



CITY OF
PORTLAND, OREGON

OFFICIAL
MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 10TH DAY OF APRIL, 2002 AT 9:30 A.M.

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

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Ben Walters, Senior Deputy City Attorney; and Officer Michael Frome, Sergeant at Arms.

Commissioner Hales arrived at 9:35 a.m.

Item No. 337 was pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

COMMUNICATION	Disposition:
<p>327 Request of Norman R. Garrison to address Council regarding traffic safety on Barbur Blvd. and construction noise and traffic problems on SW 10th and Jefferson (Communication)</p>	<p>PLACED ON FILE</p>
TIME CERTAINS	
<p>328 TIME CERTAIN: 9:30 AM – Confirm appointment of Ronald Sykes to the Portland Planning Commission (Report introduced by Mayor Katz) (Y-5)</p>	<p>CONFIRMED</p>
<p>329 TIME CERTAIN: 9:35 AM - Accept Report on the remonstrances to the proposed assessments for the Portland Streetcar Phase 1 Project Local Improvement District (Report; C-9963; introduced by Commissioner Hales)</p> <p>Motion to accept the report and overrule the remonstrances: Moved by Commissioner Hales and seconded by Commissioner Saltzman. (Y-5)</p>	<p>ACCEPTED AS AMENDED</p>
<p>330 Accept Report on the remonstrances to the proposed assessments for the Portland Streetcar Phase 2 Project Local Improvement District (Report; C-9984; introduced by Commissioner Hales) (Y-5)</p>	<p>ACCEPTED</p>
<p>331 Assess benefited property owners in the Portland Streetcar Phase 1 Project Local Improvement District (Hearing; Ordinance; C-9963)</p>	<p>PASSED TO SECOND READING APRIL 17, 2002 AT 9:30 AM</p>
<p>332 Assess benefited property owners in the Portland Streetcar Phase 2 Project Local Improvement District (Hearing; Ordinance; C-9984)</p>	<p>PASSED TO SECOND READING APRIL 17, 2002 AT 9:30 AM</p>

CONSENT AGENDA – NO DISCUSSION		
333	Contract for the annual supply of uniform body armor for a total maximum amount of \$1,400,000 (Purchasing Report - Bid No. 100948) (Y-5)	ACCEPTED
334	Vacate a certain portion of NE 15th Avenue, under certain conditions (Second Reading Agenda 306; Ordinance by Order of Council; C-9985) (Y-5)	176363
Mayor Vera Katz		
*335	Extend Legal Service Agreement with Cable, Huston, Haagensen & Lloyd for outside counsel (Ordinance; amend Contract No. 33228) (Y-5)	176364
*336	Intergovernmental Agreement with Multnomah County Department of Community and Family Services for use of Violence Against Women Act Grant funds to Encourage Arrest Policies and Enforcement of Protection Orders Program (Ordinance) (Y-5)	176365
*337	Apply for a U.S. Department of Justice, National Institute of Justice grant for Security Improvements to the Justice Center (Ordinance) Motion to return to the Commissioner of Fiance and Administration for no further consideration: Moved by Commissioner Hales and seconded by Commissioner Saltzman.	FILE FOR NO FURTHER CONSIDERATON
*338	Authorize Intergovernmental Agreement with Multnomah County on management of criminal and civil forfeiture processes and disbursal of assets and property related to civil and criminal forfeitures (Ordinance) (Y-5)	176366
Commissioner Jim Francesconi		
*339	Accept a \$20,000 grant from the Northwest Neighborhood Parks and Recreation Fund of the Oregon Community Foundation for essential tree care in Couch Park (Ordinance) (Y-5)	176367
*340	Amend agreement with Parsons Brinckerhoff Quade & Douglas, Inc. to include an expanded scope of services and provide additional compensation in the amount of \$15,649 for improvements for the Heron Lakes Project (Ordinance; amend Contract No. 33214) (Y-5)	176368

APRIL 10, 2002

<p>*341 Accept a \$75,000 grant from the Northwest Neighborhood Parks and Recreation Fund of the Oregon Community Foundation for year one of a two-year capital project to add a multi-purpose room to Hillside Community Center (Ordinance) (Y-5)</p>	<p align="center">176369</p>
<p>*342 Authorize Portland Parks and Recreation to contract with SERA Architects, Inc. for the O'Bryant Square Renovation Feasibility Study for an amount not to exceed \$60,000 (Ordinance) (Y-5)</p>	<p align="center">176370</p>
<p>*343 Authorize acceptance of an agreement to purchase property for \$52,500 owned by Benjamin and Iudita Clapa and located on SE Holgate Blvd. in the Powell Butte Area of the East Buttes Regional Target Area (Ordinance) (Y-5)</p>	<p align="center">176371</p>
<p align="center">Commissioner Charlie Hales</p>	
<p>344 Set hearing date, 9:30 a.m., Wednesday, May 1, 2002, to vacate a certain portion of SE Rex Drive west of SE 52nd Avenue (Report; VAC-10001) (Y-5)</p>	<p align="center">ADOPTED</p>
<p align="center">Commissioner Dan Saltzman</p>	
<p>*345 Authorize up to two grant applications for the 2002 Bonneville Power Administration Innovative Projects Grant program in the amount not to exceed \$200,000 per grant application for revegetation activities (Ordinance) (Y-5)</p>	<p align="center">176372</p>
<p>346 Adopt a Waste Reduction Program and enter into an Intergovernmental Agreement with the Metropolitan Service District so the City can receive Metro Waste Reduction Challenge Funds in the amount of \$236,168 in FY 01-02 (Second Reading Agenda 312) (Y-5)</p>	<p align="center">176373</p>
<p align="center">Commissioner Erik Sten</p>	
<p>*347 Authorize a \$72,950 contract with Planning and Management Consultants, Ltd. for consulting services to review and update the conservation element of the Regional Water Supply Plan as part of the Regional Water Supply Plan Update on behalf of the Regional Water Providers Consortium (Ordinance) (Y-5)</p>	<p align="center">176374</p>
<p>*348 Agreement with Portland Housing Center for \$110,000 to provide financial assistance to lower income home buyers and provide for payment (Ordinance) (Y-5)</p>	<p align="center">176375</p>

APRIL 10, 2002

<p>*349 Amend Omnibus Intergovernmental Agreement with Multnomah County by increasing the amount of HOME funds available (Ordinance; amend Agreement No. 33941) (Y-5)</p>	<p align="center">176376</p>
<p>*350 Consent for transfer of GST Telecom Oregon, Inc. franchise to Time Warner Telecom of Oregon LLC (Ordinance) (Y-5)</p>	<p align="center">176377</p>
<p align="center">REGULAR AGENDA</p>	
<p>351 Establish \$160,500 as the maximum price for a newly constructed single family house eligible for limited property tax exemption in a distressed area (Previous Agenda 316) (Y-5)</p>	<p align="center">36065</p>
<p>352 Amend City Code, Property Tax Exemption for Residential Rehabilitation and New Construction of Single-Unit Housing in Distressed areas, to carry out the recommendations of the Housing and Community Development Commission (Second Reading Agenda 315; amend Code Chapter 3.102) (Y-5)</p>	<p align="center">176378 AS AMENDED</p>
<p>353 Amend the Comprehensive Plan Map and change the zone of property at NE Sandy Boulevard and NE 165th Avenue from R7, Single-Family Dwelling Residential to R2, Multi-Dwelling Residential (Second Reading Agenda 253; LUR 01-00575 CP ZC) (Y-3; N-2, Sten, Katz)</p>	<p align="center">176379 AS AMENDED</p>
<p align="center">Mayor Vera Katz</p>	
<p>*354 Contract with KPMG LLP to perform an audit of the financial statements and a review of payments related to PGE Park and Portland Family Entertainment (Ordinance) (Y-5)</p>	<p align="center">176380</p>
<p align="center">Commissioner Charlie Hales</p>	
<p>355 Amend City Code Provisions for Special Traffic Control District and Permits (Ordinance; amend Code Chapter 17.23 and replace Code Section 17.24.100)</p>	<p align="center">PASSED TO SECOND READING APRIL 17, 2002 AT 9:30 AM</p>
<p>356 Amend Property Maintenance Code to conform to other code requirements, correct and clarify code language and remove archaic language (Second Reading Agenda 325; amend Title 29) (Y-5)</p>	<p align="center">176381</p>

APRIL 10, 2002

Commissioner Dan Saltzman	
*357 Authorize agreements for the conveyance of one property from Gerald Purvine to the Bureau of Environmental Services, subject to certain conditions being fulfilled, and authorize acceptance of deeds and payments of expenses (Ordinance) (Y-5)	176382
Commissioner Erik Sten	
358 Grant a franchise to Lewis and Clark College for a period of ten years (Second Reading Agenda 222)	176383

At 10:55 a.m., Council adjourned.

APRIL 10, 2002

WEDNESDAY, 2:00 PM, APRIL 10, 2002

**DUE TO LACK OF AN AGENDA
THERE WAS NO MEETING**

GARY BLACKMER
Auditor of the City of Portland

By Karla Moore-Love
Clerk of the Council

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

APRIL 10, 2002

Closed Caption Transcript of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

APRIL 10, 2002 9:30 A.M.

Item 327.

Katz: Mr. Garrison, why don't you come up. You have three minutes.

*****: Oh, yes, well --

Katz: Why don't you have a seat. Bring the mike close to you.

*****: Yes.

Katz: Identify who you are.

Norman Garrison, 1312 SW 10th Ave., Apt. 309, 97201: I am norman garrison. I live at the st. James apartments on the west side of that building at 1312 southwest 10th avenue, apartment 309, Portland, Oregon, 97201. And I am here today because I have been very angry since september, as you know, all the activity there, all the noise, all the disruptions, from 6:00 in the morning sometimes until late at night, all those projects over there, as you know, are busy. And it keeps us awake. It -- well, it's there. Anybody knows about it. And I know it's important. The west end development, you have all approved all of that, and I work out on barbur boulevard, across from the new les schwab building, and with all that traffic out there -- and they are running three shifts now at the market research company because we are calling all over the world, so you got about 150 people coming in and out of there all day and night. So, we have -- we take our lives in our hands just to cross barbur boulevard, and when the interstate 5 traffic backs up, you have got to go clear all the way around and underneath, you know, on the 26 -- they took that bus stop out at 26th and barbur court, the one down in -- they put it back up along the -- so, I guess my main focus today is just frustration and anger, and my inability to find somebody in the city government to address these concerns. I've been up to 1900 southwest 4th and i've been to the transportation department, and i've been to, well, your office just the other day. And I testified a couple of years ago about barbur boulevard, one of our people was hit out in front of the building. It's just -- traffic-wise, it has got to be one of first areas of the street. I know there's a lot of bad stuff in the city. I know that you have got a deficit and so on, but all I can say is, you guys have the authority, if anybody does, you know, I am just one human being, and I told a lot of my neighbors, I am coming down today, and they are all prayers and hopes and such are with me, so all I can say is, I am going to be voting in may. I love Portland. This is my town. I am glad you are here. Vera's truth, you know, dan is judge, jim is, you know --

Katz: Those are the meanings of our words.

Garrison: So you guys have honorable names, and you are -- you have the responsibility, so god bless you all and that's -- I have no other comments to make, so thank you.

Katz: Mr. Garrison, give me the address of the market decision.

Garrison: 8959, you know, it's right next to the old --

Katz: On barbur?

Garrison: Yes, between 26th and 30th. The les schwab, remember, they took that -- they messed around with that, well, it wasn't -- well, you know what it's like. I mean, no sidewalk, no crosswalk, just that flashing yellow light there for the -- we just have so much traffic. It's so dangerous. And when you have to go all the way around, like seven blocks, ten minutes to cross the street because

APRIL 10, 2002

you take your life in your hands, with about seven blocks there, and we have a lot of activity, mixed use neighborhoods, you know, so I am just --

Katz: Thanks. So, you have the responsibility, so --

Katz: All right.

*******:** And limited resources. Thank you.

Katz: Thank you. Let's take the consent agenda. Any items to be removed off the consent agenda? I have 337. Anybody else? Anybody in the audience wanting to remove a consent agenda item for discussion? If not, let's take a vote on the consent agenda.

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

Katz: Mayor votes aye. 337.

Item 337.

Katz: The bureau discovered or were informed by the justice department they can't use the resources for this particular purpose, so I will ask the council to have this returned to my office for no further consideration. Do I hear a motion?

Hales: So move.

Katz: Second?

Saltzman: Second.

Katz: Any objections? None, so ordered. Okay. 328.

Item 328.

Katz: I am going to invite mr. Sykes in a minute, but let me give you a snapshot of who he is. Ron sykes grew up in Portland, graduated from jesuit high school. Received his ba in economics from yale university and his law degree from notre dame. He was a prominent businessman in cleveland, ohio, chicago, and then decided to come back home again so, he's back home. And he led the development of the first minority-owned firm from criminal practice to civil practice. And has been a strong party for minority company. And we found him as he came back to Portland and I extended an invitation to him to join us on the planning commission and he said that he would, and now I would like all of you to meet him and ron, why don't you come on up and tell the council a little bit about who you are.

Ron Sykes, Appointee to Planning Commission: I think that was pretty good synopsis of who I am. I have always had a long standing interest in land use development and planning and being on this planning commission gives me an opportunity to have a practical impact on the development process, particularly the inclusion of everybody in the process, and like mayor Katz said, I have had an interest in minority development and one of my goals is to make sure that people of a lesser socioeconomic background are included in the planning and development process.

Katz: Thank you. Questions? Well, welcome aboard. We are going to vote on it as soon as we are finished with the vote you are formally a member of the planning commission so get to work.

*******:** Thank you. [laughter]

Katz: All right. Anybody else want to testify? Roll call.

Francesconi: Mr. Sykes, you sound perfect for what not only the planning commission needs but the city needs. Mayor, congratulations on this selection, aye.

Hales: Thanks for your willingness to serve. This is a huge volunteer job, so it's a big commitment, and we appreciate it. Aye.

Saltzman: Thank for you stepping up to the plate. We will be relying on your advice, city tremendously, aye.

Sten: Glad to have you, aye.

Katz: Welcome, ron sykes, and the work is cut out for you. Aye. All right. Do you want us to read all of them at the same time?

Hales: Might as well, right. All through of those at once.

APRIL 10, 2002

Katz: Some of them go to second and some we will vote on right now. All right. Let's read 329 to 332. Remonstrances remonstrance.

Items 329, 330, 331, 332.

Hales: And I think that we should at least put the amendments on the table, right so, there are amendments which have been distributed to the council on 329, with the corrections, there we go. And I would move the amendments.

Katz: You made some changes in the assessments?

Hales: Right.

Katz: All right. Any objections to bringing the amendments and adopting the amendments? Any objections on the amendments? Hearing none, so ordered. All right.

Hales: Okay. So, um, vickie, are you going to make the report? Okay.

Vicky Diede, Office of Transportation: Good morning, vickie diede with the office of transportation, the city's project manager for Portland streetcar. First of all, the report to council on the remonstrances to the phase one project. Let me get the right one in front of me. On phase 1 we succeed remonstrances from 30 of the property owners in the district, and those 30 property owners, own 46 parcels. They represent a total of proposed assessments of slightly -- of almost 228,000, which is about 2.8% of the total assessed for the entire district. Before I talk about or answer any questions about the objections that we did receive, I wanted to just do a brief recap on the methodology of doing the assessments. First of all, phase one, there is an amount for the lids, 8.32 million. 10% of that total was apportioned according to front footage, and the balance of it, the other 80% was apportioned with several different factors. First of all, the proximity to the line, there's the zone "a," which is properties within 200 feet after street was streetcar track and zone "b," the other properties in the district. And zone "a" rates are twice the rates of zone "b." in addition to that, we also looked at the principal land uses of the properties in the district, and the highest rates are for the regional institutions, which by the petition and the creation ordinance are defined as Portland state university and good samaritan hospital complex. The next highest rate was for commercial properties, and then the third highest rate was for local institutions, industrial properties, and residential multifamily. So, it's a methodology to get to varying degrees of benefit, depending on distance and use. The petition and the creation ordinance also called for us to use true market value as the, as established by the Multnomah county assessor at the time that we do the assessments, which was actually the 2001 tax rules. The categories of objections that we received, and they don't all add up because there are multiple objections from some of the property owners, had to do with no benefit. The recognition, however, is that the benefit accrues to the property, itself. There were issues about cost, about being burdensome, and we do, of course, have the opportunity through the auditor's office to finance those assessments over 5, 10, or 20 years. There were some questions about the methodology of the distribution of that methodology, and in doing a couple of these, we did find some properties where we had the land use incorrect. We made those corrections in the original report, and I missed one, and that's what your amendment is. In addition to that, there were -- there was confusion about nonprofit status about whether or not they were assessed and they are in this local improvement district, all it be at a lower rate than the other properties. And questions about why we use real market values as opposed to assessed values, and again, it's the only really good comparable data that we do have. Additionally, there was some concern about process. About notifications and how we went about that. And I think that we went over and above what the code calls for in doing the assessments for the district. So, the recommendation is that with three properties where we had land use corrections, that we make those corrections and that the balances of the remonstrances be set aside.

Katz: And that's both for phase one and phase two?

Diede: In phase two there were no remonstrances.

APRIL 10, 2002

Katz: All right, thank you. Questions of vickie? You will get a chance to testify. You are not going to question vickie. You are going to talk to us. All right. Let's, let's hear the public testimony now.

Saltzman: So there are no phase two, just phase one remonstrances.

Katz: And we amended, further amended --

Diede: The amendment you have?

Katz: Yes.

Diede: Amended the report for phase one. Yeah. 8.

Moore: John crowell, jr., daniel schwoerer and mike mccloskey.

Katz: Come on up. Three at a time.

Katz: Since many of you have not been here before, there's a little clock. You have three minutes, and when that rings, it's, it's time to end your testimony.

*****: I assume we each have three minutes and it is not divided among u.s.

*****: You are each invited to testify for three minutes. Why -- just -- you don't need to tell us where you live, just identify your name.

John B. Crowell Jr., 1185 Hallinan Circle, Lake Oswego, representing First Presbyterian

Church: I am john b. Crowell, jr. I am here representing first presbyterian church, which is inside the local improvement district. The church has received three notices, one involves the, the actual church sanctuary and parrish hour, the other involves the julia west house, which is on the northeast corner of 13th avenue and alder street, and the third one is applicable to the alder house, low income apartments. The church owns the, the ground underneath alder house but it's subject to a long-term ground lease to downtown community housing, one who actually built alder house some years ago. All three of those have been subject to the assessment. Want to say simply that we have an interest in low income housing as well because we leased the danmore hotel, which the church owns on the south half of the block where the church is situated. To central city concern rent-free, and central city concern, of course, uses it for low income housing, so the church has a vital interest in low income housing, having two such structures on property that it owns. First I would say on behalf of the church, itself, and the assessment directed to the church sanctuary and the julia west house, that we believe that the assessment is pretty stiff for the amount of benefit that we can anticipate getting from the streetcar improvement. We think it is very slight benefit and consequently, that there ought to be a reconsideration given to the possibility of exempting not only the first presbyterian church, itself, but some of the other churches that might be caught in the district, as well as other nonprofit institutions, which are in the district. It may be appropriate to associate or to assess low income housing, but that can only mean that the residence of such places have to pay a higher rent eventually, even though they may be a substantial user of the streetcar line. So, our suggestion is that the council give some further consideration to the possibility of exemptions, partial exemptions arrest or reductions in the rate charged to churches and to nonprofit organizations. Thank you very much.

Daniel Schwoerer, 360 NW 13th, Bullseye Glass Co.: Good morning. My name is daniel. I represent bullseye glass company. We own a building on the corner of northwest 13th and everett where we operate a glass gallery. And, and the objection I have is the inequities I see in the true market values of the properties. Our building is occupies a quarter of a block and is a two-story building. The wieden + kennedy building across the street occupies a full block and is a four-story building. Our assessment is \$4,642. Their assessment is \$11,500. A little more than twice. And I think it -- it stems from their real market value, our real market value is, is approximately \$2.1 million and theirs for that full block, four-story building is \$5.2. I don't think that's pretty -- that's very realistic. And hence, the evaluations are too low. So, it brings the question, in mind. I am an advocate of the streetcar. I believe in it. But I think the, the apportionment of that, of those costs

APRIL 10, 2002

needs to be realistic and fair. So, that means that the real market assessments need to be fair, and I think in this case, there isn't any question that the wieden + kennedy block square building is worth more than \$5 million. And without looking further, I would just ask that this be reviewed before the assessments go forward.

Katz: Thank you. Let me ask vickie, when we hear all the testimony and it's completed, come back and respond to each one of the issues you have raised.

Francesconi: I could ask a facetious question, which would be, are you asking us to lower yours or increase theirs? But I won't ask that question. Is yours worth \$2.1? Your property?

Schwoerer: I would be more than happy to sell it for \$2.1. Or I would sell half of it for \$1, all right, but --

Katz: Thank you. Go ahead, sir.

Mike McCloskey, 930 NW 14th: My name is mike mcclousky, and I own property on 930 northwest 14th. That has been the disaster area for over 2 1/2 years in our area. We are the warehouse next to the lovejoy bridge that took almost a year to go down. We had over 40 some thousand dollars worth of damage in our business due to the vibration. We had to sue the construction company that did the sidewalks in front of our building, due to the fact that one of the subcontractors went broke. I am in favor of the streetcar. I think it's great for the city of Portland, and I have nothing against it. I just don't want to pay for all of it. We've been assessed \$9,000 some dollars for ours. We own a quarter of a block. It is on the streetcar area. Most important thing about the whole assessment that we won't have one customer use that streetcar. We're a wholesale warehouse. I guess the question would be, why did we build there? In the Pearl area. 25 years ago, there wasn't necessarily a Pearl area. Now we are being assessed \$9,000 and some, which probably is the highest along through that area. I would like to have somebody look at that, considering lowering it, and we would be happy and pleased. Thank you.

Katz: Thank you. All right. Thanks, gentlemen.

Katz: Do you want to start.

Jim Milne, 1312 SW 16th, represents First Presbyterian Church: My name is jim and I am here on behalf of first presbyterian church, and adjacent properties that it has ownership and control over. Basically, the church has been taken the initiative in low income housing, and as mr. Crowe said, the danmore hotel has been leased out for low income housing, rent-free properties, which is worth half a million dollars to a million dollars. We feel the church's contribution, which is recognized in a regular taxing process, as being tax exempt, the same principal should apply to it in an assessment of this nature.

Nora Lehnhoff, 1300 SW Washington, Depaul Treatment Center: My name is nora, and I work at depaul treatment center and I am here on their behalf. Depaul runs an alcohol and treatment program and we are located between 13th and 14th on Washington. We received the assessment out of the blue, and for a nonprofit agency that does their budgeting a year in advance and is dependent on both state and county funding, that's a substantial hit for us. Not to be able to plan. Part of the difficulty that we have with it, and again, I support the streetcar thing, it's great. And public transportation, in general, but our clients really don't get much benefit. They tend to walk in or drop in or, we go out and get them, but, or somebody else brings them, but it isn't, it isn't something that we derive benefit from, or also, we are two or three blocks away from the line, itself. Being on 13th and 14th. Also, we never received any notification except a notification -- a couple of -- a year ago summer, saying that construction was going to begin not something prior to that saying we were placed in a local improvement district. We were never asked to vote or sign a petition or -- and when I called, I was told that it was based on a petition of 50% of the property owners in the district, and I would be curious about who and where those 50% of the property owners are given that we own a whole building downtown and never heard anything about that until

APRIL 10, 2002

we were told that the construction was beginning and that we should watch out on 10th and 11th. The other thing I just want to ask is, if there is a way to make a distinction between nonprofit agencies and businesses. There is distinction made between owner-occupied residential, in terms of assessment in the area, and is there some way to factor in the nonprofit agencies that serve people in the local improvement district.

Katz: Thank you. All right. Thank you.

Francesconi: How much was it?

Lehnhoff: Almost \$3,000.

Katz: Okay. Anybody else?

Katz: Go ahead and start.

Norma Willis, 1035 NW 14th, 97209, Fulfillment Corporation of America: Good morning. I am norma. I represent fulfillment corporation of america. It is in the pearl district between lovejoy and marshall on 14th avenue, 1035 northwest 14th avenue, and I was wanting to understand better exactly how fca is going to benefit from the streetcar and why the assessment is so high as a result. But, I don't perceive we are going to receive any benefit. We are completely a business, a business entity. We are not going to have any customers come in off the street that we could enjoy possibly obtaining additional revenue. The assessment is over \$20,000. And that seems excessive to me, considering the benefit that we might -- excessive to me, considering the benefit that we might possibly receive from being on the streetcar line.

Donald Jensen, 1111 NW 16th, 97201, Bridgetown Coffee: I am donald jensen. I own bridgetown coffee, property on 11th and northwest 16th. First of all, I am a very strong supporter of the light rail and this program. However, again, I am along with certain other neighbors, asking clarification of which vicky just did, on how the assessments were done. My concern is that basically, we will pay this assessment, but we would like to know why the trolley barn has to have the city -- or the street southwest marshall -- northwest marshall closed. It is totally ludicrous, that we have had all this turmoil for over two years, now they wish to close it permanently, we just want to know why.

Katz: Okay. Thank you.

Roger Madden, 10862 SE Idleman Rd., 97266: Yes. My name is roger madden, and I represent northrop investment. We own the building between 13th and 14th and norththrop, oldest building down there, 110 years old. My contention on this -- we were assessed originally and I thought that that was our assessment and then we get the additional assessment and I am wondering, I feel that the streetcar is a good thing but I feel it is very inefficient, very poorly run, very poorly collected for, and I thought it was supposed to be a self-sustaining thing once they got it going. However, they don't even collect the fares, and a lot of people get all five blocks before they -- where they are collecting fares in two areas and walk, rather than pay. I think that this ought to be monitored and I think that things ought to be -- try to be improved so that they don't run such assessments. Thank you.

Hales: Any more people? Thank you all. We will get vicky back up to respond to these issues you have raised.

Katz: Okay. Who wants to start?

*******:** I will.

Katz: Grab a mike.

*******:** Good morning, folks. I am a small business owner --

Katz: Identify yourself.

Carol Verber, 526 NW 13th, 97209, Place In Time: My name is carol, I am the proprietor of a small business, a place in time, located on the corner of northwest hoyt and 13th. I had submitted my objection to vicky for a couple of reasons. The streetcar, although I think that, in theory, it is a

APRIL 10, 2002

good thing, and it certainly is wonderful for Portland, has actually decreased the number of walk-in customers in my neck of the woods. I now -- it has had a real negative consequence on business, which is already poor, but it's gone from poor to poorer. I was never apprised of the fact that this assessment was coming down the pike, as I have heard from other people this morning, and I am just hoping that the council will reevaluate this assessment for small business people, because after all, if the businesses can't survive and we go out, which I see my neighbors leaving every day, people are just going belly up, we won't need the streetcar. So, I think it's in all of our best, best interest to work together and try to work out a win-win plan so that, I mean, if we continue to be taxed for every time we turn around, I won't be able to stay in business, and I know several people in my neighborhood will not be able to, so I am hoping that you will look at this and work with us so that we can, we can all win and small business will be able to survive. I find that it just seemed very, very excessive to me, and I wish that I had known about it sooner. Thank you.

Teri Landtiser, 2007 NW 16th: Hi, I am Terry. I work for Harold Buhl. He owns two properties on 16th and 17th and they are affordable rentals so what they are. And he couldn't be here so he asked me to read a statement for him. The city of Portland has indicated that the streetcar improvement would be an asset to local business, property owners, and the owners would be required to share in the cost of the project. There has been no benefit to our property rental business. Both our commercial, both of our commercial rental tenants were hoping for an increase in store activity and none has occurred. One business recently closed and the other has given notice and will be closing due to lack of clientele. Our rents have not increased, however our apartment rental vacancy rate has remained the same, no benefit has been enjoyed by having the streetcar in our area. So, we can't blame the, the, the loss of public, well, we haven't raised our rent so, we should be maintaining or getting more benefit, more people coming into our apartments and our commercial spaces but they are not. Construction of the trolley tracks caused multiple sewer line backups through our properties. The city reimbursed us for cost associated with the backups, but many man hours were wasted and there was much inconvenience to our staff and tenants. The streetcar project was a detriment in that respect. The closure of Marshall Street between 15th and 16th for the streetcar storage area is an inconvenience to our business and to the tenants in our locales making it more difficult to get to their apartments. In addition we are wondering when the Broadway bridge ramp will be opened.

Katz: Thank you. What's the name of the businesses on 13th and 14th that you are referencing?

Landtiser: 16th and 17th, Buhl.

Katz: No, you said there was some --

Landtiser: Oh, "all in the hunt," and "boxcar Bertha."

Katz: Thank you.

Barbara Longaker, 526 NW Marshall St., 97209: My name is Barbara Longaker. I apologize in advance, I have quite a cold. In 1999, I purchased property at 1639 Northwest Marshall, although the streetcar project was well underway it was never mentioned that as a property owner, I would be assessed for being in what they call a local improvement district. I have since received notice that the improvement is now complete and somehow, although it doesn't run on the street where I own the property, that my property benefits from the streetcar, as opposed to the buses. Therefore, I am expected to pay. Since the streetcar has started running, the new proposal is to permanently dead-end Marshall at 16th Street. We have had no opportunity to speak on this matter, and it is not in the best interest of my renters, which is a small retail business that does internet business, as well, to have a street leading to and from their business, especially as you are assessing on the very fact that the streetcar is an improvement to my property. They are closing the street in order to store the streetcars. Now, how, you want me to pay for that, you are closing off my street, shuts down my little business. Across the street on the corner of 16th and Marshall is a bar called "Cal Sports." in

APRIL 10, 2002

the recent past there has been drug activity. Methamphetamine, both in the bar, itself, and in the apartments that are rented above it. Just last week there was a shooting there. At the corner. You only invite more activity of that kind, which devalues my property even further if you close down a street that dead ends at i-405. I have been informed that I may be assessed more than I will be assess -- I will be assessed more but notified first and then I have a possible credit from a pro rated share included in the city, tsdc budget and that for just 10% fee, you are willing to apply this to my final assessment. On one hand you say that the streetcar enhances my property, and on the other hand, you want to close my street for the streetcar. How can you assess people on marshall street that kind of money and then close their street over the same issue? I don't understand how this small retail business that rents my property benefits from this, so far, for the city, alone, we have had to put a bike rack in, which is mandatory, nobody comes on a bicycle to this business. The business already pays tri-met taxes, and the streetcar assessment is an extra burden. Thank you.

Katz: Thank you. Anybody else want to testify on this issue? Come on up. Go ahead.

Zack Longaker, Oddball Shoecompany: Good morning. My name is zack longaker. I own the odd-ball shoe company on corner 17th and marshall. You just heard from my mother. All I can say is please open up the street. That would be great. I have left numerous amounts of messages for miss diede in the last couple weeks in regard to this matter. I don't understand if this assessment goes up, my rent will go up which will hurt my business. I strive on Portland. I have been written up in national papers saying how great Portland is. Close to the hotels where nba players can come to my store. My customers can't get to my store with marshall closed, so therefore, the assessments, this doesn't make sense on the people of marshall street. Thank you.

Katz: Thank you.

Dale Pierce, TMT Development: My name is dale pierce with tmt development, the fox tower is the most prominent property we have in downtown Portland. My consideration here is that when this was originally brought up in '98, we were evidently, and I didn't receive it, from you I guess somebody in our office did, we were sent an estimated property evaluation for there, and the tax would be based on that, it was about \$7,000. Reality comes about in 2001, and the assessment comes back, and we have got a \$232,000 assessment. I think at the time in '98, that property was already under very many, and if an estimate was going to come down it, might have been a little more realistic at the time. Probably the other property owners here that are testifying right now can be thankful that this is based on a prorated basis and we are picking up a larger share than anticipated in '98. Which is probably offset theirs a little bit. But if, things like that in the future are going to come about, I would say that whoever is doing the studies, take a look at the properties and try to be realistic about when the property values come about and the assessments are made as to what they will be. Take a jump from \$8,000 to \$240,000 is a considerable jump. Thank you.

Katz: Thank you.

Saltzman: You said your property was under development in 1998?

Pierce: Yes, the fox tower, I object, started right about that time.

Saltzman: The real market value of that property would have been considerably less than in 2001.

Pierce: It would have been but considering what was proposed to go in the property, I would anticipate they would have had some comparison evaluation there somewhere.

Katz: Anybody else? Okay, vickie. Come on back. And answer any questions.

Diede: Vickie, office of transportation. Starting with, with the gentleman representing the, two gentlemen, actually, representing the first presbyterian church, there is recognition within how we figured the assessments within the district for nonprofits for people who are providing houses. For example, properties in zone "b," which is where theirs is, the rate for like the regional institutions is

APRIL 10, 2002

like 5.9 per thousand total value, and the commercial uses 2/.2125 and the local institutions are 1.4750.

Hales: There's already a rate differential --

Diede: For those particular uses. In addition when I was investigating the letter from mr. Crowell we found one property that had a land use designation of commercial and we change it had to residential in the final assessment, that will reflect that reduction in the assessment amount.

Saltzman: So, for properties not paying property taxes, they do have a real market value that we are assessing them on?

Diede: Yes, yes.

Hales: And it's traditional that we charge lid assessments to nonprofit and I mean, psu, for example, is also a nonprofit institution, but we do have -- I had forgotten that we have a rate differential built into this structure is we have the authority to have a different rate, but it's traditional to assess all properties for the improvement, even though they are exempt from general property taxes.

Katz: I am curious, how did you get the number on the church since nobody ever assesses the property?

Diede: It's from the Multnomah county records. They have a real market value on all the properties --

Hales: Whether they pay taxes or not.

Katz: Really?

Diede: It gets updated yearly, I believe.

Katz: Okay.

Diede: Which is the issue, too, of the 1998 values versus the 2001, with the change in the use and the property going into place. And we really need to have one place that we go and do this so we have good comparable data that's in one -- you know, a snapshot in time when we did the creation and then now, so.

Francesconi: So, let me ask you -- is there any authority -- do we have any discretion to give them a bigger break without upsetting, you know, treating -- being unfair to somebody else? Who doesn't get the break?

Diede: Since the, the -- it's a capped lid at 8.32 million. Any reduction in assessment for one property, we will need to do a recalculation and it will increase the assessments for others.

Francesconi: Okay.

Diede: Next, the gentleman from bull's eyeglass talking about the inequity in the true market values, he's right. As snapshot in time when we take, when we get the data from Multnomah county, and different buildings are in different phases. They may have been built, but they may not have been revalued. We have got, for example, the brewery blocks, I mean, their assessed value now will be different than what it will be in the future. Some of these new projects coming on, of course, will be paying into the transportation systems development charge project, and, you know, that's how we get our credits for this -- for the assessed properties in zone "b," or, I am sorry, in phase one. So, happens, and again, it's -- we --

Hales: That's what caused the differential with the wieden and kennedy, it was when it was assessed -

Diede: Yes.

Hales: I was trying to understand that. The fox tower situation is more obvious, either old buildings or bare ground at that stage in construction, so a proposal can't be assessed by the county for taxes but the building can. So, that one I understand. But, I didn't understand the wieden --

APRIL 10, 2002

Diede: That's -- same case, yeah. Mr. McClosky, his property, one, he has front footage, he's in zone "a" and it's a commercial use so it's rate that's higher than anything except for the regional institutions, again, the benefit accrues to the property, not the exact activity that's going on today.

Saltzman: Is there an institutional assessment value or just institutional and commercial are together in.

Diede: Commercial, its regional institutions, next layer down is commercial, and the last layer includes the local institutions, multifamily residential and industrial properties. They are all at the same rate. That's the hierarchy.

Saltzman: I understood his can is a warehouse?

Diede: It's a commercial enterprise, own the commercial and indicated as commercial use on the county records.

Francesconi: So the theory as a commercial property would benefit more from the streetcar than others?

Diede: Right.

Francesconi: And we didn't differentiate between the kinds of commercial properties? So, a warehouse that would not benefit, we didn't make any differentiation?

Diede: No.

Francesconi: Did we consider it or --

Diede: It's pretty tough to do without, you know, probably going and visiting every single property and again, because the benefit accrues to the property, we looked at, you know, what the county says the zoning is for that property, and what it's use is. So, we kept it pretty simple, otherwise, we are going to get into terrible inequities, I am afraid.

Diede: From the depaul treatment center, again, she does have the lowest rate being a local institution, and she's in zone "b" with no front footage. That rate has been -- or that use has been taken into consideration. As far as the notification of the, of the -- during the project, back in '98, before we did the initial petition and came to council and did the resolution of the creation ordinance, there were petitions that were sent out by Portland streetcar, inc., their lid committee to all the properties in the proposed district, and in addition to that, when we did do the, the resolution of intent, there was, again, another notification that was given. At the time, you know, again, we did a preliminary assessment based on the 8.32 million for the district and did the same rate kind of structure, and that's what was used. With the proviso that when we did the actual assessment, you know, we needed to refigure all of that. And in fact, I believe in zone 1, that, that the total value of the land and the improvements, all those doubled. Our rates came to almost down by half. So, again, it's the cap, the 8.82 million that helps us set the rates.

Hales: So every property owner has gotten three notices, at least, the original one from Portland streetcar when they were proposing the lid. One from the city when the lid was --

Diede: Formed.

Hales: Was brought to the council for the formation and one for the assessment.

Diede: Right, in addition to that, there was -- an additional mailing that went out to all the residential and commercial properties as we were doing the residential exemptions.

Francesconi: Did we tell them three times how much their bill was going to be in.

Diede: We tell them the primary assessment at the time of the formation, and then the proposed final assessment notice that went out now.

Francesconi: So her testimony that she didn't get notice of the 3,000 until recently, is correct for her personally but not the organization?

Diede: I mean, that may well be exactly what happened.

Francesconi: Okay.

APRIL 10, 2002

Diede: The next woman, I think her name was norma willis, and I missed the property. do you have that? Is she still here?

*******:** Multnomah county corporation of america.

Diede: And what's the address?

*******:** 1035 northwest.

Diede: Northwest 14th? Okay. That is one property I have not checked. And without some further information, I mean, I can do that to make sure that the math was done correctly according to the, how we did the assessments, and the formulation of that. Next northrop investments and jump to bridgetown coffee and longaker and oddball shoe because they all kind of sit together. The gentleman from northwest investments, indeed in, 1998, his preliminary assessment was calculated at about \$5,000. And his actual assessment or the final proposed assessment is, I think it's closer to \$11,000. The primary reason behind that, there was a zone change on the property. I believe it was back last september. All the properties that used to be ig-1 north of lovejoy are now exd, and by our definitions in the petition and in the creation ordinance, the property no longer has an industrial use and therefore it, has a higher rate. That's part of it. The other part of it is just the increase, the appreciation in the property and improvement values. Looking at the whole issue of marshall avenue, we are getting a -- getting a couple of projects confused and then I want to tell you about a process that we are trying to resolve all of it. When the lovejoy ramp project was put into place, the section of lovejoy and marshall happened as a result that far project. As you recall when you came off the ramp before you had to go over to marshall, I think from like 14th to 19th, it was one way and then switched to two-way and lovejoy was the other way, that was all changed with the lovejoy project. And during start-up and for several months after, we had -- we have closed northwest marshall between 15th and 16th. I do not believe it adversely affects the ability for people to, to get to any store in the district, especially since lovejoy and marshall are two-way streets. We reopen it had temporarily during the christmas season, and for about another month or so after that, we have closed it again, that one section, and we don't know -- I don't know if we are going to make it permanent or not. We have formed a lovejoy northrop task force to help us, which is people from the neighborhoods to help us assess that whole situation, and we have added other folks to that task force, including the businesses around, that are impacted the most directly right there, and in fact, we have a meeting scheduled for april 17th.

Saltzman: Does that include the businesses that testified here?

Hales: And just -- people may not be familiar with this one. A quick summary of why the closure has been, has been employed at least temporarily and again, without sort of bias as to whether it's a good or bad idea for the future, why, why have --

Diede: It's, the maintenance facility, there's only room for two cars inside the building as you work on them. The rest of the cars live across marshall on the other lot, on the track, underneath the freeway ramp, and we have to move those cars back and forth, and that movement can be -- a lot of them happen at night but that also turns out to be the most dangerous time for the movement to say happen so that's why we closed it to get the cars across. We are not storing them there. It's for actual movements.

Hales: How often does that occur?

Diede: Several times a day. We kept that one block segment open for, for bikes and peds, but we have not let cars through there yet, and we would want to work with the task force and businesses to see if this is something that we could or should do permanently in the future or just not going to work and we will have to figure out some other operational issues.

Hales: I think that we have a number of options here, and I will tip my hand a bit. I think that we have options that allow us to keep the street open, and my bias is towards those options.

APRIL 10, 2002

Francesconi: I appreciate you saying that because we have required others to do it. So, I appreciate that, commissioner.

Katz: Especially if you open it up during the holidays that, means you have realized that there may be a negative impact during that period of time. That means probably there's a negative impact all year long.

Diede: And we will certainly consider all those options.

Hales: This Portland streetcar operation, are very creative and clever people, and I am sure clever and creative people will come up with a solution that doesn't involve closing the street.

Diede: Okay. The next one was carol veber from "a place in time." I have already talked about what the notification process was. Should -- and I don't know exactly when she bought that building, so there may be a disconnect in that particular circumstance, but for both her and miss longaker when they purchased property after 1998, a title search that I am assuming would have been done by their escrow company would have shown a proposed lien against the properties because after we do the, the creation ordinance and we have got preliminary assessments, all those are filed against the properties at the county. And then when we go through the final assessment now we will go in and you know, change those and if people, you know, pay in the 30 days, we will get them off the property so, --

Saltzman: Those would have been filed in 1998?

Diede: Yes, when they installed the properties. And then I believe this was a woman who was talking about affordable housing, and again, our rates do, do recognize the differences in use, and those lowest rates are for the local institutional, residential, multifamily and industrial uses. Mr. Pierce from the fox tower, indeed, at the time when we did the, the creation ordinance, the Multnomah county records and our calculations said, here's the preliminary assessment, and then recognizing that something was going to go into the ground, but again, we indicated in the petitions and everything else that, you know, the final rates would be based on the real market value as established by the Multnomah county assessor's office at the time of assessment. And that's where that is.

Saltzman: Just on that, I am trying to understand if a property goes from an estimated 8,000 to over \$200,000, does that benefit to the other property owners? Does that apply only to other commercial property owners or --

Diede: It benefits the entire district.

Katz: It pushes down everybody's rates.

Diede: The increase -- the new development that comes online, as well as the, the, the increase in the value, total values for the properties has an impact on all the other properties in the district.

Hales: Will that continue to happen or does that stop it?

Diede: The assessments or a one-time deal.

Hales: Once the assessments are frozen, that --

Diede: We are done. It's over and done with, yes.

Katz: Just one add, it's a one-time, and so in terms of the renters of any of these buildings, feeling an impact for years and years to come, that would not be accurate?

Diede: Exactly.

Katz: Are there questions from the other council? Do you feel -- I went over and asked vicky if she felt comfortable, us acting on the reports today since 331, 332 goes to second if she feels that she has to review any one of these assessments.

Diede: I mean, there is the one, as I said all the other people who have been here, we have talked on the phone or we have gotten written responses from them, and I have checked all the numbers and found those three errors. I will -- I lost the name again. Miss willis, I will get specific property

APRIL 10, 2002

information and I will check that one to make sure it is right. If it is not, I will correct it. But other than that, I feel confident about the reports and the assessments.

Francesconi: Actually, I have one other question so you explained why we couldn't reduce some rates because then it would raise others, is there a way that, you know, circumstances where people say they never were notified, and is there a way that we can do any payment schedules or not charge right now? To lay it, to delay it over time to help people that got a bill?

Diede: Well, when the final bills go out, property owners have a couple of choices. One of those choices is to pay it in 30 days and accrue no interest charges. But the other thing that they can do is they can choose to finance it over time. The terms are five, ten, and 20 years, and it's the city's, I think it's their bonded rate is the interest rate that is applied to that. So, there are provisions to do it over time. But, I mean, I don't know that we can mess with the process after we do a bill.

Francesconi: I guess I would like to you look into it, at least with st.Vincent depaul.

Hales: The payment over time might work better, than a single lump sum payment.

Diede: But, I mean, there's -- we know when things went out, I mean, I think we personally touched every piece of paper for the 2000 accounts a couple three times.

Katz: Okay.

Katz: Thanks, vicky. All right. If the council feels comfortable, we can overrule the remonstrances and accept the report. We can do that today. We can do all of that, including 331 and 332 next week. So, it's up to you.

Hales: I am prepared to make a motion to take on that today on the report. Obviously, the assessments come back on second reading and if there is anything that needs to be changed, we can amend that then, it gives her a week to check into any of these particulars about individual assessments, but on the overall question of accepting the report and overruling the remonstrances in order that the assessments can be collected I am prepared to make that.

Katz: Why don't you do that on 329.

Hales: We accept the report and overrule the remonstrances.

Katz: Second?

Saltzman: Second.

Katz: Roll call.

Francesconi: Three brief points. I am going to support this. One is, this is a very good project for the city and it was really reaffirmed by people who didn't like their bill who said that, and the fact that there hasn't been this outcry about why did you spend the money on this thing, and, so that's the first point, along with, you are doing a very good job making a very difficult circumstance. Second is, we don't like this, and some of these stories are very powerful. That's what happens when you have a broad kind of assessment method, but I really don't think that we have the ability to change it because it would just raise other people's so that's the second point. The third point is there is always more to learn about a process, and when we have a process like that, that is a little confusing with changing evaluations, when you get the notice, when you don't. I do think it is time, I don't know if it is time right now, but soon that we should step back and look if there is any lessons to be learned to make sure that property owners know exactly what they are getting into in this process and how much it's going to cost them. So, I do think somebody needs to take a step back and see what lessons we can learn from this. Maybe we will learn we are doing it exactly right. But I think that we have heard some things here that send enough that we should look at it. The other issue, of people jumping off before the other zone, I am sure there is a lot of experience with tri-met and others, but that's also an issue that should be looked at, aye.

Hales: These concerns need to be taken seriously and obviously, if we have individual situations that need attention, we should deal with that, and thus, vicky does need to take a look at those assessments but overall, I think that we should remember that although the folks have a legitimate

APRIL 10, 2002

right to come and make their case, I think that we have got, what, 97.8% didn't show up oh, you know, have otherwise indicated their support, so, you can't please all the people all the time. But 97.3% is pretty darn good. Secondly, I think it's important to remember that the property owners are only assessed one fifth of the construction cost of the streetcar. The property owners are not paying any particular portion of the operating cost of the streetcar. The operating cost of the streetcar is being paid for by tri-met, parking meter revenues, sponsorships, advertising, and those are general revenues that go into the operating cost so the property owners have not been asked to pay for the operating costs and won't be. Thirdly on this point about marshall street, you know, I am going to spend more time on this issue. I know that vicky and the Portland streetcar board are looking at it, and I tipped my hand earlier. I am very strongly biased, in this case, and every other, and I know that this is something that's shared by the council in keeping the street network open and available for all different kinds of uses, including motor vehicles, so cutting off a piece of the street grid for any reason is a hard sell at this city council, and I want to tell you that even for the streetcar, it's a hard sell. So if, there is any way to avoid closing that street in order to move streetcars back and forth, we will find it. And again, I want to thank vicky and roger and all those who have worked on this project for great work and see you on the streetcar. Aye.

Saltzman: I don't think any of us like anybody paying assessments or any more money than they have to unless there is a compelling purpose for which it serves and this is a compelling purpose. We have only had it in operation a little over a year. I hope that many of the property owners and the retailers we heard from will experience more business, more occupancy in their apartments, as time goes on. But one thing that they will benefit from is definitely a higher real market value over time. I would imagine that all these properties will be much more valuable next year than they were this year. That's no consolation when you are paying property taxes based on ire assessed values but as consolation if and when you choose to sell that property. So, I do believe, and I think that we have poked at the process today because you brought to us very legitimate concerns, and I come away more convince that had we have a very sound process, a very fair one with differential rates for institutional nonprofits, so we can always maybe look back and see if there are lessons to be learned but you have convinced me today that this has been a very fair and thoughtful process, aye.

Sten: Well, I think that there's been some really good concerns that have me thinking right now. There's a couple that I would like to change, but unfortunately, I don't think that changing it now works, because I think that the process was laid out and shared with people and I think it changes everybody's assessment. In the future, I would be very, very open to some kind of nonprofit exemption. We do exempt many of the nonprofits from some of these fees and I think that there's a good argument to do that, and I know that, that the danmore situation, it's a, a, an anomaly but you have a church that's essentially giving away the property to low income housing, and now they are going to pay the fee on it. There's no question that, that low income people benefit dramatically from the streetcar because they can at least afford a car, but the church picking up that cost on top of, of the other charity is piling on a bit, but I can't see it changing now because of the other property owners and their property. And I think the notice and methodology was fair, even though I think, even though it had some odd consequences that I don't like, along, along the edges, so, I would like to take a look at those. I am also, I am going back and forth, and I can't make an answer on the fly, the gentleman whose assessment doubled bothers me, and I -- I keep wondering whether there shouldn't be some kind of, if it changes more than 10% it can be looked at because we should be able to estimate it better than 40% of what you actually pay. Fox tower is another anomaly, but if we tell you 5 and it turns out 11, that doesn't seem reasonable to me, if we tell you 5 and it turns out 5.5, that seems reasonable to me. I just wonder if there shouldn't be some, some cap because at the same time that price went way up, somebody who is expecting to pay more paid less, and of

APRIL 10, 2002

course, they like it had but they signed on knowing they were going to pay more, so, it seems to me like there should be some, some way of walking -- locking the estimates in tighter but on the whole, I think that people were noticed fairly and the formula was applied fairly, and so therefore, I don't think that changing it at the last minute makes sense on the whole, but I think that there's some pretty good cases that raise some thought in my mind, so I do appreciate people having -- taking the time, which I know is hard to come in, and lay these situations out, aye.

Katz: Mayor votes aye. 330.

Item 330.

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

Katz: Mayor votes aye.

Katz: 351. 352. They are both -- roll call.

Katz: Oh, 351

Item 351.

Francesconi: I wasn't here for the first testimony, but, I have read all the transcripts special actually, it was very informative. I was here for the vote on the amendment, which I supported. I do support this -- I think this was very good work, and the reasons and rational for doing this all makes sense so I completely support t my one request, and I don't know if it's to the mayor or commissioner, or directly to the bureau, is because it was a good program in my perspective, and that it was working, actually, to increase homeownership, and because I still believe that there are parts of the city that could benefit from increased homeownership. We are not to the point that the whole city is gentrified from my perspective. I just like this evaluated in a year to make sure that it's working, so make sure that people are still applying and it's still doing what we intended so, that my only request is that we, we formally look at this in a year and just report to each of us. I am not saying you have to bring it back to the council but a formal report but I would like a report to all of us, just -- I think, I wouldn't be supporting this if I didn't think it was going to work and I am confident that we are going to find out it is going to work as intended but does that sound --

Sten: Absolutely, yeah.

Francesconi: Okay. You all did very good work on this. Aye.

Hales: Aye.

Saltzman: Well, I think this is a successful program, but I do think that given the major changes we have made now, about owner occupancy and establishing income qualifications to purchase, that we do need to take a look. This has been a very successful program. It's produced, I think, over 1800 new units of housing. I would be very concerned if there was a big diminution in that in the next couple of years because of these requirements that we put in. I mean, you can make a case either way for the requirements. We had a lot of discussion during the first reading about this. We made some changes to clarify that, you know, an owner can leave the property under good circumstances, so I think that we need to make sure that this program is on track but the changes really are in sync with the ultimate goal which we want to achieve, which is more homeownership, and I will once again say that I do think that we should have established the median income at 120% rather than 100% and I think that that's more realistic for, for families. 120% is not -- you are not wealthy, you know. A schoolteacher and a police officer pay combined and I think it would be more pro family in terms of getting families into housing as opposed to couples. But nevertheless, it's a good program. Let's see what's happening as a result of these major changes we have made. Aye.

Sten: Well, what we definitely want to evaluate this, I mean, it's, it's a program that works really well to address distressed areas. Many of them are not distressed but I think the same tool can be used and we talked about this the last couple weeks to help first time buyers get into those neighborhoods and obviously we have a problem with families leaving the city so I think that we

APRIL 10, 2002

have the right balance. I don't think that there's any magic as I said last week to the income levels and the other pieces, but I think that we, in a day when we are cutting city services, don't want to give away property tax to say families that can afford to pay them because that's not fair, either, so try to find the right balance. I think the right answer as to bring it back in a year and see what the participation is, and if it could be improved at that point, the councils that discretion so I think this is the right way to go. I would rather be a little cautious on who gets the tax break in the climate we are in, but why don't we bring it back and I want to thank mike and the team for a really good work and also the industry. We had a few disagreements, but the realtors and home builders worked hard to find a good solution to, rather than canceling or continuing an outmoded policeman to make it current so, thanks, aye.

Katz: Aye. Item 352.

Item 352.

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

Katz: Mayor votes aye. 353.

Item 353.

Francesconi: Aye. **Hales:** Aye. **Saltzman:** Aye. **Sten:** No. **Katz:** No.

Katz: All right. 354.

Item 354.

Katz: All right. Let me just kind of run down the reason this item is here. The civic stadium agreement that we accepted allows the city to require an audit of the financial results of pge park for the preceding year. And I think it's important that we do that audit for the first year of the operations, so we have some baseline data. And pfe has been informed that the audit will be done by the city. The audit is conducted by the city's auditor and pfe will be paying the expense. They will reimburse the city on it. Kpmg is the city's auditor and conducted a mid-year review of pfe's financial systems in the city and that's why this item is before the council. Anybody else want to testify?

Moore: Jada had signed up but she's not here.

Katz: Roll call.

Francesconi: This is very important, very good thing, mayor. Aye.

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

Katz: Mayor votes aye. 355.

Item 355.

Katz: Second reading. Roll call. Go ahead.

Don Gardner, Portland Office of Transportation: Good morning mayor, members of the council I am don gardner with the Portland office of transportation. On november 28th, we made a joint presentation with the association for Portland progress which was a series of recommendations that came out after task force that the app conducted regarding how to conduct traffic controls and work standards within the central business district area. At the same time, we gave you some information on our proposed changes to specks and the extension of the moratorium on cutting newly paved streets from two years to five years. At that time, council gave us direction to go ahead and go back and make the code changes. What you have here today are those changes that implement the app task force recommendation. Also, call for the five-year moratorium. I do want to bring to your attention that there's a letter to the mayor, app at the earlier presentation had some questions about extending the moratorium on newly paved streets from two years to five and had requested it either be three years or that we agree to review that, that policy or that, that piece of code in three years. They state that had objection again. We have talked with them. We agree as pdot we will look at it in three years. We are perfectly willing to take a look. If we find that this moratorium on excavation creates a problem for downtown, or for businesses, we would certainly be glad to take a

APRIL 10, 2002

look at it and see how it works. The proposal that we do have gives the city engineer the right to waive that requirement in order to facilitate development on adjacent properties to take care of emergencies and for some lateral connections, subject to a series of specifications for an improved patchwork that we have done. So, other than that, I think that that's pretty much, we are carrying out your directive.

Katz: Questions by the council? Thank you. Anybody else want to testify on this item? Yes, you stepped out. Hold on. We will let you come back at the end of the, of the morning. Hold on.

Anybody else to want testify? If not --

*****: Mr. Garrison had signed up.

Katz: He's not here. This item goes to second. 356.

Item 356.

*****: Very good work. Thank you.

Katz: Roll call.

Francesconi: I'm in favor of removing the current language. [laughter]

Francesconi: Aye. **Hales:** Aye.

Saltzman: We need to remove more archaic language, bring more of it to us, aye.

Sten: Let's keep it -- no, aye.

Katz: In the legislature, every time you pass something you had to remove something, which is sort of a simplistic policy by the legislature, but might have some merits, aye. 357.

Item 357.

Saltzman: Madam mayor, members of the council, this is yet another example of our willing seller acquisition program where we buy property in flood plains so that we can keep those spaces from being perennially added and having ongoing property damage. By buying three properties today from a willing sell and her johnson creek, we will be acquiring additional wildlife habitat, also making more passive recreational benefits available to the public, and adding three acres to, I forgot what the total inventory that we have brought into public ownership so far, is, but I think that I will turn it over to miss young and she can fill us in on the details.

Alli Young, Bureau of Environmental Services: Thank you, commissioner. I am ali young with the bureau of environmental services, staff there, and I have some maps of the property, which I will turn in, and, and, so this property is the first in a number of anticipated future acquisitions that will come up in the next few months so, you are going to see a few more properties come in as ordinances. Just want to keep you aware of that. In addition, it's in the west lens target area, which you can see on the map in front of you, and that target area is one of eight high priority projects identified in the johnson creek restoration plan. It's the first property to be purchased in the area since the restoration plan was approved by council in june of 2001. And a new capital improvement project has been created for the target area for flood management and to improve fish and wildlife habitat and water quality. The current amount of property that we have bought is approximately \$1 -- 110 acres.

Katz: Questions. Do to say anything in.

*****: No, I am here if you have any questions for us.

Saltzman: So you will be bringing more properties to us in the future, you anticipate?

Young: Yes. As a fiscal year ends, we are going to be completing the negotiations.

Katz: What's on the property now?

Young: It's vacant. The, the portion south of the creek is wooded and the portion north of the creek is blackberry brambles.

Katz: Anybody's want to testify?

Francesconi: Terrific program which is well executed. Aye.

Hales: Aye.

APRIL 10, 2002

Saltzman: Good work, aye.

Sten: I think all the years of hard work are really paying off. This is, I think, an example of get it go right. Aye.

Katz: You are absolutely right. Thank you. Good work. Aye. All right, 358.

Item 358.

Katz: Roll call.

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

Katz: Mayor votes aye. All right, jada mae, you were out of the council chambers but I will let you come up because you are such a regular, I will let you come up and testify.

Jada Mae Langloss: So it is hot in here. No fresh air. My name is jada mae, I am a candidate for 25 years, been successful at not getting caught. I think that my talks on our, on ecology to the city hall has been going on 25 years, and I think I will try a different route and go to the county, and I have an opportunity for you to consider. I would like you to consider as an alternative to quitting your job and being my campaign manager so I can be the first lady president of the united states. And that will give me the qualifications to knock on pope john paul and knock on his door and say, it's time you got married and I am the one. But, I will settle for less. I will settle for less. Secretary of the interior is my main goal. That's the park system. But I might settle for the park system here in Portland.

Katz: Now I see the connection between pge park.

*******:** Well, oh, that. [laughter]

Langloss: You know, you know, I knew -- the new motto that I should have mentioned first, is barter is honest, money is not, and you can tell that from what's been happening to the big corporations of stuff like that, so I had some really good ideas for pge park. It's supposed to be family entertainment. They could use this, this area as also family housing for those who are being thrown out on the streets. Families because they can't, they can't pay the rent. And it's happening all over. Thank you.

Katz: Good luck in your venture. All right, we don't have anything on the schedule for wednesday or thursday so we stand adjourned. Other than budgets.

At 10:55 a.m., Council adjourned.