motion to adopt it?

**Fritz:** So moved.

**Saltzman:** Second.

**Hales:** Further discussion? Roll call, please.

**Fritz:** Always a good thing when we study things more. Aye. Or mostly. Aye.

**Fish:** Aye.

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

**Hales:** Aye. Ok. And 31.

**Engstrom:** This is, this last one is kind of a cleanup. And this is a catch y'all that includes a number of properties that fall into the category of, you made a decision in the spring with the comp plan map and testimony came up that caused you to maybe question the, some of the comp plan designations there. You can't amend the comp plan with this implementation and zoning ordinance without reopening that, which we advised against. But a way to move forward would be to make this list and direct us to come back as open a post acknowledgment amendment upon once the new comp plan is in effect. And relook at some of these properties and either reaffirm the decision or go in a different direction. There was responsive to testimony. We added a couple properties based on the most recent hearing that came out of the testimony from Allison Reynolds, I believe.

**Hales:** Ok. What is 31, 38, w.i.n.?

**Engstrom:** It's a vacant site. So it's a parcel within 3138 n. Vancouver.

November 22-23, 2016

**Hales:** O. Within.

**Engstrom:** The acronym.

**Hales:** I didn't know that part of Portland.

**Engstrom:** What happens when we cut and paste from Portland maps. Ok.

**Hales:** Is there a motion to approve?

**Fritz:** So moved.

**Fish:** I will second that.

**Hales:** Any other discussion of this cleanup grass catcher motion?

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

**Hales:** Aye. Ok. Next steps.

**Engstrom:** So given that we've finished the discussion of any amendments, I guess the next step that we had contemplated was, you would direct us to go back and prepare findings and prepare an updated ordinance that incorporates these amendments that you have made. We have, on the calendar, I think a session on December 14th at 2:00 p.m. That you would essentially be continuing this item to so we can bring those back to you. And then you would, that would be the motion to pass to second reading. And we have another session on the 21st to take that final second reading.

**Hales:** Ok. So directed. And --

**Fish:** One question, mayor. What do we have on the calendar for the afternoon of December 7th? Joe, this came up yesterday. Is that residential infill?

**Parsons:** It is.

**Hales:** That's what it is, yeah.

**Fish:** Colleagues, I may have a conflict that afternoon. And I have raised that before. And it somehow got scheduled on that day. Would you have any objection to moving that a day or to another time? Off of that afternoon?

**Hales:** I don't have any objection as long as we have a slot where we can put it.

**Fish:** How much time was set aside for that.

**Parsons:** For residential infill it was 90 minutes.

**Fish:** There is an alternative that week? Like Thursday?

**Parsons:** No. That's your fossil fuel vote for just a few minutes but then inclusionary housing.

**Fish:** And then the next week?

**Parsons:** Then the next week, is full.

**Fish:** Ok. Well -- we'll stick with it for now.

**Hales:** Then we can return to that, we have time to adjust if we have to.

**Fish:** Thank you.

**Fritz:** Obviously today is a Tuesday. Right? So we have got, this session extra. It seems to me with the amount of stuff that we have got left that we want to finish up before the end of the year that we might need to schedule either some Tuesdays or some evenings or both. To get through it.

**Fish:** I would appreciate if whatever could do to get out of that on the afternoon of the 7th.

**Hales:** Obviously getting all this done helps. Good work, everyone. Thank you very much. We will plan on that schedule as you just articulated, Eric and with findings to come back on the 7th.

**Engstrom:** Thank you.

**Hales:** Thank you. [gavel pounded]

**At 1:17 council recessed.**



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

**NOVEMBER 23, 2016 9:30AM**

**Hales:** Good morning everyone welcome to the November 23<sup>rd</sup> meeting of the Portland city council, please take the roll.

**Novick: Fritz: Here Fish: Here Saltzman: Here Hales: Here**

**Hales:** Good morning, everyone, welcome. We have some folks signed up for communications. We'll get to that first and then to our council business. We have had a couple of requests to pull items off the consent calendar, namely 1303 and 1307. Any other items that anyone wants to take off the consent? Ok. So we'll act on the balance of the consent calendar a little later. Welcome, everybody, if you are here to speak on a council calendar item this morning you probably already have signed up, but if you have not there is sign up sheets outside and our clerk can make sure that you are on the list. We are going to have a lot of people speaking on the principal item on the calendar, and so we're going to limit testimony to two minutes a piece and ask you not be representative because we want to hear from everyone. If you have not come to testify at the Portland city council before you need only give your name, not your address. If you are representing an organization, you do need to let us know who you are representing. And then we practice the rules of decorum, and that is if you agree with someone's point of view and you want to show some support for their point of view, feel free to give them a hand gesture of support. And if you disagree, a polite hand gesture to the negative is ok but we ask that we not applaud or boo or make vocal demonstrations in favor or against our fellow Portlanders' points of view here. We make exceptions for students and visiting dignitaries, so if you are one or both of those things you might get a round of applause from all of us because we appreciate them and we want to give them special love. So that's the rules of procedure. Obviously, if someone is disruptive we'll ask them to stop and if they are not able to stop or willing to stop we'll exclude them but the point is so that you can all be heard. With that, we will start with item no. 1294, which is our first communications item.

**Item 1294.**

**Hales:** Welcome. Peter, it's nice to have you here.

**Peter Rink:** Thanks very much. Last time I saw you I informed I would be doing a -- sorry, a project, which involved making care packages for the homeless. And let me just say that it was a complete success. On September 24, at approximately 11:00 to 12:00, I handed out 250 care packages at the Blanchet house, the other, I handed out to a nearby fair provided by the union gospel mission. My other -- we started off by making the care packages in two meetings prior before this date, so that we could have every scout contribute in any way, shape, or form. Also it was nice seeing how I could, nice seeing the reaction of homeless people upon learning that they would be receiving a care package. We felt that there was hope and there were some people caring for the homeless out there. Yeah.

**Fish:** This is your second visit and we appreciate it.

**Hales:** Appreciate you reporting back.

**Fish:** We're taking a look at the care packet. How did you choose what you put in this?

November 22-23, 2016

**Rink:** Well, I -- I talked to the head of the blanchet house and he gave me suggestions. I talked to some of my family and friends and eagle scout mentor who wanted to be here today. They told me what I believed I should add. I had my own inputted and then I got the items. Either by donation or by purchasing them.

\*\*\*\*\*: Or a garage sale.

**Rink:** Yes.

\*\*\*\*\*: This effort took about a year of his team. In multiple phases.

**Hales:** Wow. Well, and what else have you learned about Portland's homeless community from this? You met a lot of homeless people in this project. What advice do you have for us as a city council and for us as a city based on what your lenders by all of this first hand?

**Rink:** Sorry to interrupt, what I would say is that everybody can contribute in one way, shape, or form, if we all work together, we can all contribute to the -- we can all help this homeless problem come to an end at last. While not just by making care packages but by doing something for the homeless community, by having your place be open for the homeless people so that they can have a nice, good meal to eat.

**Hales:** That's great, you will be happy to know that we are opening yet another shelter today. It's in donated space from a local business owner who has a vacant floor in his building. His name is tom Cody, called the peace shelter 2 because another local property owner did a similar thing last winter, and so other people are following your good advice. Thank you. I say we make exceptions for students and student leaders. I think that we should make an exception for you and say bravo. [applause]

**Rink:** Thank you very much, it's so good to hear about the shelter idea.

**Hales:** Good, and thanks for being a leader, thank you and keep it up.

**Hales:** Thank you. A nice way to start our meeting today. 1295, please.

**Item 1295.**

**Parsons:** She can't make it today and apologizes.

**Hales:** And that is on the council calendar next week, so 1296. Mr. Myers, are you here? Come on up, please.

**Item 1296.**

**Hales:** Good morning and welcome.

**Steve Myers:** I am probably a little nervous.

**Hales:** Just --

**Myers:** Anyway, Julie Reardon asked me to speak here because she's one of the environmentalists who heard me speak up twice in the Milwaukee city hall and a couple other places, and I made it to the last meeting that they had on October 21st, I used to work at precision cast parts, but the thing is, I was involved in an industrial accident years ago, and it was breaking news. Precision cast parts had a fire. What didn't work was their fire alarm and their sprinkler system. And I worked in a sandblast booth, my source of air was from that compressor, it engulfed in flames, set a chemical caught me on fire and because the fire department didn't know that there was two people in, there was a guy there from a temporary agency. They had me working overtime, 12 hours a day for 13 months and on this day it was after 5:00, and it was a guy there from a temp agency going to train the work, and he was unsupervised. He bothered me on three occasions because his machine wouldn't let him work and I told him this company made a lot of money and didn't care about the equipment, and then he came over a fourth time and shortly after he left, my respirator totally filled up with a cloud, but only the guy that trained me to work in the machine, there is a grate underneath the machine, a spiral grate that recycles aluminum diesel zirconium until it's dust. He told me if that hose blew underneath he could back into This 41 air filter that's only purpose was to remove the moisture, did not make make air degradable as they recorded. So when that happened I thought that's what it

November 22-23, 2016

was, and by the time I took off my respirator there was a black cloud rolling out of it. And there is a fire alarm in your machine to where if you hear it, it's supposed to shut the machine off so you don't breathe bad air, and there was a blinking light that never went off, so I am backing up to the door, this smoke is billowing out of this respirator. And this guy's name was James. He works at business services and they later hired him. He was my witness. When he opened the door I almost fell out backwards and I wiped my face off. My face was covered with smoke. And while I was talking to him, that plastic respirator caught on fire. He told me that he could hear the helicopters outside, and they walled in the area for noise and put in a big garage door with seals. He peeked out the back door and told me that there is a fire helicopter, three news helicopters, and a whole row of emergency vehicles and everybody talking about a fire. We're going what fire? Not even a fire alarm so when he opened up the rollup door, you could not even see each other in your own hand. Next thing you know he was freaking out and he said i've been in this department 13 months, the sandblast machines are to the left, we find the Machine and go to the wall. And the whole building, the only door that was not marked emergency exit on the outside and loft, had battery backup lights was that room. So I told him, he finds the door. The first one that finds the door gets a light and tells you when to go, so I went outside, and he followed me out, and the fire department documented, he overlooked me and the other fellow, and I went straight to the fire department because my lead and supervisor could care less, and the fire department said they attended the one person, no casualty, would talk to me later so I tracked down the plant manager and he became the vice president. His name was John Erickson.

**Hales:** I appreciate you telling us your story because we talk about these things in the abstract and you helped to make it real.

**Myers:** And then they rented a diesel power compressor and plumbed it into the remnants of the building, and the next day James Ashhold reported to his supervisor. He could smell and taste the diesel fuel, and this company, for 2.5 weeks --

**Hales:** I have to stop you because you used your time but obviously you have got an amazing and appalling story.

**Myers:** Plus -- I have a bunch of stuff in the police.

**Hales:** Do leave any of that for us that you are willing to leave because we're going to be talking about this again next week, and your experiences.

**Myers:** And here's a copy of the report, and it has the incident number and the response number, and mount zero, and then this Company, I know they allow big companies, kind of like skirting the lawn, not to post a bond but any company has to post one through the insurance company, precision cast parts is in the insurance company, and this is what I pulled up about the insurance.

**Hales:** I do have to ask you to stop but I really appreciate you bringing all of this, and do leave us copies of any of that, and this will be on the council calendar next week so if you can come back we can hear more from you then but we have got to move on this morning. Thank you very much for coming.

**Myers:** Have you read all the articles in the Portland tribune about precision cast parts? You know why they are there?

**Hales:** I have got to ask you to stop because we have got to let others speak but I appreciate you coming and letting us know, and again, feel free to come back next week when we have this on the calendar.

**Myers:** Anyway, when I got hurt on the job, this thing here says, on the noncompliance list because my original acceptance was induced bronchitis at the time. They had an inhalant mist or a respirator after leaving the fire with the firemen, the toxins won't kill you, and then

November 22-23, 2016

here's a list of my medication list I have to take since then. And the lesson four years ago, the centers for disease control --

**Hales:** I appreciate this. I know you have got a lot of information. Sir, I appreciate the information and thank you for being here today.

**Myers:** I even contacted Erin brochovich.

**Hales:** Let us know anything else that we want to know before you take action next week. Thank you very much. I have got to stop you. Make sure, sir make sure you leave that information. We need to call on the next person now and thank you for coming.

**Hales:** We appreciate hearing from you sir but I have got to ask you to stop. We have a lot of folks here. Mr. Myers, thank you. Mr. Myers, I do need to ask you to stop now, I am sorry. Thank you. Ok. Mr. Myers.

**Hales:** I do need to ask you to stop and thank you very much. Thanks for coming. All right, let's hear it from Mr. Bucholtz. 1297.

**Item 1297.**

**Hales:** Thank you for coming. Good morning.

**Gary Bucholtz:** Good morning mayor hales.

**Hales:** Wait a second, she has to key the mic there. You don't have to get too close, it will be on in a second. There you go.

**Bucholtz:** Good morning. I am going to read a statement that probably makes more sense. I am speaking to you now to address the issue of criminal activity being allowed to happen with near impunity, over the past three months the Sunnyside neighborhood experienced what many others have been experiencing for quite a long time now. A camp was set up on Belmont and 32nd avenue partly on pge Property and partly on city property. Before you saw it you think another complaint about the homeless understand that this is not a homeless issue. There are many homeless living in Sunnyside, in cars, tents, and sometimes just under a tarp. We as a community feel for these people. I have gotten to know many by name and we do what we can for them. This is not about them. This is about criminal using the disguise to wreak havoc. We as a community learned that the city of Portland for all practical purposes does not distinguish nor recognize there are two groups of people living on the streets, one that deserves our compassion, help and support, and one that deserves our vigilantes and enforcement of the laws. But not recognizing these groups we allow the homeless to be stereotyped as criminals and to be victims of crimes by the same people. It took two months for our community through phone calls to multiple agencies, media outlets and outreach organizations to remove this criminal enterprise from our streets. It should not be that difficult. When 3,000 bicycles are being dropped off and disassembled, vehicles with no license plates, no registration tags or registration that expired are present, it should not take a community to hold the meetings and make dozens of phone calls with several news reports to get the city to act. We as community members should not have to keep track of five different incident numbers from five different offices to get the city to understand the problem. Oregon revised code allows for impoundment of vehicles without license plates and we are told a dollar amount of tickets needs to be met before the vehicle will be towed. For several days the sidewalk was completely blocked along with the canopy erected over it to keep the disassembled bike parts dry. This is in direct violation of the American with disabilities act. Do we as community members need to file suit with the ada every time to get something done? The amount of resources that went into this camp both by community and by the city is unnecessary and unacceptable. The police responded half a dozen times, the fire department twice for two fires, pge countless times more and all of this money that can be spent elsewhere. Helping the homeless. What can be done? I propose the city recognize there are two camps of homeless that when identified need to be held accountable for their

November 22-23, 2016

actions through timely enforcement of current laws and I propose the criminal camps once identified be given a reference number to be used by the police, office of neighborhood involvement and pge and the bureau of environmental services and other offices involved to make it easier for communities to make it more easy to engage with the criminal activity. We all understand that there is a homeless problem and this is not about them. These people need protection from the criminal part of this, as well. And they are doing it blatantly out in the open, and we also understand the restraints on the police responses. But when it's identified, it should be dealt with in a more strict manner with the laws that we have.

**Hales:** Thanks for coming, and you have a prepared statement, if you have a chance to send us a copy because you mentioned multiple bureaus that are involved, parking enforcement folks at the bureau of transportation and police and office of neighborhood involvement, it would be useful for us to distribute your comments to them. Thank you very much. Thanks for coming? Ok, let's take the consent calendar again, minus the two items that we have pulled off for discussion. Any further discussion? Let's take a roll call vote on the balance of the consent calendar.

**Fritz:** Aye. **Fish:** Aye. **Saltzman:** Aye.

**Hales:** Aye all right, now we're ready to move to our first time certain item, which is 1298.  
**Item 1298.**

**Hales:** Good morning so I will make some opening comments to set up this discussion and we have representatives from our bureau here to walk us through this proposal. Just some context we heard testimony about the environment and climate change and about the need to take local action and we just considered and adopted amendments to our fossil fuel policy that will go into the zoning code if the council approves that. We hope that it will in two weeks. The proposal here before us today is related to that because we have a climate action plan to put it a bit lightly, it's not a climate think about it plan, it's not a climate talk about it plan, it's a climate action plan. I was privileged to vote on the first version of it in 1993 when I was a newly elected city commissioner. And we've been working on those issues for even longer than that as I think that we'll hear from folks here today. If we are going to get serious about the climate, we have to take local action. And local action is more important than ever. Home energy scores have been a high priority item in that climate action plan since 2009. This is in effect low hanging fruit for us as a city. What can we do in that long list of actions that need to be taken in the cities like Portland? Well, energy efficiency is the highest return on investment of all the different action items that we have pledged ourselves to. Home energy scores are a tool that allows local governments and home buyers to have information at their disposal to know what the energy efficiency of the critical purchase actually is. And to help consumers understand the full cost of owning a home. The policy will lead to additional investments and energy efficiency projects to create jobs and reduce carbon emissions and reduce energy costs for home buyers a win-win-win. Again as I said earlier, local action on climate is more important than ever. Portland is one of the c40 cities worldwide that have pledged to climate action, and the west coast alliance of mayors who will meet next month to talk about what can we do as the city level to, actually, make a difference when we are not sure what the federal government is going to do at their level. So I appreciate the good work that's been done on this plan for many years by the bureau of planning and sustainability. And we have our bureau director and staff here to talk us through the issues in front of us, including the amendments, maybe I should introduce the amendments first, and then turn it over for the presentation. So we have some amendments in front of us. Amendment number 1 amends the ordinance, and addresses the alternative pathways to exemption or deferral for low income sellers, it says the bureau of planning and sustainability will develop solutions to cover the upfront costs of policy compliance for

November 22-23, 2016

homeowners who qualify for exemptions for low income seller deferral. Amendment 2, gives the director of the bureau of planning and sustainability the ability to suspend the policy saying that the director may temporarily suspended or modify the requirements of this chapter based on a determination that such requirements are temporarily infeasible due to economic or technical circumstances. And amendment no. 3 amends the ordinance and requires the bureau to report on market readiness saying this, no fewer than two months prior to the affected date of the city code chapter 17.108, the bureau of planning and sustainability will report back to the city council on the market readiness for policy implementation, including but not limited to home assessor's licensed, trained and prepared to meet the market demand for the number of daily home listings on the real estate market. So again Susan Anderson and her staff are here to describe the proposed policy. And then we're going to hear from invited guests and take public testimony. We're also later in the process going to hear from the city of Boston because they have implemented a similar policy. This is one case in which Portland is not first. We were not first in bike share and we were not first in this but we are often a leader and I appreciate your leadership, so Susan, please take it.

**Fritz:** What's the affected dates of this?

**Hales:** The effective date will be January 1, 2018.

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

**Hales:** So let me move the Amendments and see if there is a second for those to put those on the table and then we'll take it away for the presentation and obviously folks that are here to testify, if you have comments on the amendments, as well as on the basic proposal itself that's why we put those on the table at the beginning of the council session like this. Susan.

**Susan Anderson, Director, Bureau of Planning and Sustainability:** Thank you. Good morning mayor. Council, Susan Anderson, director of the bureau of planning and sustainability, and with me here today are Michael Armstrong and Andria Jacob. I want to make a few points before I hands it over to them. You will all remember that last year you adopted a, an energy score requirement for commercial buildings and now it's time to do the same for the residential sector. The idea for the home energy score was in the 2009 climate action plan, and the idea behind it meaning that we needed to work on residential weatherization in ways that only cities can, started with mike Linburg, my boss, back in the early 1990s, so this has been thought about for more than 20 years, and now with the real estate market as hot as it is we think it's time to move on it, and an energy score is like a miles per hour sticker on a new car or nutrition label on the food you buy, and not only have we gotten used to these but we have come to expect them and we rely on them. Clear information is worth something. It helps us to make good choices, and spend our money wisely. And an energy score is like a walk score, and you have heard about walk scores. It's the label so that people can understand and find walkable neighborhoods, neighborhoods that have amenities like stores and shops and other things close by. But unlike a walk score, where if you like the house but you don't like the walk score you cannot go and pick up the house and move it to the neighborhood that has a better score. With an energy score if you don't like it, you can do something about it, with the information, you get from an energy score assessment, you can make simple improvement that is will yield significant savings. And as the mayor mentioned some of us were working on this for a long time, and I've been doing efforts around planning and sustainable urban development and climate change for 30 years now, and this is totally the kind of specific action that really only cities can take. In Oregon, unlike California or Washington, we can't do a more string assistant energy code. So California, Washington, cities can actually set a more stringent energy code if they want to do that. And unlike Seattle or los Angeles or

November 22-23, 2016

Tacoma or Eugene, we don't own the electric utility so we don't get to decide what is in the mix in terms of renewal sources. So we can do this, and also as the mayor said we cannot rely on the federal government right now to take action like this on climate change. So the cities around the world know that they have to be the leader. I also know that this is not the flashiest project that we have brought to you. It's not like a big solar project. It's not you know, electric vehicles and new light rail line and new cool bridge for transit and bikes, but energy efficiency even though it's boring and it's kind of invisible and in the walls and in the attic insulation, energy efficiency is the work horse. It's the absolutely cheapest way to cut our carbon footprint. And as the mayor also mentioned with the fossil fuel export policy, we're limiting supply and we're also making a big statement for Portland about fossil fuels, but we have to do more than just make big statements. We have to keep working on reducing the demand or we absolutely won't meet our goals. Finally, you know, I think in five or six years all of this, I am convinced will not be a big deal, cities all over the world will have energy scores, others are working on it right now, and it will just be the normal thing, when you do an exchange in terms of buying a new home, but we're Portland. And we should be on a leadership position, that's why people move here and people move their businesses here and being a smart, high performance city is part of who we are. So I am going to turn it over to Michael and Andria and we'll hear the testimony and be available to answer questions.

**Hales:** Thank you very much and good morning.

**Michael Armstrong, Bureau of Planning and Sustainability:** Mayor and commissioners I am Michael Armstrong with the bureau of planning and sustainability. The slides are up there, so as the mayor noted this is a fundamental building block in the 2015 climate action plan and if we need a reminder. Urgency of taking action on climate just this weekend the economist reported on the latest temperature numbers and that little red line at the top is the limit of temperature increase that the international community is striving to achieve under the Paris agreement in order to keep the climate stable. We are eating up all the breathing room that we have, so it's really hard to overstate how urgent action is. So reducing energy use and existing buildings is the key building block of the climate action plan, as Susan noted we took action on the commercial sector last year, with energy performance ratings, and that's the red slice of the pie. The blue one, next really big one, is residential, and commercial energy benchmarking was action 1a in the climate plan. What's in front of you today is 1b. The next big thing that the city can do to reduce the emissions from the buildings. Similar action was proposed in the 2009 climate action plan. And at the time there was discussion about this is a great policy. We need to be prepared to make it easy for homeowners who want to, a better score to finance and to arrange with the contractor to reduce the energy in the home, and so that's what led to the creation of clean energy works. It is a nonprofit organization that exists specifically to connect access to financing, qualified contractors, and get the work done in as easy of a fashion as possible, and we have that infrastructure, there are good options for people who want to improve their score to do so and so at the time there was caution about moving forward until we have this, we now have it, and they have helped to improve the energy performance in 5,000 houses since they were created, and it is fantastic. We still have about 90,000 houses in Portland with little to no insulation. We have made progress but have a long way to go, and there is consequences to the household budgets so here's three representative houses. These are not extreme examples so you can see the annual energy cost in three fairly typical houses can vary easily by a factor of 2-1, so \$1,000 a year on the lower end, perhaps 2,000 on the high end, and if you think about our housing stock, it lasts 50, 80, 100 years, and that 1,000 difference, a year, a year after year, and it may not be the household that's living in it today but some household is going to benefit

November 22-23, 2016

from those improvements over time. So this really is something that we need to anticipate not just how it plays out today, but how it plays out over time. So this policy then is intended to help reveal the full cost of owning a home. It's intended to enable an apples to apples comparison so very much like the miles per gallon rating and helps people understand the home improvements and advance the purchase, and it also now can give a home buyer access to specialized mortgage products. Fha, Fannie and Freddie have mortgage options that are specific to houses that have a home energy score so they know whether there is improvement needed or perhaps a high performing house and therefore the energy bills are going to be lower and that gets back into the mortgage, so we are on a different position with lots of support in other organizations and institutions to make good use of policies like this, so I will turn it over to Andria to describe the mechanics. Policy and keep moving.

**Hales:** Thank you, and good morning.

**Andria Jacob, Bureau of Planning and Sustainability:** Morning mayor hales, I am Andria Jacob a manager of energy programs and policy at the bureau of planning and sustainability. So what we're proposing today has two main parts. The first part is that the sellers of single family homes obtain a home energy report, and that includes three main things. The home energy score, which is a number, on a scale of 1-10, and an estimate of the total energy used in the home in a year. And the cost, an estimate of the total cost of that energy. And that can be displayed as a Monthly figure or as an annual figure. And we want to make clear the home energy score that we are proposing is more like a miles per gallon rating, an asset rating, utility bills tell you about the household and the past occupancy behavior but do not tell you about the house and it doesn't allow you to compare house to house on an apples to apples basis. So when you look at miles per gallon you know the mileage can vary but you also get a good idea of what you are getting. Asset ratings are considered best practice in the field and they are based on a very brief physical inspection of the home. I want to also say that we have aligned closely with the Oregon department of energy around the state statute and existing rules on home energy scoring systems and practices. So the second piece is to disclose the information from this home energy report to the city of Portland, and to perspective buyers who visit the home while it's on the market. The requirement would apply to sellers and to home builders in the case of newly constructed homes and we're proposing that the, the time of disclosure be at or before the time of listing. In your packets in front of you, you have a sample home energy report, and I am going to walk you through it quickly. We are proposing to use the u.s. Department of energy's home energy score, that's a brand, a software tool. And this first page has -- is the score sheet, that's the first part of the report. And you can see it's a 10-point scale, the average home is a five. And this type of home scored a three, and its estimated energy costs are \$1600 per year. And this particular report also shows you what the cost would be if the home were to move to a seven to get a higher score. So this report is customizable, and we could, we can tinker with it and make it look how we want but the idea is that you are starting to see standardization on a very simple ten-point scale that allows that apples to apples comparison.

**Fritz:** Changes are needed to get to a seven? Would it list what changes are needed to get to a seven?

**Jacob:** We will get to that, the third tab of the report.

**Fritz:** Is there any way to get to the ten on that house?

**Jacob:** Most homes do not score a ten, it's sort of the ultimate net zero type of home. Most homes score in the five to seven range. So the second tab is really the home facts. This is just a rundown of the existing condition of the home, and it will review the square footage, and the levels of insulation in the floor, attic and walls and the efficiency of the heating



November 22-23, 2016

system, and how much windows square footage and things like that, that you have and the third tab is really great. This is the recommendation tab to get to your question, commissioner Fritz, and this is a list, basically the road map for the seller or the buyer, to Get to that higher score. And the recommendations are prioritized, and in order of cost effectiveness, and in other words, what are the things that you should do first? That would save you the most energy for the lowest cost. Moving onto exemptions. Best practice would suggest that home energy scoring policies really limit the number of exemptions that we have but as a result of stakeholder engagement and public comment, it became clear the exemptions are going to be necessary, and I also want to point out that the -- this policy triggered when a home is put on the market for sale. So if a home is not hitting the market, going from a family member to a family member it's not covered in the policy, and the policy doesn't get triggered but for those homes that are going on the market we did exempt those transactions that were legally or financially complicated and there is a list here, homes in foreclosure or short sales or auction receivership, a full list of the exemptions is on page 5 of exhibit a, that's the code language, and the proposal also gives the director of the bureau discretion to exempt the sellers for other reasons other than these. Also -- go ahead.

**Saltzman:** There was an amendment that deals with low income, so what about low income sellers?

**Jacob:** Let me get right to that, this is the next slide. A good question. So also in response to the public comment about equity concerns and potential harm to the vulnerable residents, we have proposed this low income seller deferral. So the circumstances that would trigger that are listed, so income at or below 60% of median households, and participation in the program we call the low income home energy assistance program, and participation in free and reduced price meals, and we also give the director discretion to give a deferral for other reasons. And in this case the requirement would transfer to the buyer, which -- who would have to comply within four months, so the amendment deals with this notion that if you get an exemption or a deferral and the score is not publicly available like every other home, that might allow lenders to do some predatory lending practices. Might signal that these are homes in some kind of difficulty, so the amendment is to direct the bureau to come up with ways to cover the upfront cost so that everybody can get a score. We would rather have everybody with a score than have exemptions and deferrals but we want to create different pathways, so you can get an exemption or a deferral or we're going to try to figure out a way with our partners to cover the cost, which you will hear is not a significant cost.

**Saltzman:** What if the buyer is low income?

**Jacob:** They will have the same options. We have written the codes so they can take advantage of one of the exemptions as well or a deferral.

**Fritz:** If the point is to help buyers compare between one house and another, what is the point of having it after they moved in?

**Jacob:** This would be at time of listing so the score goes into the listing, as it goes onto the market, not after they moved in, so they are, what we know about buyers is that they are very motivated and within that first few months they make a lot of changes to the home, and I will have the report and I will have the road map and the ideas that they could still go ahead and make those upgrades based on the information. It's not ideal but a way of at least providing that information to those folks. We don't expect there to be that many of these cases.

**Hales:** This is your backup plan for what you actually prefer, which is get some foundation or third party or whoever to fund the cost for low income buyers up front so they can get the same information for sellers?

November 22-23, 2016

**Jacob:** Right.

**Fritz:** In that case we should take out -- I think that's what we need to figure out. How to get it up front. Adding the burden to the buyer when they are busy, doing whatever else they are doing to move into the house, that does not seem to make the point to me.

**Hales:** Ok.

**Fritz:** What if the home is going to be demolished? There would not seem to be much point in having an energy score if we know that they are going to be more homes or new homes on the same, on the lot.

**Armstrong:** We thought about that and we know that some houses will get sold and then demolished but we don't think that there is value in creating some kind of exemption and often the seller doesn't, doesn't know what the buyer is going to do with the house and who is going to buy it. The seller will already have gotten the score. We don't have a way to anticipate what will end up happening to the house because it depends on who buys it.

**Fritz:** Maybe we can have a rebate by the demolisher. You have to pay that back. It's not big but something, right?

**Armstrong:** Right.

**Jacob:** Just one final point on the deferral. We are just asking folks to submit notifications. There is no requirement that they wait for an answer from the city before they list the home and they can continue with the transactions so it should not delay the transactions? So a bit about our public process and how we got here today. Mayor Hales asked us to start investigating this very late last year, and around December of 2015 so we kicked off 2016 with a research and scoping phase. Kyle, who is in the policy analyst, is in the audience and he did the lion's share of this work and we spoke to a lot of other cities, so we looked at energy disclosure policies in Austin, Boulder, Berkeley, San Diego, Denver, Chicago, New York, Seattle, D.C., there's a longer list, but just to let you know that there are other cities doing this, and other states, and in different iterations and formats but we talked to all of them. We looked at energy efficiency best practices and there is research on this, and looked at data and gathering market trends. And the public stakeholder engagement process kicked off in May. We started with two professionally run consumer focus groups. We were behind the glass. These were people recently have been in the real estate market or planning to be, and segmented the group by home value, the value of the homes, so a lower home value group and of the higher home value group, and very fascinating to discussion. But when everybody put their buyer hat on, almost unanimously the groups were very in favor, some of the concerns, we have addressed, were a lot about fairness and equity so we tried to address those in the policy design. We also had two facilitated discussions with the industry and in late May that included the real estate community, energy efficiency community and lenders and people in the associated fields with real estate, and we did have an equity stakeholder group, and that was with community-based organizations, representing low income communities, and tenants and communities of color and the housing bureau and Multnomah county, and others. We did individual meetings and we did meet with the metro association of realtors at their place of business, and we met with others, on a one-on-one basis. And that led up to the release of a public comment draft in September. We had a public comment period for weeks, and we got about 800 comments, close to 600 were from realtors, and we then took more -- we released a public code language draft in October, took more comment and then filed in early November, with what you see in front of you. To summarize a bit, quickly, around the main themes, as I mentioned earlier there were a lot of concerns about equity, how does this policy affect low income and vulnerable people like elders on fixed incomes, and the bureau definitely shared that concern, and I think that you are seeing that in the policy design with the low income deferral with the exemptions with the amendment. We want to

November 22-23, 2016

make sure that this does not have a negative impact. We also pushed pause on the rental market. The initial, our initial idea to have this be applied to a single family rental home, and we heard clearly from the equity stakeholders that now is not the right time for that. So we pulled that. A closely related concern was housing affordability, this sphere that this policy would exert upward pressure on housing costs so just a couple thoughts. This is information policy. We are not requiring upgrades at this time, and people are paying the energy costs, whether or not we shine a light on them so those exists. The cost to obtain the score is \$200 so within reach for the people transacting in the market. But the most important point is that energy efficiency is our most cost effective long-term housing affordability strategy that we have. Energy efficiency lowers the operating cost of a home over the life of the home. And as Michael showed you, you can save thousands for homeowners or renters, should it come to that part of the market. We heard a strong preference among the realtors for voluntary market and incentives and we don't need mandatory. I just want to note that we have been in a voluntary market environment since 2007, 2008, 2009, the state started looking at this, less than 2% of the homes in Portland have gotten a score on that time so we just need to substantially accelerate the good activity that's happened. And then lastly we did have support in the public comment, quite a bit of it, and in the focus groups, and in the Portland journal poll that showed 67% of people supported this but the consumer protection and climate protection benefits are recognized by most people that we have talked to about this, so people understand the value of knowing what the full cost of owning a home is, and I will just sum up, two comments from our focus group participants, which I thought were very insightful, one gentleman said this has to be mandatory, I would never do this if it were voluntary but happily if it were mandatory. And the second person said this policy really helps you to see inside the walls. And as Susan said we label rate and score everything that we consume from food to movies to appliances to cars but don't have anything for homes, and this fills that gap. Thank you.

**Hales:** Questions.

**Fish:** I have three and thank you for an excellent presentation. So the disclosure to the city, what will we do with the data? When we get it, and how will we track outcomes, and is there a budget associated with that?

**Anderson:** I will take the last one, there is no budget related to this, so we have this as part of the existing budget as a priority.

**Saltzman:** Does that include covering the upfront costs for low income homeowners?

**Anderson:** You are going to have to rely on me and how I have done in the past 15 years at raising money from the foundations and others to pay for this, I think it's a really fundable investment and I think that we have a lot of partners who will want to be a part of it but we'll have that in place before this goes live a year from now.

**Fish:** So -- thank you, and the other two pieces are -- the disclosure is made to the city, what do we do with it and how do we track the outcomes?

**Jacob:** The first piece is we would like to put this on Portland maps where we have similar Information like permit information, permit data so we think that's a good place, and we do have an evaluation plan and ordinance does direct us to come back in 30 months and report on rates of compliance and uptake in energy efficiency or a range of other outcomes.

**Fish:** Amendment 3 says Susan you could come back to us to talk to us about market readiness and other conditions. We had a conversation last year about tnccs, and they have a pricing policy that says at certain times they raise their prices due to market conditions. So we're saying it's 200 in audit, but we're also making a market, and we're not quite sure

November 22-23, 2016

how that's going to work so how do we ensure that the 200 doesn't become 500 in the implementation phase?

**Anderson:** I will let these guys answer but I know that in Austin it's about -- the market is settled out and it's about 125 to 150, so it went the other direction. It, when you create a new demand you create a new marketplace for a lot of people to enter into that space, and that caused some competition, in the prices now like around 125 and 150.

**Armstrong:** So I think you will hear testimony from some folks in the audience in the industry where even today without the policy there is the capacity and the number of qualified home energy assessors to do the work. You will also notice amendment 2 gives the director of bps the authority to suspend the rules. If we learn that prices have spiked, we have the ability, or Susan has the ability to suspend those rules so we're trying to protect against that, even now even today we understand that there is plenty of capacity in the market to meet the demand.

**Fish:** Should we be considering a requirement that the market participants disclosed to you annually what their fees and charges are? So you can track that rather than getting it anecdotally?

**Armstrong:** I would say that might be interesting to hear from some of the other testifiers about.

**Fish:** The third thing has to do with amendment one. And I appreciate the work that you have done already to exempt classes of people, and I appreciate the work that you are doing on waivers and deferrals. The thing I have learned with the utilities because we have a bunch of programs that offer discounts, is that in order for these to work they have to be as simple as possible. And so what I want to put a plug in for as you develop these, please don't come up with a system that requires someone to certify, produce tax returns, go through all of this, instead let's piggy-back off of the existing programs, and that's the flavor of what you have done, so that if somebody is eligible for a program, a precondition of their low income, let's piggyback and figure out the fraud issues later, and let's not have someone have to reapply because the more paperwork at the front end, the less likely that people will be able to take advantage of those things, and I think that I made a list which I will share later of what are other existing programs that low income homeowners might be eligible for so I hope that we can get as robust of a list as possible and add if someone checks a box and they have some reasonable basis for it and they sign a document, that that will be deemed sufficient rather than a certification process. That will discourage people from taking advantage of it.

**Saltzman:** I am a little hung up on this requirement, a low income seller sells to a, another person, that person within four months must complete a home energy audit. I just don't know how you enforce that. Are we talking about putting a lien on a home as a result? So how is it enforceable and what is the wisdom behind it I guess I am not -- it's not leaping out at me.

**Anderson:** The wisdom is around --

**Saltzman:** Talk about enforcement first. What's the consequences to the buyer that does not complete a home energy audit within four months of purchasing a home?

**Armstrong:** So we will -- we're not going to place a lien on anyone's house because they did not get a home energy score but we will, the buyer will need to submit to the city the home energy score, as much as the seller would have done had they done so, so we will be able to look at the list of you know, we'll know who submitted a score and we'll know which houses transacted and then we'll know which houses you know, didn't have a score before they listed, transacted, and then we'll follow up with them so we'll notify them, and often people don't know or sort of choose not to do to know, and we will proceed to

November 22-23, 2016

escalate that you need to do this so it mirrors the other enforcement that the city does but we will have the process of being able to check who did and didn't.

**Saltzman:** Who is doing the enforcement?

**Armstrong:** Bps, bureau of planning and sustainability, and that's part of the program net we need to build in order to make this as easy as possible for everyone.

**Hales:** A couple of follow ups for that. You have done a bunch of research. It might be useful for us now, not verbally but in writing, how other cities handled this issue, and what has been the enforcement bandwidth or scale of the problem with respect to the commercial energy benchmarking that we are doing. That might be a precedent for, you know, how often is this going to happen?

**Anderson:** Right, it's a bit of money, and the average replies -- price of a house is heading towards 400,000. In the transaction of, you know, 200, you are doing, is small, and I understand that it's -- it may not be small, to someone who is low income at the time of the sale. But so in terms of enforcing it, this is going to rely on a great partnership with the reality community and not going to happen unless real estate agents, of course, just like other things that they have to do on the 94 pages that you sign when you buy a new house or, you know, a house. So my hope is that just like we have other kinds of enforcement issues that we have partners with all of the construction industry currently, you know, with building codes, we don't go out and check everything that they do. We could not do that. It would not be cost effective. It is going to rely on us building a great partnership, with the real estate community, over time to understand this is something that's the rule here in Portland.

**Saltzman:** So just to reiterate what Michael said there is no envisioning liens on people's homes under this? None whatsoever? Ok.

**Hales:** Other questions? Thank you very much. And I know we'll probably need you back up for more questions at the end of the hearing. So we're going to open the public hearing and we have some invited testimony first and we'll move into the folks on the signup sheet. First I believe that we have senator Michael Dembrow and Jackie Dingfelder here, and we will extend the courtesy of elect and had former elected officials in the room and I don't know if there are any others but these two are here? They are here. Good morning.

**Jackie Dingfelder:** Good morning.

**Hales:** Good morning, welcome back.

**Dingfelder:** Thank you. Good morning Mr. Mayor and council members. I am Jackie dingfelder, former state senator, former policy director for the mayor and I live in northeast Portland. And I want to thank you all for holding a hearing today on this very important proposal before us. As Susan said it's truer than ever that the fight against climate change will be won or lost in the states and the cities as we all know, and this proposal you have the opportunity to take a critical step forward on climate change while enabling home buyers in Portland to make better decisions for their pocketbooks. At the state I helped to pass legislation that established a state certification for people trained to provide home energy scores. Stakeholders from across the state have now agreed on which rating system to use. All the pieces are now in place to move forward to make home energy scores standard practice. Unfortunately, we have seen that voluntary efforts are not enough as you have heard from the bps staff. You may be hearing from realtors today who want you to take a go-slow approach. They say that they support the city's climate and affordability goals but oppose a requirement. I have good friends who are realtors, and we all do, and know that they are sincere but we simply can't afford to delay. By the way this is the exact same argument that I heard several years ago when I proposed the same bill in the state legislature. So more than ever home buyers need to understand the full cost of owning a home, including the energy costs. Let me share with you recent examples that

November 22-23, 2016

made me think more about why this is needed. Unfortunately, my trusty Subaru of 16 years is starting to wear down, and I started looking for a new car and I thought ok there's been a huge amount of improvements on energy efficiency. We have new hybrids, and so I started looking at new cars and, comparing the fuel efficiency. It occurred to me that one of the biggest choices in our life is buying a home. I know it was for me, and the same lived in the same home for 23 years, it is a huge investment for all of us. But it is one of the least informed choices that we make around energy. You think about the amount of energy that you are going to use over the lifetime of the house, yet we don't really have good metrics or a way to compare when we are looking at different homes. So while I was out car shopping made me think about how we have this great requirement that car sellers have to disclose fuel efficiency, yet we don't have that type of opportunity for people to make informed choices when their buying a home, and we all know that energy costs are a huge part of our, our monthly cost to run our home, and make sure that we have a warm and safe environment. So we do need to make sure that this proposal can work for low income sellers, and I know that you are working out the details on that, and so I would encourage you to make sure that, obviously, low income sellers have the same opportunity. I know that Susan Anderson and her team are very concerned about equity and will work very closely with the council to address those concerns. In closing I just want to mention that I spent much past year working and living in New Zealand and had the benefit of a global perspective on climate change. New Zealand takes climate change seriously as well. You probably know that they are an island nation, and issues around state level rise is something that we thought about every day. People look at the u.s., and they are very worried about where we're headed. But they also look at cities like Portland and they see you know, real promise. Wherever I went, New Zealand, people asked where I was from and I said the city of Portland and they said oh, you look to Portland as a model here in New Zealand, many of our cities. And certainly I think that that's true throughout the world. So more than ever we need Portland to lead, and this is an important opportunity to do so with a practical and a reasonable approach, that helps Portland families and reduces the carbon at the same time. Thank you.

**Hales:** Thank you.

**Dingfelder:** I will hand it over to my esteemed colleague.

**Michael Dembrow:** Thank you senator. Mayor hales, commissioners, I am Michael dembrow, I represent northeast, southeast Portland in The Oregon senate where I sit on the energy and environment committee. I am here primarily to address the potential charge that a program like this really should be a state program as opposed to being dealt with at the local level. I believe it needs to be addressed at the local level, and to sort of give some background to that, you need to know that the day after the election, a couple of weeks ago, I had the dubious pleasure of flying to Washington D.C to be part of a conference on energy policy and climate change. That this was -- it's a cohort of legislators from around the country, bipartisan. It's an institute called the Lehigh institute, the legislative horizons institute, sponsored by a combination of funders from the fossil fuel industries, from renewable fuels and different policy think tanks, and I have to say the day after the election it was sobering but also, you know, I think ultimately, very, very realistic. And the theme that really came through day after day was that the action on climate change really is going to -- the action on climate action has been and will continue to be primarily at the local level. Whether we're talking about the states or we're talking about the cities. And that will be true even more so likely under the new administration. And the other message that came through very clearly was the importance of energy efficiency. And that in order to reach our climate goals, state, cities, the country as a whole really needs to double down on energy efficiency. There's been a lot of work done in different states and

November 22-23, 2016

different locations around the country. A lot of low hanging fruit has been picked, and progress has been made but there is much more to be done, and we heard that, probably the strongest voice for that was the representative from b.p. oil who was talking to us about the importance of energy efficiency as part of their growing portfolio. And you know, what we also heard, you know, there was, of course, with legislators, there from around the country, and we all were sort of elbowing as to who is doing good work and what area and what areas and you know, we did learn that Oregon as a whole has slipped in the last year or so in terms of the energy efficiency, its standing amongst the states. And so it really is important that we, and we heard specifically about the need to focus on innovative programs like residential scorecards, that was something that was mentioned, and again, in a very, you know, non-partisan kind of way, that this is the cutting edge of where we need to be going in terms of energy efficiency. So I really encourage you to pursue this. Just looking at the turnout here, obviously, this is a local issue. Having this addressed at the local level allows people on all sides of this issue with concerns and suggestions to come together in a very easy way that really could not happen at the state level. Just as with respect to the country as a whole, we see the states as the laboratories of change where the states can try things out and become models for one another. So the cities serve that same function with respect to the states. We heard about Austin, and what a model Austin has been. If that had been left up to the state of Texas, clearly, you know, we would not -- Texas would not be a laboratory on this but Austin can be and provide us with useful information and models just as this city will for Salem, for Corvallis, for Eugene for Redmond and Bend and for other cities in the state. So I encourage you to move forward in pursuing this program.

**Hales:** Thank you very much. Thank you both. I appreciate you being here. We have a few other pieces of invited testimony. Chris Smith is here representing our planning and sustainability commission, and our volunteers thank you very much. And we have a video presentation from the U.S. Department of Energy. So Chris, welcome.

**Chris Smith:** I am Chris Smith vice chair of the planning and sustainability commission to convey the commission's support for this program. We reviewed this under the sustainability part of our name and as such this was not a formal legislative project for us so we did not hold a public hearing. We did receive unsolicited input from both sides of the issue as you can see in the room there is a lot of passion on both sides, and they were happy to help inform our deliberations, some of the issues that we discussed in our review included the provisions for low income homeowners, and I think that we are largely satisfied that the program has tools to help them. We had discussion of whether a voluntary program or other ways of measuring this like disclosing energy bills would be a sufficient alternative and I think you heard in the staff presentation why this is a better option than those. And I guess that I would leave you with two points. One is that we are the custodians of the climate action plan, and this is one of many steps that are going to be required in that plan to get to our climate objectives. So we think that this is a necessary step along the way. And finally, I comment on the involving, understanding of affordability, and it's been during my tenure, helping with the public policy that we have come to understand that you cannot look at isolated facts so you have to look at both the mortgage cost and the transportation cost to really understand the affordability of the home, and I think that this is the further revolution that we have to include the energy operating costs in our understanding of affordability so I think that this will help both in the policy-making context and for individual consumers to really understand the affordability of the homes, and I will leave it at that.

**Hales:** Thank you very much. So we do have a video of testimony from Joan Glickman from the U.S. Department of Energy. And I think that Michael has got that.

November 22-23, 2016

**Joan Glickman:** I am Joan Glickman a senior advisor at the U.S department of energy, and manager of the home energy score program. The U.S doe created the home energy score to serve as a credible national standard for communicating how much energy a home is expected to use and how that home compares to others. The score is based on an assessment of homes assets that effect its energy use like heating and cooling equipment, insulation and square footage. By applying assumptions about weather and occupants the score reflects the energy the home will use under average conditions, based on 57 home scores to date we found home of all shapes and sizes score across the 10-point spectrum. Older homes are not disadvantaged by the score as we've found no strong correlation between vintage and score, just like a miles per gallon stick can help consumers take into account a cars long term operating cost score helps homebuyers better predict the true cost of homeownership. Providing perspective with a score can help them better understand will their monthly expenses be affordable, this is particularly important for first time buyers and those in lower income brackets since utility bills are a larger part of their disposable income. But the scores more than just about predicting bills it's a way to encourage investment in improving the efficiency of our nations homes, that's why the score report includes a list of customized recommendations that can save energy and money and often improve comfort. With this information in hand buyers can insulate the attic or seal the ducts just as they paint or finish floors when they move in, some banks will work to wrap that improvement cost into the mortgage in fact Fannie mae and fha offer products that recognize the score to encourage efficiency investments. The score can also help sellers highlight the investments they already made in energy upgrades by making these improvements readily available to perspective buyers. At the end of the day most homebuyers are going to purchase a home not related to energy performance, but providing the score helps them better understand what to expect and can prepare them to make smart choices as a homeowner. I'm happy to answer any question thank you.

**Hales:** Thank you very much, she's ready to repeat it if he need her, our final two people are Michael Holgrove and Charity Vane and then we'll move into signup sheet after that, welcome.

**Saltzman:** I think somebody from Austin was here.

**Hales:** We had some later but not here in person, just videos. Good morning and welcome.

**Michael Holgrove:** Good morning. So good morning, mayor hales and commissioners. Thank you for the invitation to join you this morning to share energy trust of Oregon's experience with home energy scoring. For the record I am mike Holgrove the executive director of energy trust. An independent nonprofit whose sole purpose is to help the 1.5 million customers of Portland general electric, pacific power, northwest natural, and cascade natural gas save and generate clean and inexpensive energy. Pursuant to our grant agreement with the Oregon public utility commission, energy trust does not support or oppose ballot measures, candidates or matters before the city council. I am here this morning to Provide information on our experience with home energy scoring, and not to advocate for a specific outcome related to this proposed ordinance. At its essence home energy scoring is a way to increase the transparency regarding a new or existing home energy use. We have found scoring to be an effective strategy for increasing the number of homes, built at least 10% above the code, and in the case of existing homes, identifying the opportunities for energy upgrades. Energy trust first began considering home energy scoring in 2007, since then we have conducted several pilots and evaluations and issued energy scores for 10,000 new homes and 2,000 existing homes. We have learned how the market responds to these scores and determined that they are effective indicators of how well or poorly a home uses energy. Providing our customers with information and



November 22-23, 2016

knowledge is a key component of many of our energy conservation programs. Home energy scoring provides homeowners or buyers with a transparent indication of a home's energy usage to help inform the decision-making about what is one of the largest purchases of most people's lives. In the absence of a national federal home labeling policy, ordinances such as the one before you today, and programs such as those energy trust of Oregon implements, may be the only tools available to move housing stocks into a more energy efficient lower carbon future. Should the city of Portland choose to adopt the home energy score ordinance, energy trust stands ready to help homeowners and home builders comply. Much as we did when the city passed the commercial energy performance reporting policy last year. We have also helped to build market capacity by supporting education and training opportunities for the people who will carry out the assessments and implement the energy efficient upgrades. While we believe that there is currently sufficient capacity to service the existing market we could support additional training to accommodate any increased demand which the ordinances might generate. I would be happy to respond to any questions now or to provide supporting documentation upon requests.

**Hales:** Thanks very much. Good morning.

**Charity Vane:** Good morning. And mayor hales and commissioners, thank you very much for the opportunity to testify. I am charity Vane, the executive director of the community energy project. We at c.p. Believe everyone deserves a safe, healthy, and efficient home regardless of income. We help vulnerable and underserved Portlanders weather-wise their homes, and make critical repairs and teach people how to do this themselves, and last year, nearly two-thirds of our clients identified as people of color and all our clients were low income. Cep strongly supports the proposed home energy score program for lower income home buyers, knowing that the potential heating and cooling costs is essential when considering whether a mortgage will be affordable. While the price of homes is affordable to many making this information public is of particular value to low income buyers. The energy audits required by the program will provide home buyers with a list of suggested upgrades to improve efficiency and for home buyers like our clients, this information will help them to prioritize the projects and it is also an immense value to them. Some of the clients might also be sellers and as we discussed may not have the resources to pay for the required audits, and cep participated in the equity stakeholder meetings with the city and expressed those concerns with them, and we feel that they listened to us and incorporated the exemption process into the proposed program. We believe that the provisions are sufficient to alleviate the potential burden says on the lower income sellers, like many others I want to address the climate change. At this time, it's absolutely critical that we move forward with Portland's climate action plan. The proposed program as we know will provide home buyers and sellers with the information that they need to prioritize efficiency upgrades, but I think what's more important to consider is that while we will all benefit as Portland homes become more efficient we won't be equally impacted. Cep's clients and vulnerable people everywhere will bear a burden to climate change, and we need to think about this and develop programs to address it. On behalf of cep and our client, I ask you to support the home energy score program.

**Hales:** Thank you.

**Fish:** I have a question for either or both. So one of the things I learned as a consumer is that from time to time reputable agencies that do things like scores get it wrong, and the best example is the credit score. And it required congressional intervention, to then get to the point where we have a right to see our credit scores and we get to have some relief, and when it turns out that there is something on the score that is unrelated charge or problem, that they have mixed and matched, there is a remedy for getting that cleaned up

November 22-23, 2016

to have the score fixed. If a homeowner disagrees with a home energy score or report, what is the recourse for that homeowner? And I will give you an example. I could imagine a situation where there is two reports that were generated. A home energy score and a report that has home facts, and a standard home inspection that's usually done by the buyer. What happens if you cannot reconcile the two? It turns out that there is a mistake on one or both, how does that get fixed and where is the recourse.

**Holgrove:** So I don't want to speak for the staff or the bureau of planning and sustainability but it's my understanding that any discrepancies like that can be taken to the director. For resolution. I will say that the energy trust plays a role in the quality control aspect of the types of organizations and companies that perform these ratings so we do have a, a -- we do have a level or an obligation there to ensure that the folks, at least working through energy trust, maintain certain levels of quality, quality control, and conflict resolution. And so but I would think the specific resolution or conflict would be brought to the department, or to the division of bps.

**Fish:** My guess, when you say it would go to Susan to be adjudicate she was breaking out in hives so let's pursue that.

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

**Fish:** I don't think anyone would view that as a satisfactory process so someone gets their score, and it says it has roof attic one, description, and they are like that's funny I live in a bungalow with no attic, so somehow this got grafted on and this is not -- this is not my house, or it says windows have failed and you just replaced them. A million things can happen, and the only reason that I know this is because we have spent time cleaning up our credit scores which by the way is an important score for lots of reasons. Only to find out that there is Misinformation on it. So because this is a fluid situation, and you are going to want to reconcile any discrepancies quickly, what is the official appeal process within your agency to have that resolved?

**Holgrove:** Within our agency, so if the project, if the homeowner is applying to energy trust, for incentives or anything, on the types of improvements they might be doing or working with the specific contractor that's providing the report, and they have an issue, and we are involved in that in some way we have a very formal conflict, we have a hotline you can call if you have an issue, and you can bring that forward, and we review all those complaints on a regular basis, and to help ensure, and then reach back out and for resolution, and now if we are like I said, if the project is going to improvement, where the measures are being installed, we are involved on the ground working with the inspections and doing inspections and follow-up.

**Vane:** We provide, I think, something that can help is education around what that core is and what you might expect. I went through one, it can be confusing and even when you know something about the industry, and people can come and get free education on what do you look for and how do you understand your information provided and we as an organization provide those free trainings for anyone in the community, so you know, it's sometimes, it's understanding what you are getting, it might not be a mistake in the audit. You might not totally understand it. And so like looking for those resources that already exist in the community, to understand, and I can also speak from, as a homeowner you know, when you are working with whatever contractors that are coming in, they are really responsive. And you know, they can go over it with you and, and help you. Having that information in advance so that you really understand kind of the technical language, makes a huge impact on what you understand in that audit. And those resources, like I said, exist already but as to what, the official policies, we're -- I am a community rep so I don't know.

**Fish:** I appreciate your answers and later on when the team comes back, we'll talk about this, this is a pro consumer measure, obviously, and I also want to make sure that the

November 22-23, 2016

consumer has recourse if someone along the chain gets it wrong. That's all. So it's not another hoop with, without a remedy.

**Holgrove:** Absolutely.

**Hales:** Thank you. Other questions? Thank you both very much. Appreciate you being here, and I appreciate you being resources for this work. Ok. We are ready to move to signup sheet. We always extend the courtesy to students and people with disabilities so if you fit that description feel free to come up early, and I know that there is Students here, and then we'll move into the rest of the list, and we'll take Mr. Kelly early on because he has a semi-official capacity here today so come on up. Good morning. Who would like to go first?

**Ella Shriner:** I am a freshmen at grant high school. I have spoken to you before because I am deeply concerned about my future and the world that the youth will inherit. And it is clear that climate change is the greatest threat to our future. Because of that it is essential that we not only limit fossil fuel development but that we also take strong direct action to reduce our carbon emission says. Portland has long been an environmental leader and it is important that we continue to take aggressive steps to meet the city's climate action plan goal of an 80% reduction in emissions by 2050. I come from a family that reads nutrition labels on packaged foods, and pays attention to fuel efficiency information for cars. And as consumers, knowledge allows us to make informed choices, and I believe that the requiring home energy scores will be a catalyst for both sellers and buyers to make energy of saving improvements to their homes. I live in an older home constructed with a single Payne window and very little insulation. Over the years we have replaced windows, added insulation and upgraded to a high efficiency Furnace. It would have been very useful for my parents to have known from the start which energy upgrades would have the greatest impact on our energy bills and comfort, and we will soon have new neighbors in the house next door. In the process of purchasing their home, our neighbors to be arranged for a complete home inspection. Checks were made to determine if the old oil tank was decommissioned, whether there were problems with the sewer line, if the roof was sound and whether the old electrical wiring imposed a threat. Obtaining information about a perspective home is taken for granted in the house sales. And it makes perfect sense that home buyers should also learn about the energy efficiency of a perspective home. I have heard concerns that this proposal would place the financial burden on sellers and that we should move slowly to make changes. However, requiring a home energy score for home sales does not present a significant burden for most sellers, and it would promote jobs, green jobs, locally. And Portland already has requirements for energy performance disclosure through commercial buildings and it is time to turn our attention to the residential properties. And I hope that you still have the environmental awards my classmates and I gave you at last year's fossil fuel infrastructure hearing. Portland youth need you to continue to act as champions for our earth. I urge you all to vote yes on this proposed ordinance. I believe it is good for homeowners and important for our future. Thank you.

**Hales:** Thank you very much. Good morning. Yes. [applause] no matter if we agree or not when students come we want to say thank you for being leaders in our community.

**Fritz:** And you can go into my office it's proudly displayed. Thank you.

**Hales:** Welcome, good morning.

**Olivia Magaret:** Hello, I am Olivia Magaret and I am an eighth grader at Sunnyside environmental school. Thank you for giving me the opportunity to speak with you today. As you know, climate change is transforming all life on earth, and it has already had observable effects on our environment. Glaciers have shrunk and trees are flowering sooner and plant and animal ranges have shifted. The impacts of climate change threatens

November 22-23, 2016

to damage our planet. Because of this we must work to contain and to reduce our output of greenhouse gas emissions. My family regularly consults miles per hour ratings on cars we might buy, and energy guide labels on the appliances and nutrition labels on food. They have taught me that this knowledge helps us as consumers make informed decisions. This being said, consumer labeling on homes is rarely available in most real estate market. Less than 2% of Portland's 160,000 single family homes have an energy score. This lack of information just does not make sense, especially when we know that we cannot achieve our 2015 climate action plan goal to reduce emissions by 80% by 2050 unless we increase our energy efficiency and participation in renewable energies in the residential category. These upgrades benefit sellers and buyers while at the same time reducing the carbon pollution. Beyond lowering energy bills in greater housing affordability, energy efficient homes are more comfortable and livable and at the same time, and at time of sale, sell for higher. As a youth of today I am worried about my future in the world that my generation will inherit. What you decide will not only affect America or the city of Portland, but it will affect the entire world. Portland has an incredible opportunity to continue to take action as an environmental leader and set an example for surrounding communities. I urge you to vote yes. Thank you.

**Hales:** Thank you very much and well done. [applause]

**Hales:** Good morning.

**Joe Walsh:** Good morning, I am Joe Walsh and I represent individuals for justice, and we support this measure. We are very aware that come January you will be on your own. You have to do this kind of stuff from a local level or else you are going to get no support from the federal level. Up in, the present administration doesn't believe in climate change. They think it's a Chinese conspiracy. And you have to do this kind of stuff. You have to look at it and you have to be a little careful. A little concerned that the homeowners apparently are going to pick up the bill on this. Why does the utility people get involved in some of the payments? They are going to make a lot of money. I just looked at my electric bill and a one-bedroom apartment was \$100. Now we cover some unusual things. I have an oxygen that goes 24-7, so maybe that is part of it. But I was kind of stunned. It went up \$20 from last month. The oxygen is not one of the problems because it's been there for eight years. Again, let me congratulate you. We are so worried that the young people are not going to become activist. I know I fight with you but this is something that we can agree on. You have to do it on the local level and figure out a way even if it may be illegal in the -- and the state will get angry with you, do it anyway. You have 40 lawyers, you know. You have got 10 paralegals, do it anyway. And say come and get us. Because we're on the side of the Angels on this one. Thank you.

**Hales:** Thank you very much. [applause]

**Hales:** Other students or anyone that wants to take that courtesy come on up. Thank you and good morning.

**Emma Swanson:** Hi. I am Emma Swanson, and I am a senior at Wilson high school. My mom has always advocated for the environment, and all my life she and my dad have told me to turn off the lights and take shorter showers and don't blast the heat. And my environmental science class we discussed the importance of small action a thousand small actions that people can take to make things better in the community. And have an impact on the climate change. I read the home energy score policy, and it seems like a good incentive for people to make their homes more energy efficient. That's a really good thing. This recent election has left me feeling a little helpless like I don't have a voice. I am only 17 and I can, I can't do anything to make a change, is not the mindset that I want to become familiar with. I want to have a voice. I want to be informed about important policies, and I want other people to have a voice as well. And this policy, is an example of

November 22-23, 2016

where it's really important where people have the best information about their home. I know that I would want to know and as a voice in my community I think that it's important for Consumers to have accurate, transparent and consistent information about the homes that they are buying and living in. I am the voice of the millennial and you are making the decisions that are going to impact my future and the future of my peers, this energy scoring policies something that I value and I think that it is an important step forward in creating a sustainability environment. Thank you.

**Hales:** Thank you very much.

**Amalia Silverhart:** Good morning, I am 16 years old and a junior in high school. As has been said, it's imperative that we take action on climate change and reduce Portland's emissions. I think this proposal is an excellent way of doing that in part because it will raise awareness for this. People who would not necessarily be thinking about these effects that their daily lives have on the climate and the environment, will be given the information to do so. And I want to remind you that I am young. It is very likely I will outlive all of you, and I will suffer the effects of climate change in ways that you never will, that you can't imagine, and so will people all over the world. So please support this and continue doing everything that you can to reduce the Portland's emissions. I know that I will be.

**Hales:** Thank you, diligently said. [ applause ]

**Hales:** Ok, let's move to Mr. Kelly and two others on the List there, please. Another volunteer who overdoes it in the number of hours he gives our city.

**Tom Kelly:** Good morning mayor, commissioners I didn't know I'd have to follow some really incredible kids, it's going to be hard to hold a candle to them. So backed locally jobs, carbon, comfort and health are my main themes I'm not going to, I think we already talked about quite a bit about acting locally and its importance. Jobs the east build is set up clean energy works Oregon and now inhabit one of the most impactful jobs creator in our state in a time of the great recession. Those jobs need to be continued they have been great jobs, jobs that are family wage, jobs that provide benefits, jobs that provide entry level and then opportunities in the construction industry I know in my company people have moved from our energy retrofit division onto other jobs in our business. Carbon and climate change the average savings that we achieve on a project on an energy efficiency project is about just over 3 tons of carbon per year per house. That kind of impact counts up and when you think about all the years that that house is going to have an impact it really makes a difference. Comfort and health. I think sometimes we miss that, but I had an energy retrofit job done on my own house and I marvel sometimes at just how much more comfortable it is. Just less drafty, more comfortable. More importantly health, Jackie referred to New Zealand. There was a study done in New Zealand. They have done hundreds of thousands of homes. That really speaks to the health issue that I think sometimes we don't talk about enough. What they found in New Zealand was things like 40% less missed school days from the children that were living in a home that had had an energy retrofit and had their home really transformed from a health perspective. Less hospital visits, less missed days of work for the parents in those homes. Really I think a big impact. There are some studies going on in Oregon and in the country right now that I think will bear that out here. This is common sense. I would like you to just imagine for a moment if you were proposing an ordinance to require that auto dealers can no longer disclosed mileage per gallon how many people might be in this room. It would probably result in some objection. Finally, I think you're going to hear from my compatriots at the homebuilders that this shouldn't cover new homes. I'm just going to say that a good portion of the home building community in Portland are building homes well beyond the base code, and those builders I'm pretty sure would want to have the opportunity to

November 22-23, 2016

disclose the fact that they were doing that and have somebody from outside their firm demonstrate that fact, so I just -- this is common sense. We need to do it. Thank you.

**Hales:** Thank you. Good morning.

**Justin Wood:** Good morning, Mr. Mayor, members of the council, I'm Justin wood, I'm a builder in Portland. Our company name is Fish construction. I heard Mr. Kelly and others talk about common sense but I'm going to ask for what I think is a common sense approach, to consider exempting new construction. Everything I have heard from today talks about the benefits from this program, not one benefit would apply to new construction. In your own climate action plan the climate action plan addresses existing buildings, it doesn't talk about new buildings. Also there's been several comparisons to the city of Austin. The city of Austin exempts homes for the first ten years of the program. They don't require it on new construction either. You ask yourself what is the end game for newer versus older homes. When you get a report on an older home you get a list of repairs to make the home score higher. That report on new construction would show nothing. New homes built to code in the state of Oregon are going to score a 9 if not a 10 when built to code. There's not that big a differentiation between a house built to a code which may score a 9 and a house to a lead certification which may score a 10 whereas an older home might be a 2, 3 or 4. If the goal is to just inform home buyers as to what features are in their home every new construction home built in this city the plans are marked with insulation, furnace, water heater, everything put into the house. Those plans are available on Portland maps. They are part of the permit process, inspected by the city to make sure they are there. Lastly, I just want to point out there's other agencies that do this as well. Dmv doesn't require cars newer than five to an emissions test. The only other thing I would like to say it was mentioned earlier this was taken in front of a stakeholder group. To the binge this was never taken in front of any home building group. I also sit on the development review advisory committee and this never came before them for their input. I just want to say happy thanksgiving to all of you.

**Hales:** Thank you.

**Fish:** Quick question. If I were in the market for a new home and I was interested in a home that your company built, where would I go to get the information to verify the energy efficiency of that home and what's the path of least resistance? One of the things we're trying to do is create a uniform system, apples to apples. We want it to be easy for the consumer to access this information. Where would I go for that information?

**Wood:** As of today, couple different things, one you could look on the plans. I realize not everybody is technical enough to want to look at the plans. Most of us when we list our homes list the energy features that the home has whether it's 95% furnace, high efficiency gas water heater, that's always part of the listing. Most of us if we're using a realtor will come up with some type of sales flyers that talks about the energy features of our home. As a sales tool. The only thing I'll say I think there's a step maybe that could be in between here that we're not currently doing that we could where you could assess like I said most new homes come in a 9 or a 10. You probably could score the home easily by saying any home built to code in the state of Oregon is a 9. I'm guessing that somebody who is expert in that could verify that and you could say a home built to code is a 9 or whatever the number might be.

**Fish:** Just want to say from my point of view the idea of uniformity has some appeal, and making it as convenient as possible for the consumer has some appeal. Having to look at plans and maybe bring some technical expertise in to help with that doesn't make an impression on me at least. But if there is a streamlined way of getting a score because it's a new home and you think there's a way to do that that might result in a less expensive process or streamlined process I would be interested in that, but I'm less interested if it

November 22-23, 2016

requires the consumer to go pull plans and talk to other builders and do due diligence. The goal just as I don't want to spend a lot of time buying a car talking to a bunch of people. I want to look at the sticker and have apples to apples if you will consider that.

**Evan Swanson:** Good morning. I'm Evan Swanson. I'm a mortgage professional with over 14 years of experience in Portland as well as a concerned property owner here to voice my opposition to the mandatory energy audit. There's no doubt the proposed ordinance is well intentioned. I with others in this room share in the goal of reducing carbon emissions. That said like so many other well intentioned measures this is stocked with unintended consequences that will negatively impact the ability of homeowners to fairly and openly transact property. According to a 2016 core logic report roughly three of four transactions in the state of Oregon involve financing. Three out of four homes are scrutinized by bank underwriters and appraisers. As part of their due diligence, bank appraisers and underwriters routinely review information listed on Portland maps to gather information. It is my understanding under the proposal this energy audit will be posted on Portland maps and here in lies unintended consequence number one. In an instance where the audit suggests any adverse conditions in the home, the underwriter and/or appraiser will be required to cross reference the public information to make sure that property meets minimum property requirements as set forth by fannie mae, freddie mac, fha, va, or other applicable underwriting guidelines. In the event the underwriter appraiser deems the property fails to meet those requirements the bank will demand required repairs as a contingency of completing the financing and therefore completing the sale. I will also be submitting a letter from the chief appraiser of the largest locally owned appraisal management company in the region that solidifies this information. In some instances, the buyer and seller may negotiate without threatening the sale however there will be instances where the buyer and seller is not willing to spend the additional money or is not financially capable and not in that case the sale will not take place unless the seller can find a cash buyer in which case they will likely offer a much lower price. I believe it's unfair to low income households less likely to have resources to maintain the property or do required repairs. I understand there are deferrals in the measure but the lack of publicly displayed energy audit will trigger unscrupulous people towards predatory marketing efforts. I also want to quickly address the policy of the miles per gallon comparison. I can guarantee if you required a car manufacturer to send every car to be tested for miles per gallon we could see that the economies of scale wouldn't apply. This is a much different requirement. Thank you.

**Hales:** You're going to submit -- folks, we only clap for students. He may be a student in his spare time but you're going to submit your written testimony?

**Swanson:** Yes.

**Saltzman:** I'm curious. Do you have any idea what score would correlate with a lender requiring repairs?

**Swanson:** It's a good question. Because it's a new policy I can't say. The score would be the initial trigger to open up the report and possibly when they open up the recommendations tab it says that the furnace is not working or working at low capacity it's going to be gray area. So I don't know with certainty but I'm certainly think it's going to open up the possibility in certain situations.

**Fish:** Isn't that information generally available in the home inspection?

**Swanson:** That's not submitted to the bank as part of the loan application so lenders typically don't see that to get the appraisal.

**Fish:** But there's certain information must be disclosed if it's a health and safety issue.

**Swanson:** Correct.

**Fish:** And that's already built into the underwriting which is why sometimes certain kinds of

November 22-23, 2016

remember pairs can be mandated prior to closing.

**Swanson:** Correct.

**Fish:** And so what evidence do we have that this problem, this is a problem in places like Austin and other places that have this requirement?

**Swanson:** I haven't consulted with those areas.

**Fish:** Wouldn't that be the first place to look to see whether there's been an impact on lending in a city that actually requires this?

**Swanson:** Absolutely. This is probably a minority of cases but the problem is it's going to happen to the most vulnerable households in our city. They are the ones that don't have the resources. So maybe you call the city of Austin and how are they going to even know that? How do you track transactions that never happened, and in that case maybe there's a few, but the bottom line it's a few that's happening in our most vulnerable part of society.

**Fish:** Your experience is the logical -- unintended consequence would be the requirement of some kind of fix prior to closing or an adjustment in how much financing is available?

**Swanson:** No, the transaction would not be able to happen because the property doesn't meet minimum property requirements then it can't transact with conventional financing.

**Fish:** We don't prescribe what -- we haven't set minimum property requirements to our code in terms of what energy efficiency you have to have.

**Swanson:** Fannie mae, freddie mac, fha and others have those available online.

**Hales:** This is very helpful. Obviously we do want to see your written follow-up. Might even call on you as a technical resource.

**Swanson:** Happy to do that. Thank you.

**Hales:** Thank you. Next three, please.

**Hales:** Good morning.

**Christian Rusby:** Good morning. I'm Christian rusby, thank you for your great work in supporting our citizens. I apologize for my speaking impediment but this is very important to me. I have a home last year my wife and I sunk tens of thousands of dollars to bring it to modern energy codes. We would appreciate having the score to help evaluate even roughly how much work needs to be done to bring it up to modern energy codes. Climate change is driven by burning fossil fuels. Homes heating and cars are side by side having large impacts. Our children deserve to choose their impact on the planet they are inheriting. So they know their energy score. So thank you.

**Hales:** Thanks for coming. Good morning.

**Jan Zuckerman:** Good morning. I'm Jan Zuckerman, I'm an educator, small business owner and mother. I feel proud to live in a city that understand the urgent need to respond to the climate crisis. The home energy score is yet another positive step ensuring Portlanders take our part in current emissions. As sits notice we overwhelmingly support no new fossil fuel infrastructure and this asks us to walk our talk by advising homeowners to make energy efficient improvements. As a homeowner I understand the responsibilities I have. When my husband and I helped our daughter buy a home we had concerns about the energy use and cost involved. The realtor could only provide us with a heating bill from the previous owner which gave us very little information. It was very frustrating. The home energy score allows homeowners to be more informed decision makers instead of victims of surprise. The more importantly the score is a win-win giving homeowners and prospective buyers the power of knowledge, ability to cut costs and encourages investment in clean energy. The true beneficiaries of this requirement and other steps we take to curb our energy use however are the children that will be here when we are gone. Since November 8<sup>th</sup> my three children and many of my former students have turned to me for solace. With melting at unprecedented rates we're already rapidly approaching a tipping point in which the arctic would change from a carbon sink to a carbon source.



November 22-23, 2016

Each step towards implementing the Portland climate action plan provides our youth with the momentum and hope to continue to make progress on even bigger issues and combat climate change. Years ago Charlie and Vicki Hertel had a dairy farm in Tualatin valley. When they were mandated by environmental agencies to move their operation away from the west area creek they could not afford to relocate. Instead of giving up they transformed into sun gold, an organic farm keeping alive their family tradition of caring for the lands. This was no easy task. It took hard work, determination and willingness to change with the times. Not everything has to solely be seen as a cost. Oftentimes change is an opportunity in disguise and that's exactly what the home energy score provides. The benefits greatly outweigh the costs. Like Charlie and Vicki, we must be willing to change with the times. We owe it to our children and all life on this planet to do whatever it takes to protect them. Tomorrow when my family gathers together we will thank the standing rock water protectors for sacrificing everything to protect our precious earth and reminding us that we should be doing the same. A home energy score may seem inconvenient to some but in the big picture it's the kind of climate action our city must say yes to.

**Hales:** Thank you for coming.

**Kym Croft Miller:** Good morning. I'm Kym Croft Miller. Thank you for hearing the discussion today. I'm here as a home owner who has suffered the unintended or the consequences of not having such a measure. We bought our home 17 years ago. 1940s house. We have three small girls at the time. We woke up one morning and the house was cold and the oil was gone. The first bill was \$1,000. That we didn't really have. That continued on that way, about every four months. Our house it turned out was an energy cove. We learned the extent of it as the years went on, and there's nothing so stressful as a surprise. We had to do a deferment -- an extension on our taxes. We had saved for taxes. We knew about taxes; we just didn't know that this was possible. Couple years ago when our home was retrofitted, energy retrofitted by inhabit -- we learned exactly why pointed out all the areas that with bad but one of the big shocks was next to the fireplace there was a place we kept the wood, and it turns out that in that compartment there was no sealing to that so it was open all the way to the attic. The attic was uninsulated. So my husband and I just felt sick when they showed us this. The heat was just flowing out. Years and years and thousands of dollars. I felt like it would have been so wonderful to know that. So know what it was going to cost so we could prepare for it. I'm just here to say, please support this measure.

**Hales:** Thank you very much. Very useful story. Thank you all.

**Fish:** How many other people do we have testifying?

**Parson:** About 60.

**Hales:** We're going to ask folks --

**Fish:** We originally in our calendar budgeted this for I think -- that means we have a lot of people we may be inconveniencing.

**Hales:** What we'll do I think is go until maybe 12:15 then take a break. Again, we want to hear from you but if you can avoid being repetitive, we have heard great testimony. If you are willing to yield that would be helpful.

**Fish:** Of course we want to hear from everybody but it means morning council is going to shift to afternoon council. Anyone here, any of the next items we're not going to get to before lunch.

**Hales:** That's right. We'll probably plan on continuing the rest of the morning calendar until beginning of our 2:00 p.m. Session.

**Saltzman:** Do we have the appointee to the crc here?

**Hales:** I don't know. Is the appointee here? We may need to take a break and deal with that.

November 22-23, 2016

**Saltzman:** If they are here I would hate to tell them to come back after lunch.

**Hales:** Let's take more testimony then do that before we break. Thank you very much.

**Jane Leo:** Good morning. I'm Jane Leo with Portland Metropolitan Association of Realtors. I'm here on behalf of the 8,000 members of the association to encourage you not to adopt this costly and intrusive ordinance. We support efforts to reduce carbon emissions and energy usage in the city so we do not support this proposal. When I look at the ordinance the question is the city intending to create a home buying tool or is the city intending to create a program that will meet its carbon emissions? If the city is attempting to create a home buying tool it's unnecessary. The city does not have the expertise or the knowledge to understand all the nuances that go into selling, financing and buying a home and that are constantly changing. The city does not have a role in the financial transaction between a buyer and seller. If the intent of this proposal is to meet the carbon emission goal it won't. Such a mandate impacts only four to 6% of Portland single family inventory leaving the remaining 94% completely untouched. If the city is intending that there be audits to know energy efficiency, it would be an incentivizing program for all homeowners whether buying or selling. This program will place demand on the general fund despite the report that was given to you. In 2015 more than 13,000 homes transacted that would have been under the ordinance's requirement. This does not include the home put up for sale then withdrawn. It is unrealistic to assume only one fte will be needed to track the homes for sale and screen the exemptions. As I said instead of attempting to regulate people's behavior the city should be focused on education and incentives to increase energy efficiency for all Portland homes. In fact, the U.S. Department of Energy and Energy Trust have free online do it yourself home energy programs. Finally, in closing I challenge the city's interpretation of ORS 496.469, rather, in that the ordinance says that the city director will make the energy score available to the public. ORS 469 specifically states that the scores will not be published by homeowner name or address. This was done to do no harm. In closing I encourage you to vote against this ordinance as currently written.

**Fish:** Quick question. Thank you for your letter. Your industry, your members represent buyers and sellers. Correct?

**Leo:** Correct.

**Fish:** Obviously not in the same transaction. We have heard some testimony as to why this might create complexities for a seller. But why would this additional disclosure be bad for a buyer?

**Leo:** A PSU did a study in 2012 that said having an energy audit did very little to change behavior of how a person lives in the home. Education to reducing energy usage had better results than audit. So for the buyer to know the score is not going to necessarily change their behavior or the level of energy used in that home. Also, with our older construction that was built to code at the time, short of doing a total remodel to the studs some of the energy upgrades cannot be done. There are certain things you can do. Put more insulation in the attic, insulate the crawl space, but that's not going to be comparable to a newer home. So to me it's an apples to oranges comparison when a buyer looks at the energy score for one home and for the next door home. They are not necessarily going to be comparable to depending on years built and energy efficiency upgrades made plus the buyer has the right to, one, ask for the audit, negotiate for it if it's important to them. Secondly through the home inspection and I believe you have recently participated or been subject to a home inspection, you know that much of the information provided in an asset based energy audit is provided.

**Fish:** My second question is if there's a discrepancy between the information in the home inspection report about energy efficiency and the energy score and report that the subject of this matter, how do you recommend that be resolved?

November 22-23, 2016

**Leo:** The property disclosure form is in state statute. It's applicable no matter where you are in this state.

**Fish:** You have to sign that under some kind of penalty.

**Leo:** Yes. You also have the right as a homeowner that you don't know, that you don't know certain things about the house. That's totally possible.

**Fish:** But getting to this question you have your disclosure which has information. You have some of it required by law. You have an inspection which the buyer may request depending how diligent that person is they can find a lot of stuff. Then you have this report with a score. What happens if -- let's assume there's information that can't be reconciled because either someone made a mistake or there's a difference in opinion. How might you -- how would you propose we resolve that problem? If there's a discrepancy between any of those three disclosures?

**Leo:** First of all I don't think the city has a role in that. Secondly that's up to the buyer to decide how they want to go forward on the transaction. If there's a discrepancy.

**Fish:** If that's the case I have heard a lot of testimony how this might impact sellers, at least sort of in the cup half full way of looking at this isn't that more information that then empowers the buyer to make a more informed decision? You may argue that it's redundant information or unnecessary or the cost -- I understand that, I have read your testimony, but since your industry represents buyers and sellers isn't more information for the buyer generally a good thing?

**Leo:** We are finding that our buyers are more and more self-educated and they are coming into it with information. They don't need the city to be demanding being intrusive into their transaction.

**Fish:** That's a philosophical disagreement whether it's mandated or voluntary.

**Hales:** I know you were consulted during development of this and I understand your position and I want to follow up particularly with the staff on the point you raised, the question about disclosure of the information on the map. Don't need to do this now but later it might be helpful to us if you could through your national organization let us know of elements in some of the other cities' programs that you think are an improvement over what's in front of us. In other words, if it's do this, do nothing, or do something else, I understand your first recommendation is don't do this, but if we're going to do it and we haven't yet gotten it to the best practice that you and the national association of realtors given the experience in Austin and Washington d.c. And other cities we would appreciate hearing from you, well, if you're going to do this, fix that. I would appreciate hearing from you on that subject.

**Leo:** If I could add to that, in the city of Austin, for those of you that I met with or that your staff were available to me, I dropped off a list of the city of Austin's exemptions. Because those show that the city of Austin by allowing exemptions for work already done, for remodels that were energy star, for housing that are being rebuilt, for houses that are newer than ten years and built to code, these are coming closer to meeting their goal because they are exempting work that has been done from being under the mandate of an audit. So to me that moves you closer to meeting your goal rather than being immediately punitive with a financial charge and the ordinance that the director has the right to levy fines if the energy scores are not reported.

**Hales:** That's helpful. Thank you.

**Fish:** One other thing. Jan, you're often in the position of coming before us and saying either that a proposal is a bad idea or sometimes you couple it with you think it's either illegal or subject to some kind of override. In your letter you make a case for why you think it's a bad idea on behalf of your members but you don't say suggest that we don't have the legal authority to do this. So am I reading this correctly?

November 22-23, 2016

**Leo:** I challenge the legal authority to post the information on Portland maps or any public website where it's tied to the homeowner's name and address.

**Fish:** Because of the state law?

**Leo:** Correct. The Oregon department of energy administrative rules.

**Hales:** Fourth paragraph deals with that specifically. Thank you. We'll check that out. Good morning.

**Jason Trombley:** Good morning, mayor Hales, members of the commission, I'm a community member, Jason Trombley. I had not expected to speak but listening this morning I was thankful that a person who had signed up for testimony yielded their spot so I could share information. I'm currently a member of the Asian Pacific Network of Oregon and active member of the coalition of communities of color. So it was important for me to understand the complexity of what this process or this proposal will impact on low income families in particular, communities of color. For me the biggest take-away was getting a sense of in particular that a person never received information on this proposal or from my understanding from staff this morning they were not engaged in earlier steps of the process. So for me my biggest concern is that while some organizations and community members are saying this is a potential benefit for low income families or communities of color the very organizations whose charge is to empower families to get them to the table were never consulted. I'm hearing from staff that they weren't consulted. I have to explicitly ask in your name of the work around racial equity and equity for the city what organizations were not included in the development of this process. So as a community member in the name of equity this truly given the work that you're championing is really frustrating to me and I hope as you work to develop this proposal that you're more inclusive of communities you are saying you are working to better serve.

**Hales:** We'll check that.

**Phil Norman:** I'm Phil Norman. I want something a whole lot better than this. I want checklists that the homeowner will continually update with things that he does or hires done, not having to continue to rely on and pay out to an auditor. Audits don't work they have a very low return in getting work actually done. This is dealing with a failure by energy trust over the last ten years, whatever, to accomplish weatherization. We're down to maybe 1500 homes weatherized a year of 200 million collected with public purpose fund. We need a whole new program where a checklist maintains the list of important things to be in a home including roofs, plumbing, wiring, and for all those critical repairs to be dealt with by up-front financing. People get a report, they can't deal with it, it doesn't get done. We need up front financing for everyone.

**Hales:** Thank you all very much. I do want to -- sorry, go ahead.

**Fritz:** I didn't have a question. We forgot to say that people could come up that are caring for a small child. I see a small child with a parent desperately hanging on.

**Hales:** I did forget to mention that. Thank you. So I'm going to temporarily close this hearing and move to another council item because we have someone here as a volunteer willing to be appointed to important work. We're going to take up 1299 briefly, please.

**Item 1299.**

**Hales:** Come on up, please. Thank you for waiting as well.

**Constantine Severe, Independent Police Review:** Good morning, Mr. Mayor, members of the council. I want to thank you for taking us a little out of order. This is a really important issue. I would like to speak about --

**Hales:** Put your name in the record.

**Severe:** Apologies, Mr. Mayor. Constantine Severe, director of the independent police review here to present Ms. Chiller to you for your approval to serve a three-year term on the citizen review commission. Ms. Chiller has you can tell by the packet provided to you

November 22-23, 2016

is an outstanding candidate who will provide a community voice on a very important board.

**Hales:** Thank you. Good morning. Welcome.

**Andrea Chiller:** Good morning.

**Hales:** Do you have anything to add? Obviously you're here for questions.

**Chiller:** I'm just excited to serve. I think this is a great opportunity. I'm really excited to have been selected to serve the community in this way.

**Hales:** We depend heavily on volunteers to do the work of the city so thank you for being willing. Questions? Thank you both very much.

**Chiller:** Thank you.

**Severe:** Thank you, council.

**Hales:** We may have people who want to speak on this item.

**Parsons:** Two signed up.

**Hales:** Come on up. Good morning.

**Dan Hendelman:** Good morning, mayor Hales, members of the council, I'm Dan Handelman with Portland cop watch. We're always happy to give our two cents about independent police review division and the citizen review committee. We don't have any objections to Miss Chiller's appointment. Just want to point out she's a former attorney which I have lost count how many people are former attorneys on the CRC. She worked as an assistant D.A. We are not as many people think anti-police. We are anti-police misconduct. The CRC has been proving themselves to be able to make good decisions based on the evidence they are given at the hearings. We're having a lot of discussion about this at the stakeholder group you set up to try to move forward the auditor's proposal but I think that if you attended or I know, mayor, your staff attended the first meeting the scope is too narrow if we're going to change the system to be less byzantine meet the standards the DOJ is expecting. I'm hoping you can open it up. There are parts of the existing ordinance you're going to be considering that also need discussion other than the two you limit us to. I hope you can consider more recommendations from that group. Moreover, three members of the citizens review committee were sitting at the table the last meeting and only one member of Portland cop watch. I didn't think that was very equitable. One of the issues that came up was the question of how do we populate those panels that the CRC is going to be hearing cases in and our proposal has been to include members of the police review board citizen pool and when I brought that up one of the members of the CRC shook their head at me because the people interviewed were not told they might have to sit on some board other than the police review board. If people got interviewed based on the old system, they have to be aware a new system is coming in.

**Hales:** That issue of scope I appreciate you raising that. We'll look at that. Good morning.

**Charles Johnson:** Good morning. For the record Charles Bridge Crane Johnson. I think Ms. Chiller may exceed some of the qualifications of people already serving on the CRC, but there's no better context than now to talk about the scope of the work of the CRC, and the main reason the CRC exists regardless of its technical charge is to help improve community confidence in the police, primarily by having an avenue for citizens to look at alleged misconduct and pass judgment on that conduct. Within the CRC, which as Mr. Handelman noted may be more weighted towards lawyers than even our legislature in Salem or even the senate or house of representatives, are beginning to have structural problems when people who get arrested are not the same bell curve profile of normal Oregonians meaning we hyper arrest minorities, and they go to a CRC, which does not really -- it's composed only of successful establishment people who have never been in challenging positions with law enforcement. We're making that situation worse and worse day by day here in Portland. We have had close to 100 people be not complained by the district attorney. Morally some of those people should stand in a long line of 100 people at

November 22-23, 2016

the independent police review and move that forward possibly to the citizen's review committee. Miss Chiller, I don't want her to reconsider volunteering, but there are some problems we're having societally here that we need to work on side by side with Miss Chiller, not just in the context of the CRC.

**Hales:** Thank you. Good morning.

**Joe Walsh:** Good morning. My name is Joe Walsh. I represent individuals for justice. We oppose the nomination not because of the person involved it's because we asked ourselves this question. We're very bright people in this room. We have one lawyer that's present. There's another lawyer that's absent. AWOL. We have a lot of lawyers in the room. Why are we in such a mess? Why do progressive, bright people, why are we in such a mess? Our police department is still under investigation. Coab is almost nonexistent, trying to survive and you guys are trying to kill it. And yet we keep doing the same thing. You know the cliché. You keep doing the same thing over and over again it's a sign of insanity if you expect a different result. You keep doing it over and over again. There should have been and there should be on every committee and every commission a lot more public input. We get them here at your city council where you don't want to embarrass them so we are really handicapped of people that come here to volunteer their time, good people, and we oppose them because of the protocols. Because of what you do. Not what they do. So we're asking you to not make any more decisions unless you redo the public input of who this person is, why they want to serve on the committee. We want to hear that. We think we deserve that. And also I'm telling you dropping it down to two minutes of testimony in a main event today is obnoxious and is just arrogant.

**Hales:** Thank you all very much. Anyone else on this item? Then it's a resolution. We can take a vote, please.

**Fritz:** Thank you for volunteering. Aye.

**Fish:** I was looking through your application. A couple things jumped out at me. One of them was something you did in law school that we encourage residents of Portland to take advantage of, which is you went on a ride-along with a police officer to get a firsthand sense of how officers in this case in New Orleans handle their jobs. There is -- it is in my experience from one of the best ways to learn about policing on the grounds, community policing. I'm pleased that you did that. I also want to quote something you said at the end of your application because I think it speaks very highly of you and your values. You close by saying we're all better off when we can hold each other accountable for our actions and having members of the community weigh in on these difficult questions gives the community a voice and ultimately helps the police serve and protect the public. I think that's very well said. I think we're lucky that someone with your background and your values is willing to take on this important assignment. Today I'm very pleased to support your application. Thank you, aye.

**Saltzman:** Thank you, Ms. Chiller, for your willingness to serve. I was impressed with your detailed responses to the various questions on the application. You put some thought into it. So thank you, aye.

**Hales:** Thank you and good luck. Aye.

**Hales:** Thanks very much, folks. We'll return to 1298 and continue down the list there. And we have some families with young children so we're going to show them the courtesy of giving them the chance to speak. Behavior under control and much appreciated by mom and everyone else. So thank you. Credit just for showing up with this crew. So thank you. We have lost a quorum. Sorry, we have to get somebody back in the room in a moment.

**Fritz:** Why don't you tell us who you brought with you?

**Kendra Van Note:** I'm Kendra Van Note. This is my three-month old Alexander, Vivian

November 22-23, 2016

and Thomas. We're actually visiting the beautiful city of Portland from bend, Oregon, today.

**Hales:** Welcome. Sorry we momentarily lost the ability to do business here. As soon as we reacquire one of or more of our colleagues who will probably be back quickly --

**Fritz:** Great that you took the time to come even though you don't live here.

**Van Note:** Thank you.

**Fritz:** Well done. You have been behaving very well.

**Hales:** Please proceed.

**Van Note:** I'm Kendra van note. Thank you for having me. We're visiting today from bend, Oregon. We came to testify for the energy proposed score. We believe that Portland really has an opportunity to lead the state in this measure. Especially for somewhere like bend, which is the second fastest growing metropolitan area in the state. I think that Portland leading the charge in this will help us in bend consider an option very similar to this. You have already passed a climate ordinance, our city council did earlier this fall. So I think that having you folks pave the way on a state level can really make an impact for those on the east side I work with homeowners as well as students, educating them on the importance of energy efficiency, retrofits, energy audits, doing mock audits with the AmeriCorps team. This is a great win-win and I really applaud you folks for leading the way here in Oregon. I hope you vote yes today. Thank you.

**Hales:** Thank you very much. Thank you for coming with your family. Anyone else with children that would like to testify? If not we'll go back to the list, please.

**Hales:** Good morning.

**Michael Heumann:** Good morning. Thank you very much for the opportunity to speak. My name is Michael heumann. I'm an epidemiologist in environmental and occupational public health. I'm also here on behalf the metropolitan alliance for common good or macg. I'm here to voice any strong support for your improving and rapidly implementing the proposed policy. I think this is really critical and long overdue. Energy savings, operating costs, reduced operating costs and jobs are not the only benefits of this policy. Energy retrofits also result in benefits for human health and for the families who live in these dwellings. I think it's an important consideration that we pay attention to. Today's energy efficiency measures more effectively control air flow in homes, removing moisture that can build up in otherwise uncontrolled air flows in homes that can lead to mold and mildew problems which is associated with increased breathing problems for the occupants such as asthma as well as more frequent respiratory illness. This is also linked to an issue what we call part of the social determinants of health. Especially true for low income families who have to decide between making needed repairs in homes, doing the weatherization work or even buying food. Having to make those decisions puts them in an unfair position. So we know that oftentimes low income people need to tell the kids to put on or the elderly to put on another jacket and live with an uncomfortable situation as opposed to the health improvements that were alluded to by tom -- hold on. Tom kelly earlier today. So this policy is an important first step. I urge you to go very quickly after its adoption to meet the next step and that is because this is so important for low income families that I think that it's critical that we also extend this policy in the very near future to home rentals, especially multi-family situations where the homeowner or the building owner does not bear the cost of the heating and cooling but the tenants do. This is really going to be critical to find incentives to help make that transition happen and because I'm over time I'll stop there. Thank you very much.

**Hales:** Appreciate your testimony. Good morning.

**Samuel Pastrick:** Good morning. I'm Sam Pastrick with Oregon citizens utility board. I made strategic cuts so I'll try to get through quickly. Cub is an advocate, consumer

November 22-23, 2016

advocate and longtime energy efficiency champion. We have supported this for years and years and years. Basically purchasing a home is one of if not the single most important investment an individual or household can make. Cub believes home buyers need good information about this investment to make smart choices. A score, an energy score is a prime example of this good information. So a home like any building is a system, a system of some components to improve the system you need to understand it. That's really important. That's really the primary goal of this policy. So offering home buyer clear information to improve their decision making ability, it's good public policy. It's common sense really from our end. You know, I think I'll close by saying the city of Portland and the state also we have a long track record of accomplishment leading fights against climate change and this proposed policy is another important leadership example. It's already been said but I want to say it again. With mounting uncertainty around the future of climate policy at the federal level it really is now probably more important than ever in cub's opinion to continue that policy leadership at the local level through the city of Portland. So thank you and I encourage a yes vote.

**Hales:** Thank you very much. Good morning.

**Allen Lee:** Good morning I'm Allen Lee. I have been working in energy efficiency area doing research and doing consulting work for about 30 years now. I worked on the first building energy codes in California. Been working and looking at rating systems similar to the kinds of programs you're talking about here today. A lot of the arguments you're hearing against these approaches are the same ones I heard on and on again and again from the building community and real estate community. Time and again they have been shown to be invalid that the market adjusts. It's really critical to look at the residential sector because it is about 20% of the greenhouse gas emissions in the city. Without tackling the new and existing buildings I think it's really no hope for the city to actually accomplish its goals. I worked with the city about six or seven years ago, the first time that this attempt was made, to try to get a residential measure in place and we ran into a lot of the same arguments. I think it's great what the bureau has done to take back information to look at what's been done around the country to examine the asset rating score as well as energy built disclosure approach. I think they made a wise decision to go with the rating score. There are cities, Boulder for example, that applies it to new construction in Santa Fe at least just from research that I did. I think compatibility across new and existing buildings is really important. Existing buildings sales are about ten times what the sales are of new homes. So it's not going to work just to single it out and apply it to one portion of the housing market. The asset rating approach is something that's becoming more and more common through the buildings codes. Actually there's an energy rating index being incorporated in the national codes and I think that's compatible with what's being proposed. I urge you to adopt this policy

**Hales:** thank you very much. The next three.

**Steve Strode:** Thank you. So Steve Strode from Portland. Also a Realtor. Thanks for allowing me to speak. While I'm here to voice my opposition I want to be 100% clear I support the 2015 climate action plan. Our industry has done an excellent job of educating the consumer. Home inspections are not common place in cities like Portland sewer line inspections are now the norm because we want our consumers protected. More recently radon inspections are the norm. They have been a standard of practice. Not because the health department told us about because consumer outreach and education works. We are the trusted advisors and regulation versus made transactions more complex we're trusted even more. I saw all the right to know stickers. Absolutely we have a right to know now. It's part of the transaction. We can write things into our inspection addenda that asks for things like this. That right exists. We 100% support the right to know. A troubling



November 22-23, 2016

premise with the whole proposal is that consumers without additional bureaucracy don't see the value or importance of energy efficiency on its own. That's totally false. Consumers are rational but they know when buying an older home, they have to make improvements and updates. Right now our pocketbooks are stretched. We are in a period of high home prices and buyers who buy older nonupdated homes typically make improvements when their pocketbooks allow. One project at a time. One thing at a time. So an energy score really will have no practical effect. Moreover, after the first incremental change that score is immaterial. For that reason alone, the score should never be placed on public sites. Others will use that such as appraisers or realtors looking to complete market analyses but that will be unreliable and valuations skewed. With the income exception in the proposal, the city would make sellers tell the world their income level. That has no business on a public facing website. We heard about the unintended consequences. I can skip that. Again I agree the goals are essential but this doesn't set metrics for accountability as well. It criticizes the free market for prior attempts but also relying on the free market to make the right decision going forward. I encourage you to vote no.

**Saltzman:** You said somehow this requires an income level to be disclosed?

**Strode:** If you qualify for the exemption you will have the score on the site. You're telling the world i'm income disadvantaged.

**Hales:** Thank you. We'll check on this. Good morning.

**Michele Gila:** Hi. I'm Michele Gila, a realtor in Portland as well. I'll be asking you to vote no on this mandate. I'm a huge proponent of climate goals and making those goals very important in my own life. I have had energy audits on all of the homes that I own here in Portland. In the interests of time, Steve, Evan, Jan have made most of the points I was going to make today as well. I would say that my experience with them, with the audits, is that they do become obsolete pretty quickly so one of my questions on this mandate is if you -- when at what point prior to a sale is this mandatory if you have a buyer who buys a house they are relying on a score that a seller had done two years ago, the buyer sells and is using that same score at what point are we in a problem situation with disclosure to the next buyer and of course I worry about myself, my business, my role in passing on information that may not be valid any more. My other large concern is as well the poverty situation being posted on a public website. People take advantage of poverty all the time. We don't need that for our homeowners. I would also like to say that I would like this removed from the real estate transaction all together. I think that we need efficiency focus for all our homeowners in Portland, not just those that are transacted.

**Hales:** Thank you very much. Good morning.

**Terry Parker:** Thank you. Terry Parker, northeast Portland. As we know the city genuinely conveyed its appreciation when the federal government or state passes legislation that includes unfunded mandates. Sarcasm aside that's what you're proposing for people who want to sell their homes. Just like with the new car or appliance it may make sense to require a home energy audit or score on a new house when the builder can claim a tax deduction. However just like when purchasing a used car where the fuel consumption can vary from the original mileage sticker or used appliance that has no sticker any home energy scoring responsibility for the previously lived in home seems to be the responsibility of the purchaser as opposed to the seller homeowner. Most banks require an inspection of property to get a loan. Any energy scoring system should be part of that inspection. Not something separate and not dictatorial unfunded mandate. If the city council chooses to become a dictator in this realm the city needs to cover the costs to individuals and families for associated fees. If the buyers of previously lived in homes are responsible for the inspection fee recouping the money from the city can be done by

November 22-23, 2016

allowing the same amount to be deducted from the property taxes following the purchase. What is being proposed is yet another government dictatorial mandate required fee that will hit people of modest middle class incomes hardest. Blue collar workers see their jobs going away. The income is not keeping up with inflation and taxes. Fear, the trends for more government intrusion regulation and fees continuing. Therefore, likely voted for are trump. The bottom line problem here is a growing number of people being squeezed in between the bread of the affluent and entitlement sandwich including senior citizens on fixed incomes that feel their views are no longer represented in government. The city needs to fund any home energy audit.

**Hales:** Thank you all very much. Next three.

**Hales:** Thank you very much. Thank you. Good morning.

**Tim Miller:** Good morning. I'm Tim miller. I lead a nonprofit called inhabit. We help people improve their homes we strongly support this proposed policy for climate, health, equity and job creation benefits. I was really troubled to read alarmist, unfortunately incorrect information promoted online. The message about this policy said the bill is being pushed through with laser speed and will possibly require costly repairs to comply with arbitrary standards. The Oregon association of realtors and your local metropolitan association of realtors have spent thousands of dollars in an attempt to inform the public. There's some misleading issues there. Was this pushed through with laser speed? No. The bureau already explained the timeline and all the work that went into this. Would this require costly repairs? No. This are none required. Does it use arbitrary standards? No, it uses standards improved by state law through 2801 and other work. Misconceptions created fear and likely prompted many concerned people here today. So the policy should not be stopped by misunderstandings or misinformation certainly. Number 2, I would like to mention that we talked about making sure that this doesn't have a negative impact on lower income members of our community. Let's also bear in mind this can create an opportunity for wealth building. The fha, va, fanny mae all have lending solutions for lower income folks to make investments in their homes, tuned to provide extra benefits. Finally, the notion that this information is the same as you would get in an inspection is not the case. Particular home inspection doesn't address energy issues and is not being done by a certified energy expert. So policy certainly should not be killed on those misconceptions. For the sake of efficiency continued progress toward housing affordability and stability, and other benefits I urge you to support this policy.

**Fish:** Since you have expertise let me pose a question I'm still thinking about.

**Miller:** Yes, sir.

**Fish:** A home inspection turns up in the report a notation that the windows have failed. It would be relevant to energy efficiency.

**Miller:** Okay.

**Fish:** The energy audit does not so find or vice versa and you have a discrepancy. That's an example of something that could be found in home inspection that might be relevant to the energy score. What is the consumer's option in terms of reconciling a discrepancy of that kind?

**Miller:** Right. So the consumer will have one of the important distinction between the inspection and this energy assessment is it's essential the assessment happen at the time of listing not time of inspection. The assessment has to be part of the consideration for the buyer. That makes it part of the consideration for an appraiser. That's what builds it into the value of the home to address the market now. If we don't do inspections until or assessments until later it will be ten years from now until those energy assessments will become part of the market. So to your point, though, about a difference between an inspection and an energy assessment, inspection is more likely to point out a broken

November 22-23, 2016

window but won't tell you it's a single pane inefficient window. The homeowner would have already seen the incorrect information if they disagree at the time of assessment early on so that can be corrected through the process of listing their home and working their home and getting this report as part of the buyer's consideration set. There are a number of quality control measures baked into this policy. We can't use the usdoe score unless we have quality control measures baked in. The gentleman on the video requires the 2801 law locally in the state also requires relatively quality and certification for inspectors. Also data review required of the scores so that we can look across the scores and see that my friend Dave who is an assessor let's pretend is scoring everybody high or mischaracterizing everybody's windows or doing something out of the norm. So they are data driven quality control measures as well to drive quality and assurance into this system.

**Hales:** Thank you very much. Good morning.

**Dave Van Hof:** Good morning. I'm Dave Van Hof, the acting state director for climate solutions. Thank you for letting us testify in support of this important policy. As you've heard, the importance of local and regional leadership on climate change has never been greater. Over the next four years there's going to be just an increased heightened focus on need for local action and so for the city of Portland to be taking a leadership role on something, this has been done nationally but this is the first I think real stab at it in the pacific northwest as we just heard hopefully it will be a beacon for others to see it makes sense and people want it. As it becomes more popular, more utilized. We want to thank mayor hales and council members for your great leadership over the last couple of years, fossil fuel infrastructure policy is a huge step forward along the same lines of showing the way that a jurisdiction can hopefully build support well beyond its borders more regionally. The center of Denver noted I think the need for energy efficiency focus is very high right now. The state has done some good stuff on renewable energy infrastructure. We tried to increase renewables in our system. We have been working on energy efficiency for a long time and had been recognized as national leaders on energy efficiency but that's starting to go away as you also heard. Just on code there's misperceptions that Oregon is still a leader on energy efficiency and codes. We're not. We're falling behind. That's a focus at the state level where we're trying to work with allies to empower cities like Portland to be able to have increased energy efficiency in the codes. We need to take a major step forward for new construction. For existing buildings, homes, this is just really an important tool for increasing awareness of how energy impacts people's budgets and their bottom line. Just providing that tool we have seen from some of the jurisdictions that the short term that we have seen work has been in place has resulted in an increase in energy efficiency investments in homes and improvement of the quality of those homes. So it's got a proven track record. The costs are vary from sale of a home in the Portland market seems to be very reasonable in terms of how to integrate this into the system. We just strongly support moving forward with this policy. Thank you.

**Hales:** Thank you both very much. Three more.

**Hales:** Go ahead, please.

**Cynthia Chase:** I'm Cynthia chase. I have been a real estate broker Portland for 18 years. My primary business is residential and my primary business area is the city of Portland where I also reside and own rental properties. I have been active on the sustainability committee over the last couple of years. I'm not a climate change denier. I believe in making properties more energy efficient and have systematically done that on the property we live in and the properties we operate as rentals. I often recommend energy upgrades to buyers as they look at properties. I never have recommended energy efficient upgrades to sellers as I know they are looking to sell and they will not directly

November 22-23, 2016

benefit them. I do not see requiring sellers to provide an energy score to buyers as part of a sale as a good idea. A new property owner is often not in the position to do energy upgrades at the beginning of their tenure. These reports may well be shelved until later as in much later in the homeownership process and may need updating which includes more costs. I propose that the city work on these very admirable goals in different ways. I have a few suggestions. Instead of requirement for sellers why not approach new buyers with education incentives after the sale is closed? Why not help current homeowner's complete energy upgrades? I would especially like to focus on elderly, low income homeowners who pay energy bills on drafty houses. Why not focus on helping them? 3, new home owners and longtime home owners often struggling with wanting good looking yards and not using chemicals. We can offer more education and incentives for more sustainable gardening which can include growing fruits and vegetables. Several organizations exist to further these goals including master gardeners through the osu extension service. I'm a new master gardener this year. Partnering with them to reduce greenhouse gas through gardening would be a positive change for our city. Number 4, I'm about 60% serious here, here's an out of the box suggestion. Why not ban gasoline powered leaf blowers in the city, reducing pollution and noise at the same time? This time of year it's especially apropos to improve our city. Let's not get stuck in one way of thinking to solve these problems. Adding an energy score in real estate transactions seems easy and helpful to some but I'm not one of them. If mandated real estate brokers will work to do it but I don't think it will produce the change that you hope. Thank you.

**Hales:** Thank you. Good morning.

**Rick Dodge:** I'm rick dodge, I'm a realtor also. Have been for 30 years. I'm an early baby boomer and feel that since this has come about a lot of discussion has been made with the public. I have an electric blower. [laughter] show you where I'm at. But the sentiment out there is that the government doesn't have a right to know. The buyers do. They agree. I would say as a form that we have that we give to prospective buyers of all the inspections, just a myriad of inspections that they can have on a property that would cover everything that we're talking about today. If I'm wrong, somebody can come correct me on this. I get the feeling here that there is perhaps another way of doing this. Dodd frank gave us plenty of regulations to empower consumers and as the loan officers has mentioned before, the issues that are involved with buying and selling a house are a big burden on a lot of people out there already. Let alone energy audit which seems to have what I feel are some -- be problematic. I personally have used energy trust because they have an incentive through their marketing and education which I think we don't see enough of out there is a way to go on this. Instead of the intrusion that again this is what the public that we're talking to every day, they are sick and tired of being sick and tired.

**Hales:** Thank you. Good morning.

**Bernice Lopez:** Good morning. I appreciate my two minutes or maybe less of fame. My name is Bernice Lopez. I'm a business owner of home energy life performance group also known at health group inc. Home performance conducting firm. I also own a company called move in ready llc. It's a residential general contractor that specializes in getting homes ready for sale or for rent, ready for the market. It might be worth noting I'm also a licensed real estate agent and property management agent. So I'm here today as a very strong supporter of this policy. My company alone since 2008 has retrofitted and saved energy on over 1700 homes. More than half are low income families or medium income families, created more than 40 full-time sustainable jobs. So like you said, mayor, home energy scoring is a win-win for all. Some realtors in this room might argue this policy is unnecessary. Costly. Intrusive. Burdensome. I get it because we have to do a little bit more work ourselves in order to place the property on rmls, but it's simple. All we need to

November 22-23, 2016

do is invest time and educate themselves and ourselves, realtors, on more important issues about lease ago home rather than focusing on what is the latest granite in style, the new trendy wall color or hardwood floor finishes. What could be more sexy than talking about fiberglass insulation versus cellulose insulation or the value of windows. This will support efforts that will promote, number one, business growth. For those businesses like my business which again see several people I know that have businesses here today, we employ people of our community. We will promote long term opportunities and family supporting wages with benefits. Better opportunities for skilled labor. It will also promote and encourage consumer's awareness in energy efficiency, indoor air quality, health and safety issues in our community. It is our civil duty as residents of this amazing city of Portland regardless of our professional background to make our community better and home energy scores will help do that. So I thank you and I hope for your support.

**Hales:** Thank you very much. Thank you all. I plan to break at 12:25. The question is what time we would want to return.

**Saltzman:** On this subject?

**Hales:** I think we have heard most of the testimony. We're going to try to get a few more in.

**Fish:** We have a notice in the afternoon schedule we had that placeholder for comp plan.

**Hales:** We don't need that any more.

**Fish:** We could pick up the regular agenda at 2 or do the hearing and at 3:00 pick up the regular agenda. Tomorrow is thanksgiving.

**Hales:** We won't be meeting tomorrow.

**Fish:** I mean people will be leaving early to get to travel today. So my preference would be that we take a skinnier lunch and finish the regular agenda so by 2:00 we could be done.

**Hales:** Maybe break 12:30 to 1:00?

**Fritz:** How many still want to testify?

**Hales:** I have to leave at 12:30.

**Saltzman:** Can we go to one minute.

**Hales:** One option is go to 1:00, but just the three of you without me. Want to do that?

**Fritz:** Yes, people have already waited a very long time.

**Hales:** If we have three member's member willing to continue to 1:00 we'll break.

**Fish:** When do you want to resume the regular agenda?

**Hales:** I think 3:00 p.m. After the 2:00 time. Immediately following the 2:00 time certain. How does that sound? Sound good? We will continue hearing people. I will be leaving for half an hour from 12:30 to 1:00.

**Fish:** If we're moving to one minute, we often find that people who have three minutes can say the same thing succinctly in two. We have also found people who have two minutes can speak succinctly in one. We have to accommodate a lot of people. The point is -- [audio not understandable]

**Hales:** Please don't interrupt.

**Fish:** Please do not interrupt. The thing that's most useful, we don't make decisions based on 100 people testified this way, 60 testified that way. We're looking for arguments that maybe haven't been raised. Don't feel you need to repeat the same mantra because we're smart enough to understand that the 10th time we have heard that theme. If you have a new argument that you think hasn't been raised that you want us to grapple with, please frame that. Then we have a chance with staff to say give us some feedback on that. We particularly appreciate new issues that have not been raised. That informs our decision.

**Hales:** Thank you. Let's go forward.

**Jon Morris:** I'm John Morris.

November 22-23, 2016

**Saltzman:** So we're going to one minute? [shouting]

**Morris:** I'm John Morris, northeast homeowner and small business owner Portland here representing the northwest energy efficiency council. We represent a number of businesses that do energy efficiency work in Portland. No more time honored business principle you can't manage what you don't measure. This is particularly true when it comes to building energy use. Energy performance metrics help make the otherwise invisible concept of energy use and make it apparent and actionable. As a longtime proponent of benchmarking and disclosure which has been successfully adopted we believe a similar system will provide widespread benefit when applied to residential housing stock. I'll conclude with a comment that I have been doing energy awareness for consumers for 12 years. They spend about 18 minutes on average per year on their utility bill. This will help them.

**Hales:** Thank you. Welcome.

**Robert Hamerly:** Good afternoon, mayor and council members. So --

**Hales:** Give us your name.

**Hamerly:** Robert hamerly. I operate the heating and cooling company here in Portland. The three points I want to make are one I want to attest to the volume of new home buyers who are floored by their unexpected heating bills in their first year of the home. We have had some homeowners attest to that today and we get scores of these calls every winter and a lot of times it's a true financial impact that they might not be able to make their mortgage payment because of unexpected heating bill. Second, I want to counter the argument made by the realtor's association and the mortgage broker basically when you boil their argument down its public information is bad because it might gum up the works. If you gave them the opportunity they would probably want to throw home inspections out the window as well because that might gum up the works of the transaction. Then three, volume. I have heard an argument that there's not enough people out there to perform these scores. Our organization has presently approximately ten individuals certified to do these scores and we would be happy, we get a market signal, to invest and grow a division of more people doing these scores.

**Hales:** Thank you both very much. Thank you.

**Kerri Hartnett:** Kerri Hartnett. I serve on the green advisory board at the national association of realtors and hold the earth advantage broker certification. I have 12 years of experience in real estate as a licensee and a proud single mother of a 16-year-old at Benson high school and a home owner in northeast Portland. I'm offering this testimony in the opposition of the pre-listing home energy score proposal on behalf of our 8,000 members. We definitely support the goal of reducing carbon emissions. Absolutely. Every day, though, home sellers struggle to sell what is often their largest financial asset. Home buyers are stretching to make the down payment and closing costs. If the city adopts this proposed mandate, you'll be adding an additional burden to the seller and in some circumstances unnecessarily this information is similarly found on the inspection report that we personally I always recommend. The proposal requires to pay for energy audits before they can list their home for their private property. This is private property. For sale to the city. We already know it's going to be published or propose to be published on websites such as Portland maps. This is intrusive. By publicly posting the score 35% of Portland single family homes built before 1940 will be disadvantaged. The city's goal is to reduce carbon emissions I encourage you to incentivize homeowners to make improvements to their home rather than mandating an unnecessary piece of paper that will not do that. On behalf of our members I encourage you to reject the proposal.

**Hales:** Thank you. Good morning.

**Nick Krotter:** Nick Krotter, a broker with Kelly wines real estate, a resident of Portland for

November 22-23, 2016

ten years. The thing that I see that's frustrating is this is a right to know. I see stickers everywhere. Buyers now and through my whole career could get utility bills and know the exact cost of what the previous owner was paying to operate utilities in their home so this information is known in very specific form not in an abstract of a score. Score doesn't tell you what you're going to be paying. I can tell you after helping 500 people in my career that until fortunately this is not part of the buying decision for 99% of the people. I'm saying that from my experience as one of the top brokers in this town. If the buyers wanted to know and there was a financial incentive to have a public record of this as an incentive to buy that house over a different one sellers would be doing this as part of promoting their home. It bothers me this could cause delays. We hear it's only \$200 but we're their experiencing huge appraisal costs. I expect that exact same thing to happen with this program. I suggest why don't we incentivize all people of Portland to create more efficient homes as opposed to punishing the people trying to sell their homes today.

**Hales:** Don't take offense but I have to leave.

**Paul Grove:** No offense, mayor, members of council. Paul Grove with the Portland homebuilder's association. I will heed your advice. I will be brief we have submitted written remarks. You can read at your leisure. Testimony has already been discussed today about exempting new housing. Our sustainability manager will testify to that as to the reason why. I appreciate staff's effort. I appreciate the spirit from which they are coming on the proposal. Taking the time to discuss this over the summer. So with that I will conclude. Thank you.

**Fish:** I have a quick question. In the report it says that bps considered exempting new construction homes from the legislation. It goes on to say however after research and energy costs the bureau found energy costs can vary significantly between a code built new home and a high performance new home and this demonstrates need for disclosure of energy efficiency even in new homes. How do you respond to that?

**Grove:** Commissioner Fish, I probably am not in a position to give you an answer today but when other sustainability manager comes up, she worked closely with this, I think she could provide you a better, more detailed answer.

**Fish:** We would accept something in writing.

**Grove:** We certainly can follow up in writing.

**Saltzman:** Next three. I don't see anyone coming to the table. Try the next three. Oh, we got one. Next two.

**\*\*\*\*\*:** I just got a message on behalf of the pro side that we're going to we have organized amongst ourselves to limit the number of testifiers so we can expedite through this and avoid repetition.

**Saltzman:** How about one more name. Welcome. Just give us your name. You each have one minute.

**Jan Mistell:** I'm Jan Mistell, private program director at the Oregon environment council. I wanted to answer a couple of things. We bought a home three years ago and despite knowing about what energy scores are and having a realtor who also supported them I asked for one during the process and was told I could not get one because it was a very competitive market. A seller's market and as a buyer I couldn't get a score because it was an extra, something additional that would have made our bid less competitive. So I was declined this information. So I'm still facing child care costs and have to do monthly budgeting. I called the utilities to try to get a sense of those costs but I have no way of knowing if that's based on occupant use or house performance. I'm facing \$30,000 of child care costs and so monthly bills really do make a difference. An asset reading provides good information that you can make sound financial decisions on and without a mandatory

November 22-23, 2016

score that includes all houses you can't do that cost comparison. Lastly on the climate any action that can be taken has cumulative impact when it comes to energy efficiency. If we had had energy information up front we could make home improvements early on. That makes tremendous difference for the climate. I urge support.

**Hillary Berausa:** Im Hilary Berausa and I'm a realtor in Portland and I do most of my residential real estate in Portland. I do not believe that I've been spoken for yet today even though there's been some numbers thrown around from large numbers of realtors. I believe that Portland is such a leader and this makes me so proud to be a part of I've watched this group put together this policy with tons of thought they've taken a lot of the feedback I urge all the realtors who are opposed to this to continue to speak your voice cause they've been so positive in incorporating those concerns. I think we have to base the situation on facts and the facts seem to show that it's going to help us get to where we want to be with our climate change goals in Portland, I personally have some 100's of transactions in this city and I've never had an appraiser look on Portland maps and come back and create a problem with the transaction with something that they've found there. That's all I have to say.

**Holly Braun:** Thanks you good afternoon my name is Holly Braun and I represent Northwest Natural we are strongly in support of this policy as a mechanism to help transform the residential energy efficiency market. As a utility we seek lease cost and energy resources to keep rates down for our customers, the current voluntary option is excellent while the incentives we have today that have been spoken about, but they only appeal to the innovators and early adopters in the market transformation paradigm. This 2% of the market requires expensive incentives in order to act on energy efficiency, but a policy like this that is intuitive, educational and really level setting has the potential to truly transform the understanding of the home residential market. I think in time this would nullify the need for expensive incentives. This program will potentially save rate payers millions and dramatically more and save dramatically more energy than we do today by creating mark demand for high performing homes. This policy the next step in the market transformation paradigm and we urge you to support it. Thank you. Happy thanksgiving.

**Saltzman:** Thank you. Next three.

**Saltzman:** I see one person coming up.

**Saltzman:** I think that she just testified. So we need one more name.

**Caitlin Horsely:** I am Caitlin Horsely with the Portland homebuilder's association, and I am the sustainability manager, and as the sustainability manager, I work closely with our home performance council and the mission is to foster sustainable building knowledge and education and application within the membership, as well. We definitely as a group have had some robust conversations around this. And we applaud your efforts, and in not only putting the appropriate value on the work we do, but also further educating homeowners on the cost of home ownership and operating costs, however to go into the remarks before, we do not support the use of the home energy score, the hes specific score that you Are choosing for new construction, and the reason behind that is if you talk to builders in my group, they would say that their homes are already a nine or a ten so there is really no incentive for them to be pushing that envelope. Like they have been doing. To do more efficient things and save us more energy and help our environment even more so, so why would we want to use a score that dissuades them from doing better than they already are?

**Saltzman:** Where is it written that a new home equates to a nine or ten on the home energy audit scale?

**Horsely:** It's not written but they get the home scored so they use an eps, the energy trust, which is a local score that most of my builders use, but they can also get an ats very easily



November 22-23, 2016

and they are always a nine or a ten, usually a ten.

**Saltzman:** Thank you. Next.

**Annie Rose Shapiro:** I am Annie Rose Shapiro, a commercial realtor with work space commercial and a residential realtor, and I support this energy audit. And I don't my voice has been represented here today. Our job as realtors is to educate our clients as they make the biggest decision of their lives. We need to uphold our most sacred, if you will, mission. This allows us to guide buyers, sellers, and also current homeowners with hard data to let them know what the return on the investment is going to be. And as we accumulate the data, it will help us to learn what this really means. It's not currently valued in the Market. 2% of houses are scored, and that makes that data meaningless because there is nothing to compare it to. The most important and impactful part of this score is that every single real estate transaction will include a conversation about sustainability and environmental impacts. As realtors we are the experts in buying and selling from many of our clients. Housing is the leading source of emissions. They depend on us to educate them, and this allows us to fully integrate this conversation into our day-to-day lives. It's important, we cannot rely on messaging and only reach those converted.

**Saltzman:** Thank you.

**Theodora Tsongas:** Good afternoon, I am dr. Theodora Tsongas and speaking on behalf of Oregon physicians for social responsibility. We support the proposed amendment to the city code on residential energy performance rating disclosure. This action will help the city meet the objectives to reduce the carbon emissions and reduce the energy use of all buildings. We support this because it's a common sense part of the package of actions. We must take to meet objectives of the climate action plan. And other city resolutions. If we are to address the contributions of buildings, we must include this. This is a good way for people to understand and address their own personal impact on carbon emissions. Climate disruption is the most important issue facing humanity. We need to do our part to reduce the contributions to it. And we are taking steps in other areas to reduce the carbon emissions to meet our objectives. This is one of the domains we must add in order to take responsibility for and reduce our own impacts on climate change. Oregon physicians for social responsibility supports this proposed ordinance. Thank you.

**Saltzman:** Thank you all.

**Saltzman:** Do we have more people, come on up. First, the first three to grab the chairs.

**Saltzman:** Ok, go ahead.

**Jamey Duhamel:** Thank you for the opportunity to testify. I am jamey duhamel and here to speak on behalf of Chloe Eudaly who supports the home energy policy. Chloe supports everything that's been said today, especially that it will stimulate our economy by providing jobs at local solar, hvac and plumbing instillation and other businesses. The commissioner also supports a requirement for landlords to perform assessments and achieve a minimum level of energy efficiency on rental units, landlords and tenants would benefit from the cost savings and we all would benefit from associated decreases in the carbon pollution. Furthermore, the city should develop a property assessed clean energy, or pace financing mechanism for residential buildings as it has for commercial buildings. Paced loans have funded is a billion dollars of energy efficiency and renewable upgrades to buildings in California alone. Thanks again for the opportunity to testify.

**Fish:** I've been selected as the commissioner's new policy director, is that correct?

**Duhamel:** Correct.

**Fish:** Congratulations and welcome.

**Duhamel:** Thank you very much. I look forward to working with you.

**Peter Tofalvi:** I am Peter Tofalvi I am co-owner of abacus energy solutions. I will limit my comments to an issue that did not get enough comments. The inspections typically include

November 22-23, 2016

energy related information. Inspectors are not trained to understand how the systems of the home work together. How well or how poorly they work. And they don't include the formation in the reports. I bought the house, I knew what I was getting into, electric ceiling heat but I did not know how much it would cost because there was no heating bills available from the previous owner. Only after the purchase did I learn that it will cost 300 to 400 a month to run the electric ceiling in the winter. So I had to take another loan to change the in the house. In my opinion my position from real estate professionals, is short sighted. They focus on the added cost and forget the benefit to them, which is this will be one more way to differentiate the products on the market. One more way to advertise differences in their production. To create excitement about features and benefits of the home. This is why real estate professionals first opposed and embraced the energy score, I am sure that they will do that here, too. Thank you.

**Saltzman:** Thank you. Sir.

**Brian Simmons:** I am Brian Simmons. I am testifying today as a homeowner, also a landlord locally, and I am also the former senior vice president of the, one of the largest consulting firms that has the largest presence here in Portland, named clear result. I, obviously, support this program, and this, this initiative. One of the things that I would like to point out is that the state of Oregon has done something that a lot of other states haven't done in the station, which is to actually have a market-based initiative to support these scores, and these audits. Many of the contractors you saw here locally have -- their jobs were created because of this, and they also integrate the score along with the measures being adopted. You can look to Boston where there has been a failure where the utilities score and the market had to do the work. And on adoption post the audits being done, and you look in this market we have had a higher uptake in the work where the audits have been accomplished. The nice part is that it will also add consumer behavior initiatives to this effort, and where we have seen uptakes in commercial environments with that as well. And, I am going to provide written testimony because I know time is limited but I wanted to make those points.

**Saltzman:** Ok. Thank you very much. Who is left? How many? Ok. Are you the last three? Last four?

**Fish:** Thanks for hanging in there today, folks.

**Saltzman:** Ok. So these are the last four people that are going to testify today. And we'll start with you.

**Sherrie Pelsur:** Thank you. I am one of the low income homeowners, that people have been referring to. I am Sherrie Pelsur, making a home purchase was the biggest financial decision of my life, and not coming from a background of other people who had owned homes, the process was incredibly intimidating, and there was so many things to consider, and that required inspections, helped me to navigate priorities, and I come from the energy world and so insisted on learning about the energy, you know, score for lack of a better term. But my brother who also is a low income homeowner had a bad inspector and he had a bad realtor and he ended up in a money pit situation when it came to energy. I decided to make energy upgrades instead of the more sexy, kitchen remodel upgrades, and I would also like to know that when I sell my home, which is going to be the core of my retirement plan, since I don't get retirement, that I will get rewarded for that in equity and the sales price at the end, which I think this score would help accomplish.

**Saltzman:** Thank you very much. Sir? Go ahead.

**Ted Gleichman:** Ted Gleichman, Oregon sierra club, and I will not recap my fascinating testimony which is being provided to you in hard copy but I will say a couple of things. We strongly support the excellent work that bps has done on the attention to low income issues we would look forward to engaging on that going forward. The testimony today has

November 22-23, 2016

made it very clear that must be a top priority for 2017. Because this information told me it needs to be public information, and yet, people must be prevented from any predatory action affecting them, so there is a, a tricky balance and we would like to help on that as we can. A couple of fallacies that have been presented. Delay, energy trust made it clear that the number of auditors available is adequate now and more can be quickly added to the market, and that will not likely raise costs given the Austin experience. Obsolescence of the report is a fallacy. If a homeowner doesn't have the money to do anything, then they will still have a valid report by not doing anything until it's time for them to do something. These things can be worked on and updated. Bps is attentive to that and they provided ample attention to the exemption and deferral issue to deal with specific situations. Finally, efficiency and conservation are overlapping but distinct sets of issues. They are not the same. Efficiency does not necessarily include conservation. That's why starting with deep weatherization is so important. Thank you very much.

**Don MacOdrum:** Commissioners, thank you very much for this opportunity. I am here as the executive director of the home performance guild of Oregon. I am don MacOdrum. I petitioned you to afford me a few extra moments as I have asked many of our extra speakers to forego their testimony.

**Saltzman:** We're going to hold you to one minute because we have got to bring staff back up.

**MacOdrum:** I understand. We, as the home, the residential energy efficiency trade association, we are the forefront of the efficiency program as it relates to homes in Oregon, and we are building science practitioners so when we look at the home energy scores, we know that this is really to address you, commissioner Fish, and we know that we can rely on multiple tears of quality control and training and certification to ensure that we have got accurate scoring. And we strongly support this as a two tiered strategy. Both to insert the energy costs into the purchase process, and also to have the score in the hands of the buyers, when they are on, in the most likely position to make upgrades, which is in the first three months of their sale. Lastly, I think that this is going to be the single greatest thing to increase energy literacy of the general public. That has not been mentioned, and I think that that's really a worthy cause. Thank you.

**Saltzman:** We have one, maybe two, you are the last two, come on up.

**Saltzman:** Ok. Go ahead and just give us your name and you should have one minute. A clock in front of you.

**Roger Kainu:** This is roger and I am an analyst with the Oregon department of energy and part of the house bill 2801 energy task force, we have a stakeholder panel that's been developed by the state of Oregon to bring all of the framework to go for home energy performance scoring. I want to make a keynote here about performance. Home energy scoring could be seen as just a list of assets within a home. Performance deals with how those assets inter-relate and interact. It's a building science, and really needs to be taken a look at. It's not just a list of all the assets that are there. It's how they inter-relate Together and create a performance which in the end creates a score. That's what the hes with the united states department of energy builds for us. So an assessor goes out and takes track of the assets and puts them into a software and spits it back out and becomes a score of that residence. So with house bill 2801 we developed a stakeholder panel and approval process for each scoring system. We have training requirements and licensing of all the assessors. And there are assessors out there available. And outputs of the work have been state approved scoring systems, like the energy can you say of Oregon, and the usdo model, hes, and we moved into certification licensing of the assessors, and the technical capability that alliance with at the national level. It's not just an independent sort of scoring system but across the nation. I want to mention that the utility bill analysis is one

November 22-23, 2016

way of getting information but it's very inaccurate. Its been going on for 30 years that I know of, customers call utilities and say what do the energy bill s look like, we have a family of five living there for years, and a family of two moves in and how does that compare?

**Saltzman:** Thank you very much.

**Kainu:** Thank you.

**Fritz:** I have a question. So if what we have before us, the kind of performance score that you were mentioning?

**kainu:** Absolutely.

**Fritz:** So you support it?

**Kainu:** Absolutely.

**Fritz:** And could you just tell me a bit more about how is it not just adding up the assets and turning out a number?

**Kainu:** Well, if you have a leaky duck system, and a very expensive high performance piece of heating equipment, the outcome of that performance is much lower than if you have a high performance heating equipment with a very well-sealed type of exit.

**Fritz:** But wouldn't the leakiness be part of the audit?

**Kainu:** It would list that that is part of the asset, not as a system. It does not compare and pull together the inter-relationship --

**Fritz:** Thank you very much.

**Fritz:** So you are supportive of what we have?

**Kainu:** Right.

**Barbara Kerr:** I am Barbara kerr speaking as a concern citizen. I am trying to jot my notes around here trying to pare them down. As a teacher I know that the best way for people to learn is from real life experiences, and so knowing the energy efficiency of their house and their neighbor's house has a lot more impacts, than any of the statistics ever will. And the, the report could help to clear up misconceptions about the energy use of houses, and because it would be real life information and the windows must be replaced, and we now know repairing can have a lower carbon impact. Oftentimes a new house may be built to code but has features in it that use a lot of energy that the people may not understand. Your hot tub and open spaces and etc., and in the bigger picture giving them the carbon footprint of their house and being able to compare it to what may happen in building a new one can really educate our public on the long-term benefits. Carbon footprint of saving our houses.

**Saltzman:** Thank you very much. Let's bring staff back up and we have questions.

**Saltzman:** A procedure check, we have some amendments in front of us.

**Anderson:** Right.

**Saltzman:** Are we prepared to act on those? Or do we need more time?

**Saltzman:** We'll see where the questions go.

**Fish:** Is your goal to have this come back for a second reading next week?

**Armstrong:** I think it was intended to come back December 7th, since the mayor is out next week.

**Fish:** That gives us more, I will put the questions on the record and I don't need answers right now in light of the time. But what I would ask is just a written response to these questions next week. Number one on the question, whether we exempt new construction, could you amplify on the commentary that's in the council document about the difference between code built new homes and high performance homes? We heard from a number of people, and Dan got this in one of his questions the new home construction is close to the top of the scale so I guess the question is, why do we disagree and what's the range that we anticipate, and why do you believe that we should include new homes, and also be

November 22-23, 2016

interested in knowing why often exempted new homes, just as a policy matter. Number two if you can guesstimate for me how many transactions you anticipate in the first year under this program would involve low income homeowners, because there are a number of questions that have been raised particularly around people's privacy, and the potentially triggering predatory practices, and one of the things that I would like to know is if it's a small enough universe, could the city partner with the utilities to create a voucher that offsets the cost so the person gets the score but does not have to pay for it? That seems to me to meet our objective while reducing, and since northwest natural and others are so bullish on this, could we partner with the utilities to cover that cost? I am assuming it's a manageable universe.

**Anderson:** It's about 5%.

**Fish:** I would like to know what that would look like. My preference would be to have everybody play but if someone can't afford it to offset the costings and I think that balances the privacy and whatever you have identified as the needs. And Susan, at some point I hope you do come forward with a proposal to ban the gasoline-powered leaf blowers, in my new apartment I hear then every Saturday morning at 6:00, and it is annoying. When reading about the environmental impact I am not sure why we should not be banning them. And then on the question of how you, how you structured the waiver exemption program, again, if you could go down a bit and just see how we captured the university of people who are already covered by a program that would give them an exemption, where all they have to do is check a box and sign it and not produce tax returns or other things. And finally those are all my questions. Thank you.

**Fritz:** Thank you, some of mine are similar I would like to know there a default choice for a new construction, just built to code it's this score? And they can apply it if they want to, to show it of high performance? So that they, you know, presumably you would know what the codes are and what kind of a score you are most likely to get? From the testimony, I would be surprised if it's a nine or a ten and I would like to have that looked into. And I don't support having it posted on the Portlandmaps.com or any other public -- I think it's fine to post it on the seller's description of the house but as far as having it required to be on a government website, I just don't think that is very helpful, and so I would like to propose an amendment for that at some point. Also the question was raised about how long the score is good for and it is based on the structural assets of the house, could the seller default and say this is what it is? This is what it was? I have not done anything else, to put it forward, they only have once shown that they have done the repairs that they could ask for a, for a new one, get themselves as new audit. I don't support having buyers required within the first four months. People often have, you know, when I moved into my house I was trying to figure out how to get the coat hangers put up and all kinds of other things, not thinking about how can I spend more money on this brand new house. So I would like that removed. And potentially one of the ways to get around the issue of if a seller can't pay, and perhaps the transaction time, you always -- you make your offer contingent on the inspection turning out all right and perhaps also make it contingent on the audit turning out to a particular number and at that point the buyer could be willing to pay for the cost just like they do for the cost of the inspection so that could happen or otherwise they could initial at closing they waved their right to do that. That's a way of maybe helping people get the information that they need as home buyers but you don't get the inspection done until you pretty much set your hearts on a property. And so I think that we need to have a mechanism that, at the listing price, as the listing of the property, that is when buyers can best do their cost comparison, if you already set your hearts on a property, pay for the inspection, and you have got, gotten around the issue of unexpected inspectors, but I don't know that's going to sway them.

November 22-23, 2016

**Anderson:** I want to clarify that. That four-month thing was only for the low income proponent, other than that, everyone is being required to do this, as the seller before the home is listed.

**Fritz:** I understand that, but I don't think that's helpful to the buyer to do what the seller was not able to do.

**Anderson:** The buyer won't have to do that. We were only suggesting that as part of a response, if the seller was a low income seller and not able.

**Armstrong:** So what you are suggesting in the case where is a low income seller qualifies for the deferral, so they would not get it, you are suggesting under no circumstances, the buyer doesn't need to get. That happens without a score.

**Fritz:** And the buyer initials to say so rather than having to come back four months later and saying I have not done that.

**Armstrong:** Understood.

**Fritz:** I think those were most of my concerns, and I appreciate hearing from commissioner Eudaly, good to have her perspective here and I think that there were lots of discussion about issues, in particular the concerns, not only the cost on the cost to renters and even being, being the cost or being the cause of more no cause evictions, so I really, I appreciate the thought going into it, and I have to say that The financial impact and public involvement statements, and this is possibly the best that I have ever seen, it's inclusive. I appreciate the testimony from a apano and saying his group and others may not feel that they know that engaged and we need to be aware of that, and I am glad you came to make that point, and I think that you all have shown me over the last four to eight years that we are always aware of what public involvement is and how we can do better you, so I appreciate having all that documented. It made it very much easier to get this out.

**Armstrong:** And we should acknowledge that and get to work on that.

**Saltzman:** I had a couple of questions. Commissioner Fish has a couple of additional questions, and I guess I, too, am wondering about the new construction exemptions, and the testimony about the ors469, whether that prohibits us from disclosing and I share a policy concern similar to what commissioner Fritz had articulated about putting any information associated with a name on Portland maps or anywhere. And then there was a testimony, I guess I am wondering about the timeliness of the audits, too, so I think that miss gila raised this issue, so suppose that I am, you know, a geek and I want to go out and get a home energy audit because I want to know about my home. I get it and decide not to do anything about it and I use the audit as the -- so give us some discussion on that. And then also the question which you can answer in writing is multi-family sale of multi-family unions. Is that covered or not under the commercial or residential policy?

**Jacob:** Not covered.

**Saltzman:** And commissioner Fish.

**Fish:** I missed two questions and then I will move the amendment. In your disclosure, your impact statement for the council it lists public involvement, and it says that you reached out to organizations representing the communities of color and tenants, and organizations representing homeowners with low or moderate or fixed incomes and affordable housing advocates and program implementers, in light of the apano testimony could you tell us in writing which groups you reached out to that qualify for that, that are covered by those categories? And second we had one or two people testify this could alter the under-writing, and we know that under-writing has become tighter because of federal law, and among other things, and so I would like your feedback on that. Did -- in Austin, for example, did they have an experience with underwriting becoming more stringent and requirements around addressing energy efficiency being worked into the financing and the closing requirements and yes or no, and/or what is the evidence that this disclosure will change

November 22-23, 2016

the equation in terms of the underwriting and what banks require at closing. And with that, colleagues, I would like to move the amendments as a package.

**Saltzman:** Is there a second?

**Fritz:** I can second that.

**Fritz:** And I will make more amendments.

**Fish:** So moved and seconded and by doing so this allows us to vote on these when we come back on the 7th, ask it does not preclude us from now or in the future modifying them or proposing new amendments but amendment one does address this question of solutions to cover up front costs of policy compliance, something I raised in my question, because my preference would be to have everyone pay but have some way to offset the cost for those who cannot cover it, and two give Susan or her successor or designee the right to temporarily suspended or modify, and under a certain circumstance, and three, is the, the report back to counselor prior to the implementation so I move all three.

**Saltzman:** Moved and seconded. And please call the roll.

**Fritz:** Aye. **Fish:** Aye. **Saltzman:** Aye.

**Fritz:** I would like to move an amend to no. 3 that, the bureau of planning and sustainability will develop a process to streamline for new construction, at least like on the same time line as number three. So prior to the affected date.

**Saltzman:** I am not clear, what would it do?

**Fritz:** Be to develop a process to streamline the scores for new construction.

**Saltzman:** Ok. I guess I am -- I guess procedurally I want to check because I am hoping that the information that we get back may serve as a basis for potential amendments that I would bring forward on the 7th, and I realize that would require another reading but we still have time.

**Fish:** Or slap an emergency on it.

**Saltzman:** I think some of the questions I have are the along the same lines. I would prefer rather than trying to do it today and needing all three of us let's get the information from staff and if we need to vote on new amendments, let's do it.

**Fritz:** So there would be one on the streamline for the new construction, and the amendment five would be not posting online. The Portland maps, and I am wondering why, why was that included in the proposed amendment in the first place?

**Jacob:** Pardon?

**Fritz:** Why was posting it on Portlandmaps.com part of the procedure?

**Jacob:** Without disclosure this policy falls apart and needs to be visible. We could put the requirement on the realtors to put it on the listings. We chose not to.

**Fritz:** Why?

**Jacob:** We thought that that would get an even less more reaction than we got --

**Fritz:** There required to list which school district and property taxes are, so I don't think that this is that much different.

**Fish:** If you are requiring this information be shared with the city, I assume that it becomes a public record?

**Fritz:** And as the commissioner pointed out you identify people as low income and it makes it more of a target.

**Jacob:** Unless we get a score for everybody.

**Anderson:** So we'll explain this and provide it back to you before you.

**Saltzman:** And we are recessed until 2:00.

**At 1:06 p.m. council recessed.**

November 22-23, 2016

## 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.

**November 23, 2016            2:00 PM**

**Hales:** Good afternoon everyone. welcome to the afternoon November 23rd session of the Portland city council. Please call the role.

**[roll call]**

**Hales:** Thanks everybody. We have a time certain item we're going to take that first and then we're going to return to unfinished items from this morning's session. So we will do the time certain item number 1315 first. And would you please read that item

**Item 1315.**

**Hales:** Thank you. This a quasi-judicial land use hearing. First have our city attorney make some procedural announcements and then I'll ask for disclosures from the council.

**Lauren King, City Attorney's Office:** This is an on-the-record hearing. This means you must limit your testimony to material and issues in the record. We will begin with a staff report by the bureau of development services staff for approximately ten minutes.

Following the staff report, city council will hear from interested persons in the following order. The appellant will go first and we'll have ten minutes to present his or her case.

Following the appellant, persons who support the appeal will go next. Each person will have 3 minutes to speak with council. The principal opponent will have 15 minutes to

address city council and rebut the appellant's presentation. If there is no principal opponent, council will move directly to testimony from persons who oppose its appeal after

supporters of of the appeal conclude their testimony. Council will hear from persons who oppose the appeal. Each person will have 3 minutes. Finally, the appellant will have five

minutes to abut the presentation of the opponent's presentation of the appeal. Council may close the hearing deliberate and take a vote on the appeal. If the vote is tentative

vote, council will set a future date for adoption of findings and final vote on the appeal. If council takes final vote today, that will conclude the matter before the council. One little bit

more. Sorry several guidelines for those addressing council today. Evidentiary record again. On the record, excuse me. Evidentiary record is closed. On the record hearing.

To decide only if the design commission made the correct decision based on evidence that was presented it. This means you must limit your marks to arguments based on the record

compiled by design commission. Refer to evidence previously submitted. You may not submit new evidence that was not submitted to the design commission. If your argument

includes new evidence or issues you may be interrupted and reminded that you must submit new evidence final decision. If you believe a person who addressed city council

improperly presented new evidence or illegal argument relies on evidence not in the record you may object to that record. Only issues raised before design commission may be

raised the in appeal to set I council. If you believe another person raised issued to into the raced before the design commission. Object to council's consideration of the issue.

Lastly, applicant must identify constitutional challenges to the conditions of approval.

Additionally, if the applicant fails to raise constitutional or other issues related to the proposed conditions of approval. With enough specificity to allow council to respond,

applicant will be precluded from bringing engaged action for damages in circuit court.



November 22-23, 2016

**Hales:** Thank you very much. Any members of the council that need to declare a potential conflict of interest on this matter?

**Saltzman:** I would just state that's Portland housing bureau is major investor in this project. I haven't met with anybody about this particular design issue or appeal.

**Fish:** I have none.

**Hales:** All right. Are there any ex parte contacts to declare information gathered outside of hearing or visits to the site to discuss or put into the record? Okay none of us have other than commissioner Saltzman's declaration about the bureau, supervises, no conflicts of interest or ex parte context of facts. Let's proceed into the hearing with staff report.

**Grace Jeffreys, Bureau of Development Services:** Good afternoon. I think it's on. Good afternoon mayor and council members my name is Grace jeffreys bds staff design and historical review team.

**Hales:** Slide that whole box closer to you. There you go.

**Jeffreys:** I'll give you little bit of background about the site it's a quarter block site 10,000 square feet was existing surface park lot. Its located intersection of northwest 14th and northwest Raleigh. Its located in the central city plan district, in the river district sub-district and the north pearl subarea. The relevant approval criteria are the central city fundamental and river district design guidelines. This is a view looking at the southwest corner of the site from northwest 14th. The red brick building to the right is the Ramona. The one story building to the left is to be replaced soon with 3 quarter block mixed use development called the broad stone reveal. This is a view looking at the southwest corner of site from northwest Raleigh to the right is the Ramona and beyond is the Abigail, both of which contain affordable housing. So to provide some context on the small site plan the red indicates the proposed site the Yellow indicates the location of the building in the photo. Across the street to the south is the Ramona it's a six-story brick affordable housing project built 2008 for pearl family housing. One block to the east lies the Abigail a 6 story brick and metal panel affordable housing project built for bridge housing in 2013. One block to the southeast lies the parker a six-story brick multifamily housing project built in 2012. Diagonally across the intersection will soon be recently approved brick and metal clad mixed-use proposal, broad stone reveal. These six to seven-story brick and metal clad buildings create emerging urban warehouse context that this proposal will reside in. The zoning for this site is exd, which is the central employment zone with design overlay the base floor area ratio is 4 to 1. Additional far can be earned through bonuses and transfers. The base height is 100 feet and unlimited height is possible through design review. This is the design review proposal 12 story building it contains 93 affordable units. There's Retail space on the corner 15 parking and one loading space the proposed height is 129 feet 8 inches to the top of the parapet there is 100 feet allowed so the 29 feet 8 inches above that is request to the modification review. The far is proposed 10.5221 there's a 4-1far allowed on the site they've earned a 5 to 1 bonus and they are doing a historic resource transfer for the remaining 1.5 2-1 far. These are exceptional requests beyond the base zoning. Five additional reviews were requested along with that design review four modifications and exception to oriel window standards. The review criteria for those for modifications are two-fold the first is the proposal better meet the design guidelines and the second is that the proposal consistent with the purpose of the standard. For exceptions, criteria is the proposal will meet the design guidelines. So for the first modification, to the height, at the dars, design by request hearings, applicant advised for this large modification, critical to demonstrate how the proposal better meets design guidelines especially those related to the context and coherency. The second modification is to allow reduced size for four of the parking spaces. Third modification is to allow reduced spacing of the wall mounted bike racks. The fourth modification is to allow

November 22-23, 2016

reduced size for the loading space, and the exception to oriel window standards, though 12-foot maximum width is allowed for oriel windows the proposal includes a 29-foot 11 and a half inch wide oriel window on northwest 14<sup>th</sup> and a 31-foot 4-inch wide oriel window on Nw Raleigh.

**Hales:** Could you pause for a second and define what an oriel window is.

**Jeffreys:** It's a window projection over the right of way.

**Fish:** Is window like that added for aesthetic reasons or does it actually increase the square footage of the unit?

**Jeffreys:** I think in this case; it does a very slight increase of square footage. But I think it was done for aesthetic reasons in this part. We can speak to the applicant.

**Fritz:** What is the purpose of having limit on the length of oriel windows?

**Jeffreys:** I think these are a little back up on that.

**Tim Heron, Bureau of Development Services:** I can help with that. Bureau of development service. The limitation on oriels projecting into right of way came out an agreement with bds and Portland bureau of transportation much limited amount of privatized floor area above public space. The power given to the design commission in any case where an oriel projects wider than 12 feet is discretion and whether or not width has been mitigated enough to other aspects of the design.

**Fish:** Just in practicality terms. why is it a matter of public concern?

**Heron:** Because it's private space above public right of way. So it effects shadowing over right of way it can effect volume of building mass over right of way a more literal extreme version is sky bridges.

**Fish:** Don't say that in front mayor. Next thing you're going to be talking about drive-thrus and he's going to completely lose it.

**Heron:** I use that as the extreme example of where we do regulate projections over the right of way some are more nominal like smaller balconies that are open air, canopies in the right of way for rain protection.

**Fish:** I'm asking this because I'm learning. Not because I'm arguing the point. The last time I was in san Francisco, it seemed like part of the whole design motif of the city is punched out areas that, quote, unquote, intrude into public spaces. Depending on their height, and their function, I didn't necessarily view that as an intrusion into public spaces.

**Heron:** Just to be clear, in this particular case, the issue really wasn't about whether design commission wanted to approve a oriel window. It was more about how it was composed and how it inhabits that right of way space. We regularly approve oriel window projections at different types or sizes though design review that go beyond the standard. Some of that is just creating that nexus to design guidelines and see if an it's appropriate architectural response as well as one private building area that extends over the right of way.

**Fish:** Is it fair to say in this particular area before our review, we're talking about subjective judgments about aesthetics and design things like that as opposed to other more objective factors?

**Heron:** Correct.

**Hales:** Thank you. I appreciate the pause for definitional clarity.

**Jeffreys:** In terms of the process, there were three voluntary reviews held design advice request. April 7th, may 12th and June 6th. All three of those, there was feedback regarding concerns with the ground floor design, materials, coherency and contextual response. The design required design review as well as optional reviews submitted on September 22nd and the appeals October 21, 2016. A couple of illustrations just to show how the project did progress through the process. Some of the concerns expressed by the commission at the dar meetings were addressed somewhat in the design review approved,

November 22-23, 2016

proposal. The design and program at the ground level, better activate street frontages to initial schemes. While typical quarter block proposals in the city have greater ground floor activation than this proposal does the applicant felt this amount of parking was critical to their particular affordable housing program. Above the ground, the commission still had concerns about the contextual response and the response to the coherency guidelines. Especially at the important and prominent corner element and in particular the oversized oriel windows. The commission encouraged the applicant to relate to existing and emerging urban warehouse context. At the Ramona, the Abigail and broad stone reveal across the street. Rather than freeway overpass. Above changes illustrate the design evolution between the voluntary dars and the required design review. There are some clear changes between the first and second dar. However, the changes later on are less obvious. The design review approval was approved for type 3 design review with modification it's an exception. Conditions of approval A through I were added to the proposal could meet the applicable approval criteria. In particular, conditions of approval c1 and c2 were added so the proposal would meet the guidelines related to coherency and contextual response. These conditions of approval c1 and c2 are being appealed. These are the seven relevant design guidelines including the commentary specific to the issues. I won't read through those. You have copy of my PowerPoint. The city council include deny the appeal and up hold the design commission's decision to approve with conditions the requested northwest and 14th and Raleigh design review with modification and exemption reviews. Or deny the appeal and uphold the commission's decision with modified conditions and findings to the requested northwest 14th and Raleigh resign review with modifications exempt reviews. Because this is an on the record case, any modifications must be based on evidence already been contained in the record for this land use review. Third option, grant the appeal to remove the conditions of approval c1 and c2 of the design commission's decision to approve with conditions requested 14th and Raleigh design review with modifications and exception reviews. If council amends any of the conditions of approvals the council is advised to ask the appellant to sign a time extension today, today's hearing. Are there any questions for me?

**Hales:** Any particular -- not so much a question, maybe a bit illumination. Were these issues at all ventilated in the three design and advice request discussions or do they, did the issue that's now under appeal only emerge later in the process?

**Jeffreys:** No. These issues were from the very beginning and the proposal slowly made changes along the way. But commission noted pretty strong concern very early on that they especially contextually, didn't feel that the proposal was fitting in as well as it could to meet the applicable design guidelines.

**Hales:** Thank you. Other questions? Thank you very much stand by we'll see if we need you later in the process. We'll move on then to the statement from the appellant.

**Hales:** Good afternoon.

**Sarah Stevenson:** Good afternoon.

**Hales:** Get your PowerPoint there activated.

**Stevenson:** Do they have this in front of them?

**Hales:** There we go.

**Stevenson:** Okay.

**Hales:** All right.

**Stevenson:** I'm going to start. Good afternoon. I'm Sarah Stevenson I'm executive director of the innovative housing thank you for your time today. We are here to appeal two conditions imposed by design commission on a 93-unit affordable housing project. That you've heard we're developing in the pearl neighborhood. I would like to preface our presentation by recognizing the important role that design commission and design

November 22-23, 2016

standards play in our city. As a long time developer in Portland, we know the value that they add to our city's landscape and we're familiar with the process that is required to obtain design approval. Indeed, we begin work working with design commission in February in an effort to use type 2x review process that was made available to affordable housing. We incorporated many design changes as a result of the guidance that they gave us of the two different design advice hearings. We were simultaneously working with the pearl district neighborhood association planning committee. We met with them three times and received some very good input from about the project that resulted in substantive changes to the building's design. I believe we all, design commission, the pearl district neighborhood association and ihi and our design team worked together in good faith to get, make this project the best that it could be with positive results. In August, we received the pearl district neighborhood association's support for our design. We have given you a copy of the letter that he wrote supporting our design as well as this appeal. In September, design commission also approved the project but with conditions. We agreed to all of but two of their requested changes. The two elements of that which we disagree come down to a subjective difference of opinion regarding design aesthetics. We prefer building with the strong differentiated corner and alternating bays and I say bays, they say oriels, we're talking about the same thing, that interact with the multiple levels of the nearby bridge and freeways. Design commission would like us to combine the bays into one large element and wrap the same exterior pattern around the entire building. We have agreement that these various elements meet applicable design standards but we differ where they appear on the building. Is it clear in what you're seeing in which drawing we proposed versus which one comes with conditions?

**Fish:** It's on this too, thanks for blowing it up.

**Stevenson:** Excellent. Design matters and we want to build the best building that we can. But just as important to us right now, is budget. We are asking you to allow us to proceed with our design because moving to the bays to the top of building alters or construction plans and cost more to construct. Portland is in the mix of affordable housing crisis this project will create 93 units of affordable housing. 40 of those will have project based rental subsidy and be set aside for families experiencing homelessness. These families need housing now. Redesigning the exterior of the building and structural plans to accommodate the changes that design commission is requested will take additional time and money. We've spoke to the Portland housing bureau about this. They do not have additional funds for us. We are already struggling to contain costs in the current construction market. Right pricing at 50% ddc came in at \$1.35 million over budget. We're in the process right now of cutting out everything that isn't essential. We put dishwashers and all common area furnishings in last week. That means we cut them out of the budget and only get them back if we have enough contingency at the end of the project to afford them. In this pricing environment we expect to see further cost increases when we go out to bid with a full permit set. We're very good at managing complicated budget, but the current construction market is very challenging even for very experienced developers like ihi. This is why we cannot afford any more design changes that increased cost. We made several of them early on including increase the size of the lobby, increasing storefront glass and adding commercial space. We estimate that the changes we made in response to requests from the design commission, planning staff and the neighborhood association resulted in additional \$300,000 of cost to the project. They were good changes and we are glad we made them. But at this point, the project is not able to absorb any more costs related to design. Resigning to meet design commissions conditions will add \$160,000 in known costs to our budget. We just don't have it, what we have design of the support neighborhood association. Honors industrial and cultural history in its design and

November 22-23, 2016

materials, demonstrates diversity of design and creative energy that will speak to our new residents and create welcoming space for them to call home. Strongly relates to its current surroundings without mirroring design of adjacent affordable housing and desperately needed by low income and homeless families struggling to house their children. Please help always chief finality to continue the hard work on cutting cost and getting this project built.

**Alex Salazar:** Thank you for the opportunity to speak. My name is Alex Salazar, I'm principle of Salazar architect a small Portland based mwesb certified firm. Specialized in the design of affordable housing. We mostly work with low income communities of color. Besides practice, I also occasionally teach architectural design and Portland state university and previously taught at university of Oregon. What I love about affordable housing is that residents come from diverse backgrounds. As my own family, often have one or two immigrant parents who bring with them a diversity of design sensibilities. I all the community's there are traditions architecture painting and textiles that use repetitive patterns and bright colors and strong forms. Similarly, what is fascinating about the pearl districts long history is that there's immigrants who settled near the rail yards not just Europeans, african-american, Chinese, Japanese, workers and families. Our two bay corner design is nod to this diverse history the pearl. We want to use strong forms to create a sense of excitement and inspiration in the urban street scape as way to symbolically connect families of affordable housing to the history of the pearl. The steam runs through the entire design of our project and how we're thinking about bringing artwork into the lobby and community areas. I live near the site up until about a year ago. The building is in response to the urban context. This edge of pearl has many metal clad buildings and surrounded by the 405 freeway and creates a lot of shadows and noise that make the area feel marginal and disconnect to the rest of the pearl. Two bays pick up on lines of the freeway and two levels of the Fremont bridge but they also lower the bay to a pedestrian level where it can be seen and also pick up on the surrounding context. For the bays to work, we kept the cladding at the corner as one color. This allows the bay to be more distinctive and different. And much of the energy and dynamism of the building is because double bays create movement in the sense of connection to the built structures that surround it and so from our team he is point of view, having two bays the central feature of design it responds to the urban context day or night connecting folks living in affordable housing to pearl district it's more diverse history. Thank is you

**Fish:** Can I ask you a question, I get the difference in the bays. I guess the other thing that I note in the two pictures is under the design commission's conditions, the window treatment below the bays is consistent with the other window treatment. Under your proposal, it doesn't have the I, doesn't have the two tone. I would just be interested as the designer, as to why you made the decision to have just monochromatic color under the bays as opposed to the two tones that are adjacent.

**Salazar:** Sure. I mean, the building really, there's three parts to the massing there's the massing that face 14th street. There's the corner with the rotated bays and then the massing that faces south on Raleigh at the corner, in order to have the bays be more distinctive we kept the cladding which is all metal the dark color to be monotone so bays feel more strong and punchy.

**Fish:** the other question I had for you. Two of the four sides of this building don't have windows that's not before us right now. Why did you make that judgment? Does it have something to do what you expect is it going to follow in terms of development?

**Salazar:** That's at the property line. That's built out the full quarter block. Buildings will eventually be built up right next to our building.

**Hales:** Either one story or parking lot on the other quarter blocks?

November 22-23, 2016

**Salazar:** I'm sorry?

**Hales:** What is occupying the other portion of the block at this point?

**Stevenson:** One side is vacant lot and the other is a one story industrial building.

**Hales:** You would expect projects with similar mass and far to be built on the remaining portions?

**Stevenson:** We would.

**Fish:** one of the reasons I raised that was in the end game on bud Clark commons got a criticism there were no windows on the north side of the building off the Broadway bridge. That was just part of the design. So we end up putting leds disguised as windows on that side. So it just created uniformity. Not actually windows.

**Salazar:** Right. We did bring -- that was kind of part of the question answers. Formal dar process. We brought the same kind of metal panel system and trim work so that it had some texture and stronger feeling to the faces. That will eventually be covered up but we're spending money to try to make it look nice in the short term.

**Fritz:** So could you put the clock back to 3 minutes, please.

**Trish Nixon:** I'm Trish Nixon with Irs architects. Let's see if I can advance slides and talk at the same time. We worked together using integrated design approach to provide ihi with the vibrant building design that will be a source of pride for both neighbor and residents. The feedback we have received from the design review commission as well as neighborhood and planning staff have contributed to the overall success of design as presented to the design review commission on September 22. As Sarah mentioned we had intended originally to utilize the new streamline type 2x process when we started. As we moved through the process, it became clear that there was some differences of opinion in some of the stronger elements of our design that we felt were important to keep. Because of that, we went ahead had a second dar and separate work session with three of the commissioners hoping we could come to an agreement on the design direction. Since the differences remain, we election the to go ahead and proceed with the type 3 design review process. As Sarah also mentioned, we did have three additional meetings with the pearl district neighborhood association. Have full support of buildings as designed I think each of you were given a letter that we received from them a couple of days ago with that support. During the final hearing, design review staff presented modified version of our design that was not created or approved by the architects or owner. This action led directly to the conditions we are appealing. The project has come a long way from where we started in the design team has made many modifications requested by design commission. In the slide in front of you, what you see on the left is the design as we started with and these are, what we started with on the right, design as we submitted it to the design review. Just to go through briefly some of the changes that were incorporated. We made revisions to the ground floor to provide significant amount of active use along 14<sup>th</sup> and Raleigh. This included a large commercial space on the corner, a much more generous lobby and a bike lobby. We calmed the pattern on the building by softening the contrast in color between silver and gray panels and concentrating the orange colors to the slot and corner base. We modified window colors to work more closely with adjacent metal panels and added larger window trim elements to increase articulation. We added an additional rib in metal siding to add rigidity to the panel. We moved the brick base to each end dropping the window sill in order to allow for more expensive glass storefront. We added larger canopy at the storefront and changed the rear facade of building that matches street facade. Have agreed to incorporate all conditions with the exception of the changes to the corner that we are appealing to you today. We feel many other requested changes have made for stronger project, also come at a cost to what is already a very tight budget. Accepting the final change will not only reduce the vibrancy of the design, it will

November 22-23, 2016

require redesign work costing project more money, time and increase in construction costs.

**Hales:** Wrap up. We interrupted you enough.

**Stevenson:** Thank you for your time and your consideration of all of the issues that are involved in our appeal. As you've heard this comes down to difference of appeal about two design choice. One options present a real increase to cost to affordable housing development that is struggling to stay on budget. We're appealing to you our city council, that you prioritize affordable over aesthetic nuance and let us move forward with a project that will provide crucial affordable housing for families who need it in Portland today. Please approve our design without the additional conditions imposed by design commission, thank you.

**Hales:** Thank you, question I have and others may have questions as well I understand your point about the impact of requiring now more design work that costs money I get that. But is the aside from the design cost and the process cost or time value cost, is the design commission's condition of the single oriel segment inherently more expensive from a construction standpoint. I would think that two would be more expensive.

**Stevenson:** It shifts the weight bearing load of the building. It requires a different structural and we've been told it does increase construction cost.

**Hales:** Even though you have to do that twice in the design as you proposed it.

**Stevenson:** For some reason, when we showed them the new plans, not plan, but new picture, we asked for, we got our structural engineer's analysis what the structure changes would be with when they gave those to the contractor, this comes with a price tag of x.

**Fritz:** Are those two images that we've just seen there, exactly the same building and envelope and height. Is that correct?

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

**Fritz:** Really interesting. I think that your design makes it look less tall whereas the land commission kind of makes it look skinnier and taller.

**Hales:** Okay. Other questions? Thank you very much. We might have questions later. That's the presentation. Thank you. Are there individuals here to support the appeal?

**Parsons:** Two individuals signed up.

**Hales:** Please come on up. Good afternoon. Welcome.

**Crystal Stinson:** Hi. I'm crystal Stinson. Here on behalf of ihi in a sense. I moved to ihi building in 2007. I had decided to leave domestic violence relationship that I was in for many years as a teenager. Living in my new apartment for about 30 days when I was in pretty severe auto accident where my car was totaled. I think less than 3 months later, my boss passed away and I lost my job because the business went under. In January, 2008, less than six months after I had moved into the ihi building, I was at a loss. I had no job. No car. No direction. I went to management who referred me to their residence services coordinator on sight at our low income apartment housing and she directed me to Emma. My intention to give my 30-day notice I had a good rental history and I did not want it to go down the drain. Emma listens to me and helped with employment. Provided me services to get my rent paid. She Talked me into getting my ged. Ihi paid \$100 to get the testing done at the community college. That was in 2009. Proud to say 2015, I graduated with an associate's in business management from that same college. I became a mother in 2012. Started using the other services. That ihi provides such as harbor share, which is a think that you do with the residents and other people in the community, where you can get free food once a month. My child gets jackets every winter. They provide school supplies and backpacks for all the children on site. I've also participated in other programs them that directly impacted my life. Last year I was made aware of a management opportunity at the complex I reside in that management opportunity was provided by ipm, management

November 22-23, 2016

company at one of our ihi buildings. I started a job as a part-time manager there and been working there since early last year. I get to see and work with people every single day that come in and are in need of housing. I get to see that individuals are not just in need, they are desperate. We very rarely have any openings because of the massive rent increase going on right now in Oregon. Without ihi I would not be standing in front of you today. I have lived in many apartment communities and I just haven't ever had the opportunity that they gave me. I really am here to stand before you and ask you to allow housing project move forward. They've done great things for me and I currently reside and work in the same apartment that I moved in back in '07. It's definitely something that I feel has been a benefit. I would like the opportunity to be available to others. Thank you very much.

**Julie Garver:** Julie Garver I'm the housing development coordinator for innovative housing. I'm here today because patty Gardner from the pearl district neighborhood association is out of town. She wanted to come on our behalf for the appeal but she couldn't. I'm here to read your letter into the record. This is from the pearl district planning an transportation committee. Dear city council, pearl district neighborhood association met with the developers of this project multiple times. In all of the meetings, we found the design team to be very responsive to our thought. They doubled the size of their project to maximize the existing far for low income house. They moved play area to safer location. They reworked their ground level to sensitively react to the adjacent streets and they simplified their facade to become a more cohesive, unified project. We voted to support this project with no reservations in august. After all of our discussion we were dismayed to read the approval letter that incorporated conditions applied to the project by the design commission. Specifically, condition c is very troubling to the pdma. Conditions c asks for redesign of the facade. Not small changes, but big changes that affect how the project looks. From a process point of view, the use of such major condition is troubling. First off, such a specific condition, that it raises the question of who is the designer. The design commission or the project architects. Secondly, it is a dangerous president to approve building with such a major change without anyone seeing the final design to see if it's a good idea. No one will have seen the final result before it goes into permit and becomes irrevocable. This president undermines design review process in regard to public participation and damages the design condition to the design community. We urge you to strike condition c from the approval letter and let the project move forward. Regards Patricia Gardner, co-chair, planning and transportation planning committee.

**Hales:** Thank you. Anyone else on to sport appeal? Is we'll turn to opponents of the appeal. Starting with anyone here from the design commission? There we are. Hear from our design commissioner first and anyone else on that side of the debate. Welcome.

**Jessica Monlinar:** Mayor, commissioners, my name is Jessica Monlinar, and I am here to read a letter to you composed by the design commission this morning. Design commission approved the type 3 proposal affordable housing development at the intersection of northwest 14th avenue and northwest Raleigh street September 22, 2016. The proposed design required several modifications development standards of title 33. Exception to the city's encroachment standards and several conditions of approval. This is an exceptional amount of peripheral activity for relatively small project. It was driven by the applicants stated need to move through the entitlements process as quickly as possible to not place land deal with hoyte street properties at risk and design commission desire, to help the applicant succeed in both the short term development scheduled and the development Performa in the long term, the mission and the urban design response. Throughout the type 3 design process, development services staff and design commissioners did as much as was within their power to fast track the proposal, solve problems collaboratively and creatively and did not create up due burden. It has been the



November 22-23, 2016

intent of staff and the commissioners to help the applicant put a shovel in the ground as quickly as possible and to deliver a building that contributes appropriately to our city's urban fabric. Modifications are typically granted if they better meet design review requirements. In this case the commission recognized that some of the requested modifications and the exceptions did not better meet design review requirements but would provide 1 more housing due to increased building height and 2, normally larger housing units due to the increased floor area provided by the oriels I won't read through the whole modifications. The approved suggestion to window projections in the right of way allows applicant to construct unusually large windows to lesser design is standard. City encroachment standards currently limit the maximum length of oriels to 12 feet and requires side windows on the projection. The exception extends the allowable length to 30 feet and eliminates side window requirement. Large oriels are not supported by the design commission and are expensive to build but the applicant considered them necessary to achieving their architectural vision. Conditions are tools used by design commission to strengthen proposal response to one or more guidelines typically made with the understanding and support of the applicant. Conditions are not uncommon but a great number of conditions is generally an indication that a design has failed to satisfactorily address our city's design guidelines. These guidelines address the spectrum of design issues from basic building functionality, basic developed other protection, massing and scale to character. It's significant that the proposal fell short across a wide breadth of response to design guidelines. The design commission's decision that the proposed development does not need to be a model citizen but does need to demonstrate willingness to participate in civic life. The proposal does not merit a less than even handed application of city's design guidelines. Residents publicly supported affordable housing buildings deserve the same benefits, all other Portland residents receive. To live in a building that doesn't stigmatize its residents and that is part of a vibrant, thoughtful, and deliberate urban infrastructure.

**Fritz:** Thank you. Could you go into the design guidelines that the commission felt was not there?

**Molinar:** Sure. A floor used unifying elements. Do you and the me to read the list?

**Hales:** Just the ones that this case turns on, obviously, you had an iterative process on some other design elements of project like ground floor retail. I understand this case correctly, you got to guess.

**Molinar:** Yes.

**Hales:** But so the second commissioner Fritz's request that design criteria that you think support the design commission's recommended conditions versus what the applicant would prefer.

**Molinar:** Okay. Specifically, in regard to the massing issue.

**Molinar:** Two biggest issues were context and coherency and that is ultimately why.

**Fish:** What was the last?

**Hales:** Coherency? Okay. So right out before the criteria.

**Fish:** My note, often gets lost in these kinds of hearings where so many issues have been resolved and we have a very narrow issue before us. I made some notes while you were speaking about strengthening designs around functionality, massing, scale, character. One thing that I've been following the evolution of this project and presentations from both sides. Is that taking out the narrow question before us today, I think the design commission has strengthened the design significantly. I think we're left with just one piece. I'm not a skilled professional, but looking at the evolution and, I think the process that you've gone through has resulted in a better building. This particular, while I haven't visited this site recently and therefore, have nothing to disclose by way of ex parte, very important site

November 22-23, 2016

to me because I had a hand in the field, Ramona and originally, green lit to Abigail. It's in an area that I know well. And it's, I think it's important that this design honor the space and the purpose of the building. Without prejudging this question, I think the design commission has helped to get better --

**Hales:** Agree. Process is working well. Spending a lot of time on these case. Appreciate volunteers doing that. Other questions? Thank you very much. Any individual opponents of the appeal? Okay. Then.

**Fish:** I have a motion.

**Hales:** All right.

**Fish:** I move to grant the appeal and remove the conditions --

**Hales:** Wait. I think we have to give -- is there any reason for rebuttal still? No?

**Fish:** The record is complete.

**Hales:** All right. Record is complete. Sorry. Go ahead.

**Fish:** In this process, we need to put a marker down. Then have a discussion. I move we grant the appeal and remove the conditions of approval of c.1 and c.2

**Fritz:** second.

**Hales:** Further discussion? Okay. I think we might be ready to vote on that. Tentative vote to be supported by findings at what time?

**King:** Well, so specifics, but at this time, there is 120-day waiver that has not been granted with a deadline looming.

**Fish:** We can get an agreement on that, on the record.

**Fritz:** Given that we're about to vote on it, if that's all right with the applicant.

**Fish:** A nod?

**Fritz:** Yes. Nod. Thank you.

**King:** Okay. Then, yes. So then just go ahead and close the record and then --

**Hales:** We're going to close the record and take a vote on the motion. Then you will set a date for findings after we see if we have the majority support for a motion.

**King:** Yes.

**Hales:** Okay. All right. Let's proceed with acting on that motion, please.

**Fritz:** When you get into design, matter of aesthetics and what's appealing to one person, versus another. Most often, I defer to the design commission because I'm not an architect nor do I play one on tv. Thank you, Mr. Commissioner. On this particular one, this part of issue, it's affordable housing project and that if it just -- if it was absolutely awful design. I would defer to the design commission. On this one, I do think that this both -- I think that the findings about embellishing, identifying areas, have the coherent corner, especially when looking at initial design to what you come to, I think it does match it. So I'm going to be very glad to support the appeal, while also honoring the good work that's design commission is doing. Aye.

**Fish:** I don't have much to add to that. I think the design commission, did great work to get to the revised building design proposal. Now, we're asked to choose between two visions that, to me, are very, very similar. If I had to just pick one based on my own aesthetics, think the applicant's massing is actually more appealing than putting everything higher up. But I too generally defer to the design commission on these things. And the only reason that I'm going to make a rare exception in this case is because this does not, this is clearly not an objective measurement. This is subjective. And while I have great respect for the work that our volunteers have done and grateful that they got it to this point, I'm persuaded to the applicant's proposed building design meets the applicable test. so I will support the appeal. Aye.

**Saltzman:** I appreciate the letters from the design commission, I appreciate the design commission's renewed efforts go to great lengths to get projects done quickly. Particularly

November 22-23, 2016

affordable housing projects. As it is very critical as we all know and I defined just as a lay person, look at these two alternative designs, I don't know. They both look nice to me. But one has a cost difference. So I will go with saving this project money. And getting it done sooner. And voting to support the appeal. Aye.

**Hales:** We do have disagreement among friends here between those of us who don't play architects on tv and people who are actually professionals on the commission. I agree with my colleague's statements here. I want to just make a couple of additional comments that are more in the way of reflections than necessity for this record. One, certainly council for 14 years, probably one of the biggest surprises, is that in the last four during a time of incredible growth in the city, we've had a very, very small number of design review case at city council. I think it's less than five. It's at least so few that I can't remember the last one before this one. That's to me is remarkable. And remarkable testament to both the quality of our design review standards, the good staff work being done by the bureau and good services being done by the commission. One of the things I worry about is the fact that many projects are having three and four hearings. Both for the fatigue of the commissioners and the time and cost to the applicants. Anyway, if the indicator of failure is lots of city council appeals, looks like we're doing okay. Secondly, one of the reasons I support this appeal is that I think one of the foundational assumptions about our design guidelines is that the first 30 feet of the building really matters a lot and it's where the interest for the pedestrian needs to be on I think the applicant did a good job of articulating the building in such a way improved by the design commission process especially about the retail spaces. So that's ground level presentation of this building to the community is a good one. I appreciate the good work that's done by the applicant and their actor and also by the commission. Although I like commissioner Novick is not here. I've always been a defender of public right of way. If the window is 3 or 4 stories up, I don't perceive innovation of right of way as it was in the first or second story. I don't think there's any significant danger to the integrity of the right of way created by this. Principle disagreement among people doing all great work. Aye.

**Fritz:** Just before you gavel us out, I want to thank you for working with the neighborhood association, very compelling when you get obviously that you made changes in it, in response to neighborhood as well as getting their goodwill. Thank you very much.

**Hales:** So the appeal is tentatively granted, appeal, findings will come back shouldn't be difficult to produce findings for this. I wouldn't think.

**Saltzman:** Possible to make this a final decision today?

**Hales:** I don't know if we need findings.

**King:** Findings right now reflect why the conditions, why those criteria are not met.

**Hales:** They need to change the findings?

**King:** Yeah.

**Fish:** You don't have anything over the next few days.

**Tim Heron, Bureau of Development Services:** Try beat the storm on the mountain right now. No. What we need to do, briefly discussed with the applicant before the hearing, I don't know that they have their own attorney to rewrite the findings. That's something that we can do. Going to take us at least a couple of weeks. Given the holiday. Given the decision of the commission, that doesn't affect the building permit issue. I'm certainly comfortable with that. Essentially, we would be looking for.

**Fish:** December 7th? That's the next Wednesday. That's the two weeks.

**Heron:** Two Wednesdays out. Yeah. Reasonable. I think we can do that. As a placeholder.

**King:** If staffs able to do that. Yes. We can help with that.

November 22-23, 2016

**Hales:** If they're on a schedule to proceed with the project, they could get foundation permits and proceed.

**Heron:** There's permit has we can let go and given the council direction and the only appellant fee and the applicant, I don't think we'll see an appeal at council's direction.

**Hales:** Not going up here. Okay. Thank you all. Thanks very much.

**Parsons:** For the clerk, return December 7th. Regular agenda.

**King:** Time certain.

**Hales:** It can be regular agenda. Yeah. It's a pro forma matter in this case. Thank you all very much. Let's move back to the remains of the day. That is, remains of our morning agenda. That we did not complete. And looking at my calendar in the file. Hang on.

There it is. Okay. We had a couple of items pulled from consent. I don't know how or by whom they were pulled. First was 1303. I'll let sue get caught up as well. Sue item 1303.

**Item 1303.**

**Hales:** I don't think we have -- we do have a presentation on this. Come on up, please.

**Fish:** Mayor who pulled this?

**Hales:** I'm not sure.

**Parsons:** I'm sorry. My notes are not available. Everyone here is present. We may not need a presentation.

**Hales:** I'm sorry. Did someone here, did you pull this? Did you want to speak on this item? Give us a brief presentation and we'll give you an opportunity to speak.

**Jason Loos, City Attorney's Office:** I'm Jason Loos one of the deputy city attorneys I started a few months ago not sure if I met all of you. This was one of the first projects I was given. Frankly. I think it was something that had been sitting around for a while.

Thought it would be a guide yeah for me to get introduced to the police bureau and meet some people. What this is just cleaning up. The section of code. Early 2000, I believe 2001 or 2002, the code was amended at the time it was amended, the safe keeping of property and prisoner property were left out of the code. The Portland police bureau through their evidence manager, Tyrel lee, had a procedure in place for holding and returning this property. They've been using that procedure this whole time. This is just codifying that procedure. It's not changing anything.

**Fritz:** Tell us what the procedure is.

**Loos:** Procedure follows the same as any other property for the most part. For safe keeping of property, that is typically happens when they get called, like a mental health issue and there's guns in the home. And the individual will ask that the police bureau take the guns until they the crisis is resolved. For safe keeping. So they'll hold on to those guns for 60 days. At which point, if it's not returned, or if they haven't come to get the property, after the 60 days, they'll destroy the weapons. Prisoner property similar. They have 60 days to come and get their property. This is something they have always done. And this doesn't change it. It just codifies it.

**Hales:** This code governs property that's been held or seized by the police bureau, not like the Multnomah county jail? They have their own procedure for when someone is book, right?

**Loos:** Correct.

**Hales:** This is just our police officers are for some reason seizing a weapon or other property, this is what's governing that?

**Loos:** Right.

**Hales:** we don't need any substantive changes in those, this is more clean-up?

**Loos:** This is just clean-up. Correct.

**Fritz:** the only changes are in seizure of weapons.

November 22-23, 2016

**Hales:** there was a bunch of material about weapons, but the simple statement now remaining, about seizing and taking possession of deadly weapons and then maybe disposed of by the bureau in a manner provided by law.

**Loos:** The weapons ordinance had been somewhat dated. If you'll note, before these changes it did have procedures for selling the firearms which is something that's city no longer does.

**Hales:** That's good.

**Fritz:** I suspect what others might be interested in is the previous part of regulations about what happens when other properties taken by the police. And how people can get it back.

**Loos:** Right. That hasn't changed.

**Hales:** Not changing. The language that's there is as it was.

**Loos:** Correct.

**Hales:** Other questions? Okay. Thank you, we appreciate it. Would you like to speak on this matter? Anyone else that would like to speak on this matter in come on up, please.

**Laura Vanderlyn:** I was arrested --

**Hales:** Give us your name.

**Vanderlyn:** I'm artist Laura vanderlyn. I was arrested on October 5 for, I don't know, no reason at all. You had me arrested here for, yes, you did. Had me arrested for trespassing in a public meeting. I was leaving and got arrested. And during that time, the police grabbed my phone, snatched it out of my hand and didn't identify themselves and pull me out. They kept my phone for 30 days. Over 30 days. I didn't get it back until November 16th. On your ordinance, it says that they will do their very best to get in touch with property owner, nobody got in touch with me. I had to keep calling. Keep calling keep calling. Keep calling. Keep calling. Keep calling. Keep calling. Keep calling. Keep calling. You take property. I was arrested another time for the same exact reasons. Same way that I was arrested here. At the public Portland building. My phone was taken. My bag was taken. Let me show you my bag. This is a backpack. It's take to another warehouse. It's not even kept with me. Portland does a thing where they let prisoners out, prisoners that have been arrested falsely and prisoners that have been arrested justly. They have this thing where they let you off on your own recognizance. They know immediately when they arrest you if they're going to release you on your own recognizance. Almost practically immediately. But they send your stuff away because they say they don't have any room in their property room. Both time when is I was leaving the jail, there is a man who sits in the cubicle that watches cnn. he sits back like this. Watching, watching cnn, watching cnn and there's no bags in that property room. Jail now, right?

**Vanderlyn:** Pardon me?

**Hales:** That's the jail?

**Vanderlyn:** That's the problem right there. All of this bureaucracy, how is someone supposed to get their stuff back? Stuff gets sent to another place. I'm going to be released. I was not released until after midnight. Open thing I got back the was my phone the first time. Everything else was taken. My car key, my money, everything was taken. And I am released after midnight. No transportation available for me to get home. That's just so like -- I don't know. For a city that reports to care about their community and safety, it did not seem the right thing do to people. Take their bags and send it to a warehouse not easy to get to and closes at 4:00 p.m. 4:00 p.m. People go to work. I mean, there's a guy that sits in there, in that room, you keep talking about not having any money, there's a guy who sits in that room for property that, there's no property there. There's no property. He gets paid I think over thirty dollars an hour. To watch cnn and do nothing. I was told they don't have enough room. What I saw twice walking through there, were empty, empty

November 22-23, 2016

shelves. One empty shelf after another after another. After another. This is not just housekeeping. You're crossing off an entire page of words. That is not housekeeping. I'm a good housekeeper. You're sweeping dirt under the rug. This needs to be looked at. Your property, the way you take property and what you do to prisoners is completely flawed and needs to be redone. What you're doing is not just housekeeping. You're not just cleaning up. You're not editing a word that's misspelled. You're taking off an entire, one entire page is completely crossed off. Every sentence is crossed off.

**Hales:** Let me respond to you. Raised some legitimate points here. Actually, I do think this is housekeeping because the part that's been crossed so all the old language about weapons. Nothing do with the kind of property you're talking about. It's property.

**Hales:** Let me respond. The way we deal with weapons is appropriate. You raised some legitimate issues. One, I think we've not made it clear to you or anyone else, sounds like we can do a better job about that, about what the county's procedure is at the jail versus what the police bureau's procedure is.

**Vanderlyn:** That's a copout.

**Hales:** They are two separate governments. I just like, you --

**Hales:** I'll trying to give you explanation.

**Vanderlyn:** I got arrested by the Portland police. Got arrested here.

**Hales:** We know. Thank you very much. Your time is up.

**Vanderlyn:** Excuse me. It is.

**Hales:** Your time is up.

**Vanderlyn:** It is.

**Hales:** You need to leave now.

**Hales:** I tried to give you some information.

**Vanderlyn:** Prisoner property. It doesn't say here guns.

**Vanderlyn:** Prisoner property. You take bags. Take property and you take it someplace else and I leave people devastated. I have a way to call somebody to pick me up but there are many people that don't. You took my phone for over 30 days. For no reasonable. I didn't get charged with a crime.

**Hales:** Let us respond. I think we can give you some help.

**Fritz:** I appreciate you bringing it up. I would like to get attorney back up to answer some of you are your questions. You're right. Because I heard about the letting people out at midnight from others as well.

**Vanderlyn:** I want to respond that you tell me that you didn't block me. I know that you block me but you do block a lot of other people.

**Hales:** Thank you. Could you come back up and respond to this?

**Fritz:** I'm concerned about the -- instead of having this whole page of procedure, all we've got now is the weapon may be disposed of by the bureau of police in a manner provided by law. How is somebody supposed to know what that manner of provided by law is?

**Loos:** Mayor and commissioner Fritz. Speaking with the evidence manager, Mr. Raleigh his concern was that the procedure has changed over time. And there's been times where the council has wanted to, for example, sell shotguns and rifles. And then there's been other times where they have wanted to not sell them. This just gives them both of which are legal, they can dispose of them, they can destroy them. Or they can sell them. So this gives them the option to do that without having go and change the code. Otherwise, if the council wanted to go back and change, in their mind again, we would have to do a whole code change. This just, by saying that they can do it in a matter provide by law, it allows you to give them direction without having to go through a code change.

**Fritz:** With all due respect, that doesn't tell me what the laws are. What's been deleted now it just says if it's unlawfully or used unlawfully it may be disposed of. What is being

November 22-23, 2016

deleted, found wasn't possessed incorrectly and should be released to the property owner and how do we go about doing that. When a weapon has been taken, not for the right reasons, how are they supposed to know how to get it back?

**Loos:** Get it back the same as any other property. There is a section of code in there in here for property and this one that was special for weapons, it was for the most part redundant as weapons are generally treated the same as any other property.

**Hales:** Let me make a suggestion. We heard the item. It's not emergency ordinance. Let me ask that police bureau and city attorney with a memorandum to the council that explain what is meant by maybe disposed of in a manner provide by law. Whose law, state law, our law. What does it say? Let's answer those questions. And then secondly, I would also like some clarification from police bureau and the county to respond to the issues that ms. Vanderlyn raised which is what is the procedure for property surrenders at the county jail, I think the person you were talking to is the person there. I don't know. Then what is the procedure for the city, where is that property stored? I think we could all use -- I don't know all of those details. I would like to know them.

**Fish:** Two things to that.

**Fritz:** Can I finish up what I was talking about. Yes, agree we need that because I've heard about others being released after midnight without keys without money I think that's really a concern. So can we find out what the process is please.

**Hales:** Police bureau. We can ask the police bureau to flesh that out with a memorandum. And decide if we want to act on this.

**Fish:** Two other things that I would like to, part of I think encompassed in what the mayor's request is. Drill down a little bit. If someone is arrested for a misdemeanor offense, so we're 99% certain they are going to be released, are they treated differently, why don't we treat the property in that case different than someone who is arrested pursuant to a serious felony where likelihood is they are going to spend the night in jail. Number one. Very valid point. If you come back and say 99% of the cases are under this kind of arrest, person is released, I think it becomes even more compelling that they can't get access to their property right whether the gentleman is watching tv or not, up to the county to figure out how to store it other than the warehouse. Second thing is examples that have been selected of a phone, phones are now actually pretty required. I was in New York and the first thing I got out of a cab and left my phone. My life flashed in front of me. Because we are tethered to our phone. And a wallet obviously money and keys. What about medicine? What if your diabetic being and have you some medicine in your bag. Is there a protocol where even if your stuff is stored, Asl. I would like to see, I would like to as drill down a little bit on those things that are not kind of discretionary things. Maybe part of your personal property. Less concerned if someone's book or extra pair of shoes or something. If it's an essential, and I think awe wall he, phone, medicine might be essential, I'm not clear of a misdemeanor why someone who has to jump through a hoop. Released at midnight, hours don't match available of ability of access to your property. We might not have direct control of this, let's get a memo that explains what the current situation is because we certainly have some influence over how this might be done in the future.

**Hales:** I'll make sure that happens. I'll direct the police bureau too produce that prior to next week's council meeting and make it public so people are interested in the subject can see if we've gotten answers on that question or not.

**Fish:** May I make a suggestion we have a holiday tomorrow and we don't have work on friday. Can we set this over to two weeks?

**Hales:** Sure. Make it two weeks instead of one. Good idea.

**Fritz:** I very much appreciate you raising this issue.

November 22-23, 2016

**Hales:** Thanks for raising it set this over to December 7th. Make sure get the memo well before that. Thank you. Let's move to the second item that was pulled which is 1307.

**Item 1307.**

**Hales:** Commissioner Novicks not here and I'm not sure why this was pulled.

**Parsons:** Lightning pulled this.

**Hales:** I don't believe he's here. Alright let's take a vote on this. Emergency item.

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

**Hales:** Okay. Regular agenda item 1309.

**Item 1309.**

**Hales:** Okay. Sergeant barnham was going to be here but now not able to be purpose of this, authorize us to apply for and receive these grant funds. Obviously, duii enforcement is very important given the rate of traffic violence that we have had in the city now, doubling the rate of homicide otherwise, falling statistics. So that's why this is before us and that's why it's an emergency ordinance. Let's vote, please.

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

**Item 1310.**

**John Bueler:** Good afternoon I'm John Buehler with the risk management office. This is an ordinance to settle a law against the city of Portland brought by Tinca Stoica. The lawsuit arises from arrest that occurred on august 5, 2014. Most of the facts regarding this event were not in dispute. Two Portland police detectives went to arrest Ms. Stoica on that date with a charge of hindering prosecution. According to the, two detectives, they asked to come out on to the front porch and she did so they advised her she was under arrest. When one of the detectives began to put hands behind her back to apply the handcuffs, she tensed up and pulled away. Detectives told her not to resist and she then placed her hands behind her back and detectives were not aware of any injury during the arrest. When she opened the front door to the detectives, one of the detectives grabbed her by the arm and then grabbed her right hand and twisted her right thumb injuring it. And she claims that she did nothing to resist the detectives. She through attorney jenny Clark filed a lawsuit against the city and against the two detectives. She claimed injury to her thumb including approximately \$9,000 in medical expenses. The claim included civil rights claim that with would have included attorney's fees if she was successful in the lawsuit. Risk management in the city attorney's office attempted early settlement efforts in litigation and were successful in reaching settlement of \$18,000 and both risk management and the city attorney's office recommend that this ordinance be approved. Thank you. Any questions? Thanks very much. anyone want to speak on this item? Ok let us take action. It is an emergency ordinance.

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

**Hales:** 1311, second reading.

**Item 1311.**

**Hales:** Role call.

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

**Hales:** 1312.

**Item 1312.**

**Hales:** Role call.

**Fritz:** I've learned that it's more complicated than I thought. I appreciate you amending it in this case and I'm told by Ben Walters its fine we're amending this case. Aye.

**Fish:** Aye. **Saltzman:** Aye. **Hales:** Aye.

**Hales:** 1313.

**Item 1313.**

**Hales:** Role call please.



November 22-23, 2016

**Fritz:** Aye.

**Fish:** I wish Steve was here because he would be making something of the fact that we've gone from a foot bridge over Burnside to marijuana and now a log jam. There must be some musical accompaniment to this. Aye.

**Saltzman:** Aye.

**Hales:** Aye. Got an excellent presentation by this. Had fun at the expense of government great expense of creating a log jam. Supposed to be getting rid of them. Aye.

**Fish:** I sold a house recently with a lot of deferred maintenance. Noted that living in that house for 20 years perfectly prepared me for public life.

**Hales:** 1314.

**Item 1314.**

**Saltzman:** I'd like this returned to my office please.

**Hales:** So ordered without objection.

**Hales:** Nothing left in the afternoon.

**Fish:** Can we take a second on thanksgiving greetings.

**Hales:** Let's do, please. I just want to say I'm thankful for living in a city with colleagues like you who work hard, right up until the holiday. To do the public's business. I've been putting an awful lot on this council calendar. I want to say thank you to all of you and I also just seeing these young people in this chamber, I am thankful to live in a city where the next generation of activists, elected officials and other good citizens, actually already showing up here. That's what's on my list.

**Fritz:** I also appreciate very much all the good things that we've done and especially this time, I know it's very important to be counting one's blessings instead of dwelling so much on the challenges and it's good that we're able to gather together as the family of Portland in our individual families and wish everybody a very happy thanksgiving.

**Fish:** Okay. Just add that this is the very busy part of your season made busier with very aggressive agenda mayor placed on the table. I would like to just acknowledge city workers working so hard to do their regular assignments, but also allow us to meet the demands of this council which have been significant and I wish everyone a healthy and happy thanksgiving.

**Hales:** Thank you all and to you as well. Adjourned until next week.

**At 3:24 p.m. council adjourned.**