



CITY OF
PORTLAND, OREGON

OFFICIAL
MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 14TH DAY OF AUGUST, 2002 AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi, Saltzman and Sten, 4.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Harry Auerbach, Senior Deputy City Attorney; and Officer Peter Hurley, Sergeant at Arms.

Item No. 986 was pulled for discussion and on a Y-4 roll call, the balance of the Consent Agenda was adopted.

		Disposition:
COMMUNICATIONS		
971	Request of Richard Koenig to address Council regarding his public right to use City streets versus a license to drive (Communication)	PLACED ON FILE
972	Request of Bill White to address Council regarding a prayer for the blessing and wisdom of God for the Council Members (Communication)	PLACED ON FILE
TIME CERTAINS		
973	TIME CERTAIN: 9:30 AM – Authorize a contract with the Oregon Museum of Science and Industry to design and display a combined sewer overflow exhibition (Ordinance introduced by Commissioner Saltzman) (Y-4)	176830
974	TIME CERTAIN: 9:45 AM – U.S. Department of Energy award to the City and Portland General Electric for innovative use of solar power (Presentation introduced by Commissioners Francesconi and Saltzman)	PLACED ON FILE
975	TIME CERTAIN: 10:15 AM – Accept FY 2002-2003 Initial Regulatory Improvement Workplan (Report introduced by Mayor Katz) (Y-4)	ACCEPTED

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<p>976 Implement portions of the Initial Regulatory Improvement Workplan (Resolution introduced by Mayor Katz)</p> <p>Motion to accept amendment to require the regulatory code improvement lists be subject to a separate Council vote but at the same time adopt the budget but not as part of the budget document: Moved by Commissioner Saltzman and gavelled down by Mayor Katz after no objections.</p> <p>(Y-4)</p>	<p align="center">36092 AS AMENDED</p>
<p align="center">CONSENT AGENDA – NO DISCUSSION</p>	
<p>977 Statement of cash and investments July 01 through July 31, 2002 (Report; Treasurer)</p> <p>(Y-4)</p>	<p align="center">PLACED ON FILE</p>
<p>978 Accept Bid of R.B. & G. Construction, LLC for construction of Fire Station No. 9 for \$1,419,000 (Purchasing Report - Bid No. 101557)</p> <p>(Y-4)</p>	<p align="center">ACCEPTED PREPARE CONTRACT</p>
<p>*979 Authorize Intergovernmental Agreement and execution of easement with the Willamette Shore Line Consortium for construction of the SW Parallel Interceptor Segment 2 (Ordinance introduced by Commissioners Francesconi and Saltzman)</p> <p>(Y-4)</p>	<p align="center">176788</p>
<p align="center">Mayor Vera Katz</p>	
<p>980 Reappoint Anthony Rufolo and David Smith to the Investment Advisory Committee for terms to expire July 31, 2004 (Report)</p> <p>(Y-4)</p>	<p align="center">CONFIRMED</p>
<p>981 Reappoint Randall Crowe, Chuck Mello and Bhupindar Dhillon, and appoint Jim Johansen, John Vandermosten and Jeanette McLean to the Electrical Board of Appeals (Report)</p> <p>(Y-4)</p>	<p align="center">CONFIRMED</p>
<p>982 Reappoint Andrew McCann, Creighton Kearns, Greg Pelser, Dana Sheets and Clyde Trapp to the Mechanical Code Board of Appeals, terms to expire August 31, 2005 (Report)</p> <p>(Y-4)</p>	<p align="center">CONFIRMED</p>
<p>*983 Pay claim of Jasna Kurjak (Ordinance)</p> <p>(Y-4)</p>	<p align="center">176789</p>
<p>*984 Pay claim of Richard Lee (Ordinance)</p> <p>(Y-4)</p>	<p align="center">176790</p>
<p>*985 Pay claim of Geri Birchard (Ordinance)</p> <p>(Y-4)</p>	<p align="center">176791</p>

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<p>*986 Authorize Compromise of Debt of WW Venture-Division, LLC; WW Venture-Belmont, LLC and WW Venture I, LLC (Ordinance)</p>	<p align="center">REFERRED TO COMMISSIONER OF FINANCE AND ADMINISTRATION</p>
<p>*987 Accept the sole source bid and authorize contract with eBid Systems, Inc. for \$70,400 to supply on-line Equal Employment Opportunity certification for the Bureau of Purchases (Ordinance; waive Code Chapter 5.68.020) (Y-4)</p>	<p align="center">176792</p>
<p>*988 Extend agreement with Integrated Utilities Group for technical and economic consultation services (Ordinance; amend Contract No. 33957) (Y-4)</p>	<p align="center">176793</p>
<p>*989 Extend agreement with Merina & Company, LLP for consultation services (Ordinance; amend Contract No. 34075) (Y-4)</p>	<p align="center">176794</p>
<p>*990 Amend contract with Miller, Nash LLP for extension of outside counsel requirements (Ordinance; amend Contract No. 34146) (Y-4)</p>	<p align="center">176795</p>
<p>*991 Amend contract with W&H Pacific to increase total compensation for engineering and project management of joint fiber optic network projects for the Bureau of Environmental Services and the Integrated Regional Network Enterprise (Ordinance; amend Contract No. 33589) (Y-4)</p>	<p align="center">176796</p>
<p>*992 Authorize an Intergovernmental Agreement between the City of Troutdale Oregon and the Portland Police Bureau to provide the Troutdale Police access to the Portland Police Data System (Ordinance) (Y-4)</p>	<p align="center">176797</p>
<p>*993 Execute contracts with 19 firms for architectural and geotechnical engineering services as required in support of Bureau of General Services projects and provide for payment (Ordinance) (Y-4)</p>	<p align="center">176798</p>
<p align="center">Commissioner Jim Francesconi</p>	
<p>*994 Authorize application to Oregon Department of Agriculture for a grant in the amount of \$25,000 for the North Greeley Bluff Noxious Weed Abatement Project (Ordinance) (Y-4)</p>	<p align="center">176799</p>
<p>*995 Authorize contracts as required with 20 firms for engineering services in support of the Portland Office of Transportation (Ordinance) (Y-4)</p>	<p align="center">176800</p>

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<p>*996 Authorize contracts as required with six firms for street and structural design in support of the Portland Office of Transportation (Ordinance) (Y-4)</p>	<p align="center">176801</p>
<p>*997 Agreement with State of Oregon, Department of Transportation to provide for the replacement of the NE 33rd Avenue over Columbia Slough structure, Bridge No. 25T12 (Ordinance) (Y-4)</p>	<p align="center">176802</p>
<p>*998 Grant revocable permit to Berbati's Pan to close SW Ankeny between 2nd and 3rd Avenues on August 31 through September 1, 2002 (Ordinance) (Y-4)</p>	<p align="center">176803</p>
<p>*999 Grant revocable permit to CC Slaughters/Rose City Softball Association to close NW Davis Street between 2nd and 3rd Avenues on August 24, 2002 (Ordinance) (Y-4)</p>	<p align="center">176804</p>
<p>*1000 Authorize contract with Group AGB, LLC, for project management services in connection with the HOPE VI Redevelopment of Columbia Villa (Ordinance) (Y-4)</p>	<p align="center">176805</p>
<p>*1001 Contract with Albina Head Start and Portland Parks and Recreation to operate an Early Head Start program within the University Park facility (Ordinance) (Y-4)</p>	<p align="center">176806</p>
<p>*1002 Authorize a contract with the State of Oregon, Department of Transportation for Springwater Corridor Three Bridges (Ordinance) (Y-4)</p>	<p align="center">176807</p>
<p>*1003 Amend contract with Winterowd Planning Services, Inc. for the preparation of a master plan update for the Portland International Raceway (Ordinance; amend Contract No. 33292) (Y-4)</p>	<p align="center">176808</p>
<p>*1004 Authorize a contract and provide for payment for electrical lighting and HVAC equipment upgrades at Columbia Pool (Ordinance) (Y-4)</p>	<p align="center">176809</p>
<p align="center">Commissioner Dan Saltzman</p> <p>1005 Accept completion of SE Raymond Street and 28th Avenue Detention Pipe and Pipe Upgrade Project and authorize final payment to Westech Construction, Inc., Project No. 6880 (Report; Contract No. 33662) (Y-4)</p>	<p align="center">ACCEPTED</p>

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<p>*1006 Authorize a contract and provide for payment for the construction of the NE Stanton Sewer Reconstruction Project, Project No. 6919 (Ordinance) (Y-4)</p>	<p align="center">176810</p>
<p>*1007 Accept a grant from the U.S. Fish and Wildlife Service in the amount of \$23,141 for revegetation work along Willamette Bluffs (Ordinance) (Y-4)</p>	<p align="center">176811</p>
<p>*1008 Authorize grant application for revegetation activities to Oregon Wildlife Heritage Foundation in the amount of \$12,267 (Ordinance) (Y-4)</p>	<p align="center">176812</p>
<p>*1009 Authorize an agreement with HDR Engineering, Inc. for \$465,211 for professional services to prepare a Vulnerability Assessment and related security planning (Ordinance) (Y-4)</p>	<p align="center">176813</p>
<p>*1010 Amend contract with the Community Energy Project to extend date, change scope, and increase dollar amount by \$50,000 (Ordinance; amend Contract No. 33676) (Y-4)</p>	<p align="center">176814</p>
<p>*1011 Amend contract with VanderHouwen and Associates, Inc. to provide programming services to enhance the Water Bureau Customer Information System (Ordinance; amend Contract No. 33556) (Y-4)</p>	<p align="center">176815</p>
<p align="center">Commissioner Erik Sten</p>	
<p>*1012 Authorize Intergovernmental Agreement with Multnomah County to provide Level C Cardiopulmonary Resuscitation training for County Health Department employees (Ordinance) (Y-4)</p>	<p align="center">176816</p>
<p>*1013 Contract with Alder Creek Lumber Company, Inc. for fire prevention, suppression and emergency response services for FY 2002-03 (Ordinance) (Y-4)</p>	<p align="center">176817</p>
<p>*1014 Agreement with Housing Authority of Portland for \$295,151 for the HOME Investment Partnership Program and provide for payment (Ordinance) (Y-4)</p>	<p align="center">176818</p>
<p>*1015 Agreement with Portland Development Commission for \$9,348,505 for the delivery of affordable housing and economic development programs and provide for payment (Ordinance) (Y-4)</p>	<p align="center">176819</p>

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<p>*1016 Agreement with Portland State University for \$102,903 for the Business Outreach Program and provide for payment (Ordinance) (Y-4)</p>	<p align="center">176820</p>
<p>*1017 Agreement with National Development Council for \$60,000 for technical assistance related to the financial management of eligible community development activities and provide for payment (Ordinance) (Y-4)</p>	<p align="center">176821</p>
<p>*1018 Agreement with Early Head Start of Portland for \$100,000 to support the Child Care Improvement Project and provide for payment (Ordinance) (Y-4)</p>	<p align="center">176822</p>
<p>*1019 Agreement with Portland Housing Center for \$91,630 to provide financial assistance to lower income homebuyers and provide for payment (Ordinance) (Y-4)</p>	<p align="center">176823</p>
<p>*1020 Agreement with Early Head Start Family Center of Portland, Inc. for \$131,677 for the Early Childhood Program and provide for payment (Ordinance) (Y-4)</p>	<p align="center">176824</p>
<p>*1021 Authorize agreement with Portland School District for \$27,871 for coordination of the Outer Southeast Caring Community and provide for payment (Ordinance) (Y-4)</p>	<p align="center">176825</p>
<p>*1022 Authorize agreement with Albina Community Development Corporation, Inc. for \$40,920 for the Boise-Humboldt Home Repair Program and provide for payment (Ordinance) (Y-4)</p>	<p align="center">176826</p>
<p>*1023 Agreement with Clark County Washington Alcohol and Drug Program for \$89,974 for the transitional housing for HIV-Aids affected people and provide for payment (Ordinance) (Y-4)</p>	<p align="center">176827</p>
<p>*1024 Agreement with Cascadia Behavioral Healthcare, Inc. for \$521,756 for Cascadia's omnibus contract to provide homeless services and provide for payment (Ordinance) (Y-4)</p>	<p align="center">176828</p>
<p>*1025 Agreement with Rebuilding Together With Christmas in April for \$30,690 to organize and carry out a housing repair and renovation program and provide for payment (Ordinance) (Y-4)</p>	<p align="center">176829</p>
<p align="center">REGULAR AGENDA</p>	

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Mayor Vera Katz

***1026** Accept a \$746,234 grant from the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance to reduce crime and improve public safety (Ordinance)

(Y-4)

176832

***1027** Authorize contract with The Pathfinder Group for consulting services in the amount of \$105,000 for the development and implementation of a municipal marketing program (Ordinance)

(Y-4)

176831

Commissioner Jim Francesconi

***1028** Amend the Lloyd District On-Street Parking Management Plan and authorize the Portland Office of Transportation to increase the long-term parking meter rate from 35 cents per hour to 50 cents per hour (Ordinance)

(Y-4)

176833

***1029** Amend agreement with Portland Streetcar, Inc. to provide final engineering and other professional services related to the Portland Streetcar RiverPlace Extension, Streetcar Phase 3 Project and Harrison Street Connector (Ordinance; amend Agreement No. 31428)

(Y-4)

176834

***1030** Amend contract with Stacy and Witbeck, Inc. to provide for investigation of buried tunnels in Harrison Street Connector Right-of-Way (Ordinance)

(Y-4)

176835

At 11:56 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 14TH DAY OF AUGUST, 2002 AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi, Saltzman and Sten, 4.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Frank Hudson, Deputy City Attorney; and Officer Peter Hurley, Sergeant at Arms.

<p>1031 TIME CERTAIN: 2:00 PM – Tentatively deny appeal of Susan Price and uphold Hearings Officer’s decision with conditions to approve the application of Rowen Rystadt, applicant, and Terry Carney, property owner, for a zoning map amendment in compliance with the comprehensive plan from R5 Single-Dwelling Residential to RH High-Density Residential at 8816 N Edison Street (Previous Agenda 961; Findings; LUR 02-00027 ZC)</p>	<p>Disposition:</p>
<p>Motion to overturn the appeal adopt the revised findings: Moved by Commissioner Saltzman and seconded by Commissioner Sten.</p>	<p>FINDINGS ADOPTED</p>
<p>(Y-4)</p>	

At 2:03 p.m., Council recessed.

AUGUST 15, 2002

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 15TH DAY OF AUGUST, 2002 AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi, Saltzman and Sten, 4.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Frank Hudson, Deputy City Attorney; and Officer Peter Hurley, Sergeant at Arms.

<p>1032 TIME CERTAIN: 2:00 PM – Tentatively deny appeal of CRIIMI MAE Services Limited Partnership/Ramada Inn and uphold Hearings Officer’s decision with conditions to approve the application of Oregon Halfway House for a conditional use for a detention facility at 6005 NE 82nd Avenue (Previous Agenda 962; Findings; LUR 02-110304 CU)</p> <p>Motion to adopt the findings: Moved by Commissioner Sten and seconded by Commissioner Saltzman.</p> <p>(Y-4)</p>	<p>Disposition:</p> <p>FINDINGS ADOPTED</p>
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At 2:04 p.m., Council adjourned.

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.

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Closed Caption Transcript of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

AUGUST 14, 2002 9:30 AM

Katz: Good morning, everybody. The council will come to order. We're all together, at least for a couple of weeks, maybe one week. And it's nice to have everybody back. Karla please call the role.

Francesconi: Here. **Saltzman:** Here. **Sten:** Here.

Katz: Present. All right. Let's take 971.

Item 971.

Richard Koenig: Good morning, Portlanders. Loyal public servants and elected officials, commissioner of police. Today I am going to begin -- we have had a lot of discussion about the plainly worded statutes that Oregon has, that does not regulate the public's use of the highway, but today I would like to begin with the court's language interpreting the laws that have been in place over the years, over the decades since motor vehicles were regulated. I would like to start with, with the wisdom of chief justice tollman from the Washington state supreme court, and by the way, this material will be available to you. It's a substantial brief, but if you want to read ahead, it's -- the location of the material, the site is filed with the clerk so you guys can read ahead, if you want to complete freedom of the highways is so old and well established a blessing that we have forgotten the days of the robber barons and toll roads and yet, under an act like this, arbitrarily administered, the highways may be completely monopolized if, through lack of interest, by the people, if, through lack of interest, the people submit, they must look to see the most sacred of their liberties taken from them one-by-one by more or less rapid encroachment. That case had to do with private carriers versus common carriers, but it wasn't even an issue of the public's right of use of the road. Chief justice tollman was saying, if people don't have the right to contract without government impairing the contract and saying, which routes are open for trucks to haul in private commerce, then that's a problem. The words of justice tollman ring most prophetically in the ears of citizens throughout the country today as the use of the public roads has been monopolized by the entity which has been empowered to stand guard over our freedoms, that, that of state governments. The most sacred of liberties of which justice tollman spoke was personal liberty. The definition of personal liberty is personal liberty is the right of, to enjoyment of life and liberty, is one of the fundamental or natural rights which has been protected by its inclusion as a guarantee in the various constitutions, which is not derived from or dependent on the u.s. Constitution, which may not be submitted to you as a vote and may not depend on the outcome of an election. It is one of the most sacred and valuable rights, as sacred as the right to private property and is regarded as inleanable. You folks can find that in 16 corpus juris secundum. This is amplified by the definition -- well, before I get to that one, I will call it quits there today, this is a 22-page brief and like I said, you can read ahead.

Katz: Thank you. Item 972.

Item 972.

Bill White: Good morning. It's good to see you all again.

Katz: Good morning.

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White: It talks about in the book of proverbs that righteousness exalts a nation and a sin reports to any people, and I would like to ask that for the wisdom of god and protection for the kids in our society because I know that there's been definitely a rash of, of kids being murdered by just evil people, and kids just need protection and I just ask that, for the blessing of god on your decisions you guys have to make today. Father, we thank you once again for opportunities to pray for the city council and the mayor. We ask you give them godly wisdom and godly counsel and we ask for the protection of our kids in this society, father. In your son's name, we pray. Amen. Thank you.

Katz: All right. Consent agenda. I would like to pull 986. Any other items to be pulled off by the consent agenda, even, either at the request of the council or members of the public. Okay. Roll call on consent agenda.

Francesconi: Aye.

Saltzman: I wanted to make a statement, there is two items, items 1029 and 1030. Which I would ordinarily recuse myself from but because of the need to have four people here to pass items and that being a rare item these days, I am going to vote aye for 1029 and 1030. Aye.

Sten: Aye.

Katz: Mayor votes aye. Thank you. All right. 9:30 time certain, 973.

Auerbach: Are we going to dispose of 986?

Katz: Oh, sorry, you are right. 986. Dispose of it in my head. 986.

Item 986.

Katz: All right. No objections, I would like to bring this back to my office. Hearing no objections, so ordered. All right, time certain, 973.

Item 973.

Katz: All right. Commissioner Saltzman, did you want to say anything?

Saltzman: Yes, thank you, madam mayor and members of the council. I am pleased to introduce dean marriott, the director of our environmental services and nancy stuber, the president of omsi. An important part of the bureau of environmental services outreach efforts about how we are cleaning up the river is to educate our public about the combined sewage overflow system, how it functions, how it affects our rivers and our streams. As you know, the city is spending hundreds of millions of dollars to fix the combined sewage system, and it's paramount we make the public aware of how the dollars are spent and in more general detail what goes on beneath the street. This agreement before us today between the bureau of environmental services and omsi will facilitate the creation of an exhibit at omsi on combined sewage overflows. The exhibit will be funded with the combination of, of public dollars and also private donations that we have managed to secure from a number of contractors and designers who are working on the combined sewage overflow project, and dean marriott will list who those contributors are. And so now I would like to -- now I would like to turn it over to dean and ask you to explain the exhibit in more detail.

Dean Marriott, Director, Bureau of Environmental Services: Thank you, commissioner Saltzman. Good morning, mayor Katz, and members of the council. I am dean marriott, environmental services director for Portland. As the commissioner indicated, we were embarked on a signature project to clean up the willamette river. As part of that, we have attempted to make use of a variety of techniques for public education and outreach. One of the ones that we have been thinking about for quite some time and have mentioned to you, I believe, in the past is the possibility of entering into an agreement with omsi, the Oregon museum of science and industry to put together an exhibit that talks about our efforts to clean up the river. A little bit of history and what the future looks like, a bit of how we are doing it, the complexity of the project, and as you heard a few weeks ago when we brought in our contract to do the west side tunnel, it is going to be a very complex and challenging engineering project for us to do and we would like to find a way for people -- omsi is one of the greatest resources the city has, a million people or so a year go through

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the facility and become educated and informed about issues of science and industry and engineering and technology and we couldn't think of a better partner with which to enter this relationship than omsi. As the commissioner also mentioned, we set out to make this a public-private partnership. We didn't want to just use public dollars to put together this exhibit, so we are pleased today to announce that so far, we have raised \$44,000 from the private sector to assist us with putting together this exhibit. We have seven firms that have contributed funds so far. I say so far because I am not finished making phone calls yet. I hope to be able to attract some more interests from the private sector, but I want to thank mr. Hill, jacobs associates, hdr engineering, carollo engineering, parkins brinkerhoff and brown and coldwell who have stepped up and contributed to this project. We are very excited to be working with omsi on this, and I would now like to introduce nancy stueber, the president of omsi.

Nancy Stueber, President, OMSI: Good morning, mayor Katz, members of the council. We are very excited about this opportunity, as you know, we have had an opportunity to work with environmental services in the past on creating some displays for community events and for teacher workshops and programs at our camps, but this is first opportunity we will have to actually develop a full permanent exhibit about the cso project and we think it's a great fit for omsi. There is -- it's a real world application of science and engineering and environmental science, and we have a wonderful audience of people we believe will be able to present this information in a way that they can understand the long-term benefit and how the benefits will transpire so that the river is a cleaner place, and we look very much forward to working with environmental services on this. We think it's an exciting partnership.

Katz: Thank you. All right. Questions? Thank you. Anybody else want to testify on this item? Roll call.

Francesconi: This is a terrific thing, commissioner Saltzman, and dean marriott because for two reasons, one is the one that you explained, commissioner, when we are spending this kind of resources, educating the public on what they are getting for their money, and the effect on cleaning up the river in a way that they can actually see it, is tremendous, given some cynicism of government right now, so that's really terrific. But then picking omsi as the institution to do it is fabulous. The real-life application of science as nancy just said is what they are so terrific at, and having this institution in our city right on the east bank right next to our river, different ways, and you are to be commended for one of the first, commissioner, but how we can use omsi right there through our bureaus to kind of help omsi financially, but integrate it more into the life of our community and in a way that shows our kids the real-life application of science and how it can clean up the environment. It's just very, very terrific. Last thing that I want to thank nancy for all of her efforts to partner with the schools and after-school programs to try to help provide additional resources to k-12, including madison high school and others, to expose our kids to science right now at a time our schools are struggling. Nancy had been a leader in that and I want to thank you for that. Aye.

Saltzman: Great work and we look forward to opening day not too far away, aye.

Sten: This is really great. And I think it's been proven many times over that the key to environmental change is fifth grader and worked with recycling and I think this will be terrific. Aye.

Katz: Mayor votes aye. Thank you. 974.

Item 974.

Katz: All right. Come on up. And turn it over to our commissioners, or not. Go ahead. Why don't you go ahead and start, start the testimony.

Mike Grainey, Director, Oregon Office of Energy: Thank you, mayor Katz. I am mike grainey, director of the Oregon office of energy. And I want to present awards today to Portland general

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electric and three of your bureaus for solar projects that have received national federal department of energy awards as part of the federal government's national solar energy program. Same time, also want to offer the state and governor kitzhaber's congratulations for the, for these awards, as well, and it's another opportunity to recognize the important work that the city has done on energy issues for many years. It's been a continuing pleasure to work with your offices of sustainable development on their sustainable development policy. Had the first co-2 global warming reduction strategy in the country for a city, and I think the city energy policy developed was also a first for any city in the country, has been ground-breaking measures, and I wish that all the cities and all the states have the same kind of cities to work with that we have in Portland. The specific awards today are for things that, that pge working with your -- pge, working with your bureau of environmental services and the department of transportation developed, including a crosswalk empowered with solar energy at shaver school. That would have been a difficult thing to wire and use traditional wire services for solar-powered generators for your maintenance trucks for the bureaus, and solar parking meters. All those things will help save energy and help the application of solar energy, as well. In fact, Oregon now is the, the 12th state in terms of volume of solar energy used in this country, and it's partly because of the efforts of Portland and your efforts here, so we are delighted to present these awards, and after commissioners have any remarks, I would be glad to present them and ask christopher diamond of my office, my solar expert, and tom ullman of your transportation department, who are involved in all these to help me present those awards.

Katz: Let's just wait one second. I didn't realize that you were representing pge so, why don't you go ahead and grab the mike, introduce yourself.

Thor Hinckley, Manager, Renewal Power Program, Portland General Electric: I am thor hinckley, I work with Portland general electric, manage the renewal power program, and on behalf of about 14,000 customers, I wanted to accept this award. We have a growing amount of customers in the willamette valley that is choosing renewable power. It's clear that this is something that's on the minds of all Oregonians, and we are happy to be a part of this, and we think that not only can people keep choosing renewable power but we can see a growth in the alternative energy industry here in the, in the city. And we are looking forward to helping spur the development of more renewables throughout the willamette valley.

Katz: Thank you. We have the cameras here to take pictures of the presentations, so I am going to ask both commissioner Francesconi and commissioner Saltzman to join everybody down, down here.

*****: Great.

*****: I work for Portland general electric.

*****: Thanks for your work.

*****: And for the bureau of environmental services, commissioner Saltzman, dan, it's nice to see you again.

Katz: Okay. Thank you, everybody.

*****: Also, we have --

Katz: Come over to the mike so that people can hear you.

Grainey: An additional award for pge, the pioneer on the capital, we had to turn the lights off on that during the energy crisis last year, and we have established a, through pge's help and a number of contractors, solar lighting for the capital and actually -- cells additional power back into the grid, so we have a state award from governor kitzhaber for pge and also for the, for the contractors from the city, dryer and sons. I don't know if they have anybody here this morning.

Katz: Is there anybody here from dryer and sons? I am going to have our guests from the bureaus to come -- bureau of maintenance and bes. Come on to mike and tell us what you have done.

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Maintenance is part of it. Who else is up here? Come and take a seat. Come and brag and tell us what you have done. Why don't we start with you?

Bill Graham, Bureau of Maintenance: I am bill graham and I am with the bureau of transportation system management, and we installed the beacons at the school. We had an issue where we couldn't get power to the beacons, and so we had tom oleman work with us in putting solar power in. It saved us approximately 27,000 in installation costs, and so it's an excellent program. This is one particular case where solar power solves a lot of problems, where we can bring power, power is cheaper, but in this particular case, because of the lack of power, we are saving quite a bit of money.

Katz: Thank you.

Ellis McCoy, Parking Manager, Portland Office of Transportation: I am ellis mccoey, the parking operations manager with transportation. You are familiar with the smart meter program going on around the city. When we put out an rfp for this project, we knew that solar power was something that we wanted Portland to have instead of hard-wiring the units into each location, it's, it's a lot less expensive for us to use solar power. Solar power extends the, the life of the batteries that are actually in the solar meters and it reduces maintenance and operations costs for us. And it contributes, also, to the greening of Portland. So, we think it's a great program for us.

Katz: Thank you.

Tom Ullman, Portland Office of Transportation: I am tom ullman --

Katz: Tom, grab the mike.

Ullman: I am tom ullman with pdot maintenance. And i've been working with the solar generators and we have currently two. One with the bureau of environmental services that we partnered with and maintenance bureau, and these unions here have had a 2.5 year payback system on them. They have saved the first one has saved 8.5 tons of co-2 per year, where the second unit, which is 60% larger, is saving up to 20 tons of co-2 a year, and the reason I bring that up is we are dealing with emission days currently, and these units could be run during the days without adding any emissions to our air shaft.

Katz: Thank you. Thank you, gentlemen. Anybody else -- come on up.

Christopher Diamond, Oregon Office of Energy: Christopher diamond from the Oregon office of energy, and I want to spend a special -- to extend a special thanks to tom ullman. This is a gentlemen who has taken it upon himself to find the niches and the opportunities where the technology makes sense, and that's kind of where this is slowly creeping into the marketplace, and I want to publicly acknowledge his efforts and to let you know that most people are pretty, not so surprised when they find out that, that japan and germany are world leaders in this technology, but more Portlanders are trying more shocked to find out that Portland receives more solar energy on an annual base than any place in germany and most of japan. Not an issue so much of solar resource, as it is a desire and will to find little niches and find where these technologies can be developed as a cost effective step-by-step process. Thank you.

Katz: Thank you. Go ahead.

Saltzman: Roll call or --

Katz: No, there's no roll call. This is just an awards. So if anybody wants to say anything.

Saltzman: I want to thank the bureaus and pge and the state for recognizing our efforts here to, to really think creatively and to really find practical applications that make sense, dollars and cents for application of solar energy and power, and the mobile solar generators, parking meters are all great examples of models of sustainability and how we can really produce clean power using solar electric cells, and it certainly, as tom pointed out, when we have a clean air action day like today, it's more important that we have generator running on solar power rather than diesel. I wanted to say that, as was just pointed out, we have the potential to consume a lot of solar injury through the

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solar electric cells, but one of the things that our economic development task force is exploring is what is our potential to actually be manufacturers of solar electric cells. This area, Portland in particular, in Oregon, is particularly well suited to produce solar electric cells here, and there is some efforts going on to establish some research capacity at Portland state university to work with some of our private sector firms would work with the solar international solar electric manufactures to see if one day we can locate some solar cell manufacturers right here in Portland because they the same silicon wafers that semi-conductor firms use throughout the region so we have a lot of things going for us, and it's an exciting left. One of the things the manufacturers look for is support, they want to make sure that the local, the local place supports it, and certainly, in these types of activities where we are building demand for solar electric cells through practical applications like this demonstrates that not only do we get, we get it but we are building that demand for it, as well.

Thanks.

Katz: You are absolutely right. Commissioner Francesconi.

Francesconi: I wanted to thank some people, starting with pge. We have the nation's first mobile solar generator because of you, so you demonstrated your commitment to the community but also our environment so I want to say thank you to that. I also want to thank commissioner Hales and the staff and the people at pdot. I was very aware of your efforts to kind of move people and move cars and freight through our region, but, and I was aware generally but not specifically of how committed you are to doing in the most, the way that is most compatible with our environment. And there's many exciting efforts in pdot to work in a, more enlightened way that we are going to be bringing to the council, and this here is just some more examples of that. It was nice of you to recognize us, and I had no idea that we are the 12th largest state in the country using solar power. That's actually staggering, and you gave a lot of the credit to Portland, but it's because of the efforts of the women and men in our bureaus that are committed to our city and to our special place that's the reason that that's happened. So this is exciting. We can do more. I also appreciate commissioner Saltzman's efforts to incorporate this into our economic development strategy, as well. So thanks for all this good work. Aye.

Katz: Thank you very much. And I want to thank the state for recognizing us and for all of our partners between pdot and bes and pge. All right. We are a little early. Let me ask tim, do you have everybody here apropos this particular item? This fits nicely into 1027, so everybody is here? All right. We will skip to 1027. Path finder.

Item 1027:

Katz: Let me introduce this by reminding the council that we had this conversation a while back and to try to find opportunities, and you gave us the green light, to find opportunities where because the city is engaged in the purchase of equipment and services, opportunities to enhance the image of the city and also to receive some resources. It is called a municipal marketing program. You are going to hear this morning where it's working and how much people think the potential is for, for our city, or at least how much other cities have realized. This is a win-win situation. We do a lot of procurement with products and we will create policies and guidelines by which these companies may want to use and enhance the sales of their products by using the city of Portland's name or association with the city. I just want to say that this has nothing to do with naming rights. And you will hear examples in a second from other cities as to what they have done. We will set some policy guidelines so that you clearly know as a council and the city will know what's acceptable and what's not acceptable, that's not been done yet. This is the next stage to do that, and assess current opportunities in light of what we have been purchasing. If you recall the conversation with the solar meters that was one opportunity to do that because we are light years, forgive me for the pun, light years ahead of most other jurisdictions. I have asked dave and tim to expedite the, the creation

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of the, the guidelines so that we don't miss any opportunities to raise some money for our city and for the general funds. So let me turn first to tim -- for the general fund. So let me turn to tim.

Tim Grewe, Chief Administrative Officer: Administrative officer for the city. Mayor, you did a very of giving an -- mayor, you did a very good job of giving an overview. I would like to have dave give more detail on what the next steps are and I would also like to introduce the person that will be working with us on those steps this morning, and perhaps he can talk a bit about his experience in other cities. I did want to emphasize, mayor, that we will work hard in getting the criteria back to us as soon as possible, and as I also told each council office, to the degree we find any low-hanging fruit as we go through the planning phase, we will most likely circle back to you as soon as possible and get your authorization to proceed with those opportunities. We don't want this to turn into a situation where we spend three to four months planning and getting strategic in our approach if there's real opportunities out there during that period of time. So, that, with that, I will turn it over to dave.

Dave Logsdon: Good morning, council. For the record, dave, office of management and finance. Very quickly, just to reinforce and expand a bit on what the mayor said in introducing this, is the first steps we are going to take is to define some policies and some guidelines that will govern how omf and our consultant from the pathfinder group will approach this issue. Some of the things we will be looking at is certain kinds of businesses and activities that the city would not want to be in partnerships with, examples are tobacco industry, the alcohol beverages, firearms industry. Things like that, we will certainly want to stay away from. We would want to deal with issues of, of how many and what, what types of, of arrangements that would be appropriate for the city to enter into. That will be a part of that. And part of this initial assessment will include working with the purchasing and some of the major bureaus who are involved in major procurements to identify when major purchases are coming up, when are contracts being entered into, who are the target companies, and trying to work with those companies on potential marketing partnership agreements. And so with that, I think we might ask ed augustine to introduce himself and give you a bit of an overview on the work his company is doing in other cities.

Grewe: Just one clarification before that. I wanted to assure the council that in situations where we are already doing this type of agreement with companies and this is occurring in the park's bureau, already, we are going to look at those as opportunities to see if we can build upon them. In terms of expanding them to a city-wide. If we can't do that, then we are certainly going to keep those contracts in place, so the work that's already been performed in these areas will be part of our analysis, but we don't want to do anything to, to jeopardize those agreements.

*****: Thank you for the opportunity to be with you --

Katz: Identify yourself for the record.

Ed Augustine, Managing Partner, Pathfinder Group: I am sorry, I am ed augustine, managing partner of the pathfinder group. Our firm is focused on generating revenue for cities throughout the united states from the development of public-private partnerships. Portland is one of the cities that i've been looking at for several years, and it is a city that, obviously, fits all the criteria for success in terms of the possibility of really generating a substantial amount of revenue from public partnerships. One of the things is that you already are doing this, as tim mentioned, some of the parks' department partnerships are just really great start in terms of, of understanding the concept and already seeing some success. So what the pathfinder group can offer to the city is to basically to, to better organize, more purposefully and systematically develop a partnership which the city has an opportunity to do. Your city follows in the footsteps of san diego, which is really the first city in the united states to develop a comprehensive approach to developing public-private partnerships that would generate revenue. Other cities, and your city, as well, have done project-related partnerships, kind of one at a time, mostly in reaction to companies that, of that approach.

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San diego has taken a comprehensive approach and developed a full program with a full-time staff member that is, that, whose job it is along with myself to develop these partnerships. In san diego in the last three years, we have generated 15 to 20 million in partnerships. One of my partners, chris smith, has done a similar thing in the denver public school system and generated about 17 million in the denver school system using the same approach. The first and important step is to develop a strategic man, which means doing a complete inventory and analysis of what those opportunities are. What current partnerships you have, what potential partnerships there are in the future, the timing of those partnerships in terms of the economy and other factors, and then to develop guidelines that would, that would give you some guidance in terms of how to evaluate the partnerships, some of the things that dave had talked about in terms of things that you might not want to do or that you would want to do, but basically, that reflect the values of the city and of the public. So, after the strategic plan is done, we would be in a much, much better position to more intelligently predict, project what those partnerships would be that would be likely and what the revenue from those partnerships would be and the timing of those. But, it is in all of our interests to move forward as quickly as possible and hopefully we will be able to be in a position to have our strategic plan ready sometime in the late fall and if we -- and hopefully identify some partnerships in the meantime but at least be ready to go at the beginning of the first quarter of the calendar here in terms of our partnership discussions.

Katz: Thank you. Questions by the council?

Francesconi: Maybe just one. You are going to need -- we talked about this earlier. You are going to need, you know, two, three, four years, probably, longer than one year, if this works. This contract is for one year, right? And but it can be extended.

Augustine: It's renewable.

Francesconi: I guess, the point that I wanted to ask you about, is during the process of developing these partnerships, I take it that part of your job will also be to help develop the capacity of our own staff to develop these partnerships, so that after a three or four-year period of working with you, we can then do some of this ourselves. Is that part of the strategy?

Augustine: It is, and not only is it part of the strategy but what he would like to do is in the strategic plan we will identify areas levels of, of partnerships in terms of their ability to, to generate revenue and on, on, in certain of those categories, it may not make sense for me to be involved, but it would make sense for staff to be involved and on those, I can immediately train, give council to assist, help navigate through those. So, I would see that as an ongoing process.

Grewe: And commissioner Francesconi, that's exactly what's happened in san diego. The consulting people there has gradually decreased as they have brought up the staffing capacity to handle these kinds of negotiations.

Katz: Further questions? All right, thank you. Does anybody else want to testify? If not, roll call.

Francesconi: We are not going to sell our souls or our public places for money. But, it is incumbent upon us to use our assets and our resources in a way that generate revenue without selling our souls. And we are also in a business here, and the more revenue we can generate from these kind of sources, whether it be \$1 million up to the \$15 million that you have referred to, that's money that we can use for police officers, firefighters, fixing potholes, buying parkland, having after-school programs, so this is a very appropriate way to proceed, and we, we will put guidelines in place. There won't be alcohol. There won't be gun manufacturers. We are not going to name community centers or parks after corporate interests. But there's a lot more than we can do because there's a lot of companies at that use our name already and are not paying us for it, so this is a wise investment and it can save taxpayer dollars. Aye.

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Saltzman: I think that in an era where we are looking at budget deficits, what was it, \$18 million in the last fiscal year, we can't afford not to look at these creative opportunities here, and it's great the cities like san diego, denver school district have led the way and we have a, a fortunate partnership here with the pathfinder to make these opportunities realities here, dollar-savvying opportunities here in our city. I think that there's a lot of exciting opportunities out there and many of them, as I have had described them to me, are things that I had never even contemplated but I don't know the world of corporate marketing and the corporate partnerships and advertising, that's why we are fortunate to have pathfinder here to help us because we, as a city, generally are not in doubt of a lot of skills in those areas, in marketing ourselves, and making money doing it. I think that we will, we will set down appropriate core values here and we will have exciting opportunities and I hope that our Portland school district will take a look at our experience here and maybe decide that this is something that they want to do, as well to, help maybe emulate the success of the denver school district in raising external revenues to support the core mission so I look forward to this continued process and I wanted to thank one of my staff members, matt grum, who showed particular interest in this from the outset, who had a lot to do with taking a look at this and working with the mayor's office and all the other commissioner's office to bring this to where it is today. Aye.

Sten: I think that it's a good step. I appreciate you bringing it forward and the mayor bringing it forward. I have really two contradictory thoughts. I think this is tricky business and I want to see more before we make any decisions. I've been both pleasantly and not pleasantly surprised at times by the citizen's reaction to naming issues and other things and I think that we need to think it through very, very carefully. I think that that's part of this contract and so I am real comfortable with that. The other side of it, which is why I really do want to do this, is that, you know, I think it's been clear for some time that, that we are not going to fix the tax structure any time soon. The way our tax structure is so heavily dependent upon property tax it's very hard to move it up without hitting people who can't afford it so we are going to have to find new ways of financing some programs in a way that's acceptable, and you know, I think exploring that aggressively is something that we really have to do, which ones that we should accept and go with, I think I need to give more thought to so I am looking forward to doing that with you and appreciate the chance to work together. Aye.

Katz: Thank you. This is a wonderful opportunity to take advantage of, of what other companies already are doing. They are using our name, but I want to say this is not a naming opportunity. This is more of a descriptive opportunity, and you will see the guidelines. This is very entrepreneurial and I want to say that entrepreneurial "entrepreneur," is a french word, and this is being as creative as we possibly can, and as I had a conversation with the three gentlemen sitting before you, I began thinking about some possibilities, some real, some unreal, but it also gives us an opportunity to think creatively as we work with our bureaus to see if we can take some advantage of this issue, so thank you, aye. All right. Let's then jump to 975 and 976.

Items 975 and 976.

Katz: If you recall, I think about 5.5 weeks ago, you asked us, the mayor's office to come back with a work plan. We took that very seriously, and I assigned my chief of staff, sam adams, the assignment, and with a team of some wonderful bureau managers and staff people, they have presented you a work plan. Let me just say that, that part of the job of any city is to, is to continuously look at improving ourselves. To look in the mirror and ask ourselves, are we on the right track? Are we doing the things in the way we should be doing? Are we asking the right questions? Are we reinventing ourselves in certain areas? This was a wonderful opportunity to do that. Blueprint 2000 looked at processes. They did not basically complete their work. They identified things that needed to continue. I think that it's fair to say that we have taken this one step

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further, and not only look at processes but also at regulations, as well. And customer service and I underline that because that's a very critical component of that. The city has a responsibility as stewards of smart growth to balance regulations with a quality of life, to clearly understand what neighbors and neighborhood associations need and want, or the business community needs and wants. This is an evolving discussion, and I hope that as we proceed with phase 2 and 3, there will be far more involvement on the part of everybody in the community as to where we are going. We are remodeling the system to improve performance measures and to incorporate ongoing reviews in order to stay competitive as a city and livable as a city. And as you will see in the work plan, there are several very key components. Some of them are already in place because we initiated that from the day one. Some are in the process of being developed, and you will be presented with elements of that in the coming weeks, and there's a time line in your discussion report as to what you can expect. I have said enough. Let me bring sam adams and margaret, is she here? And margaret and gil here?

*****: Gill is on his way.

Katz: Okay.

Sam Adams, Mayor's Office: Good morning, I am sam adams. I work for the mayor. I am, up front, I want to thank a couple of, of people. First I want to thank my staff and especially hanh ta and hannah and amie, who having instrumental in helping put this package together in a short amount of time. I also want to express gratitude to gil kelley, margaret o'mahoney and all their staff for rising to the challenge and being as creative, with a very creative attitude and can-do attitude. Up front I would also like to thank the many diverse group of Portlanders who gave us hundreds of comments on the issue in general and then the many folks from neighborhood association representatives to others who gave us feedback on earlier drafts of this document. I thought it would be interesting up front to very quickly give you some numbers that might help ground us in a sense of the magnitude of the problem. Portland is 146 square miles. It's divided into 142,000 tax lots. There are 238,000 housing units, 529,000 residents. We have approximately 44,000 -- 44,500 licensed businesses and all that is governed by 3500 pages of land use and building codes.

Francesconi: I thought you were preparing for willamette week questionnaire.

Adams: What's the cost of a loaf of bread? No. In your authorizing resolution for this process, you, the city council have provided us the context for our regulatory improvement work. You said clearly your continued desire to meet regional planning goals, enhance neighborhood livability in the environment and promote jobs, and based on that direction, we have gone about our task in terms of making that all happen, not an either-or. Our approach, we have sought to build on previous efforts and we are taking -- although we have sought to build on previous efforts as the mayor mentioned in her opening remarks, we also are taking a city-wide integrated approach and everything that we are doing is trying to build an ongoing system of continuous improvement and continuous reform. We are looking at overall issues, the regulations, themselves, systems and procedures, attitude, the knowledge requirements and the knowledge level to make this process work, fiscal issues and cost issues, and then the resources that we need to complete this project, itself. I want to underscore, and it's even in the title, this is an initial report that will continue to be refined. Needs to be tightened up. Elements need to be integrated over the next couple of months and we will come back to you with a final report on november 13th. This report is a companion resolution that provides council authorization to us to proceed on implementing some selected items out of the work plan. In terms of stake holder outreach and issues, I wanted to get in the time that I was given as balanced perspective on the issues as possible and over the past five weeks, I have met with neighborhood activists, business owners and their associations, I have done site tours. Developers and environmentalists, land use advocates, management and staff. We tried very hard to get as balanced perspective on this issue as we could in five weeks. And although I definitely

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heard some agreements on code issues, I also heard a lot of agreements on the overall effort. Businesses often express support for the livability and the clean environment that Portland provides, and environmentalists, neighborhood and land use advocates and others spoke about the need to provide a healthy economy and to promote jobs in the city and in short, we found a lot of common ground in which for us to do this work. In terms of process, we heard some frequent themes from various constituencies and it's contained -- we have summarized it, all the feedback we got and the questions and the document, itself, but among neighborhoods we heard most often the need for early notification and lack of access to meaningful information that allows them to be meaningful partners in this process, the prompting process and the planning process. From developers we heard a lot of things, above all others we heard about the need for timeliness in the permit process and predictability of the permit process. From small businesses, we heard about sdc's and their costs, we heard about the lack of time for themselves, who are often running their own businesses to take the paperwork around the process, nor do they have the money to hire permit fluffers to do it for them. From city managers, we heard concerns about resources, to implement the improvements and from city staff, we heard a lot of concerns about resources, as well, but also the need for better communication among those people who write the code as they are writing it with the people who have to implement it we also heard consistently in all the staff that I met with, a real desire to both be a good steward of the public's trust and also to provide good customer service. Among -- environmental land use advocates, we heard real strong concerns about insufficient code enforcement. The initial work plan in front of you, phases in as the mayor mentioned, sort of three phases. The first phase is a media improvement and it also is authorized in the companion resolution, the creation of an annual regulatory improvement work plan. The scope of which we will deal with both code, service, cost, and customer service improvements. Again, that integration that we are looking for here. On the code side, this work plan will include each regulatory code improvement list that includes both an annual top ten list of existing codes that need to be fixed and a prioritized list for a new regulation. For this first year launch, that, in future years, that, the entire work plan will come before you in one draft piece but for the first year launch, because of the time line requirements, and because we know that we need more than five weeks to get out and talk to folks, we are going to return to you by October 2nd with and hopefully to you in the planning commission with staff recommended top ten list of codes to be fixed for this year. And in exhibit e, for this first year launch, deals with, or provides you with staff recommendations on how to prioritize moving forward on the regulations that are currently identified as being in the city's pipeline. So that's the regulatory side of the work plan improvement process. On the cost and service side of the regulatory improvement work plan, just like we will always be working on the code, we will always have a plan to be continuously improving our processes and services, and the tables that follow the narrative in your binder sort of sketch out at least in an initial way some of the service improvements that we contemplate at this time. First off, we are going to immediately sit down and start working with all the bureaus to check in on the interbureau processes for writing, routing and approving both permits and new code. We will deal with that in a deeper, more systemic way in phase 2, but right now we are going to check in on the process and make sure that there are no bottlenecks. We also have two pilot efforts. One, to look at a pilot effort for moneyback guarantees for permits based on published turn-around times and those are -- those are remodeling permits and a pilot effort to provide additional concierge type businesses for small businesses trying to deal with the concerns we heard loud and clear from small businesses. And Margaret do you want to talk a bit about both of those?

Margaret Mahoney, Director, Office of Planning and Development Review: Margaret Mahoney, director of the office of planning and development review. The first of the two pilot projects, the guaranteed turnaround will be focused on remodeling permits as Sam alluded. We are

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in the process right now of actually looking at that work that currently goes through what gets issued over the counter and what doesn't and why doesn't it. Based on that, we will be designing the pilot test to see what kind of work there is there and how we can reassign existing staff so that we can guarantee the turnaround on some group of that. We will announce the actual design of the pilot test October 1st, and we will run the test for 60 days and evaluate as we go along, but also survey participants when we are done with the test to get feedback on how it worked. We will evaluate that information and present a report, as well as recommendations on how to institutionalize what we found from the pilot by the beginning of February. The small business services are really a group of efforts to get information out to small businesses and then build on creating some special assistance to small businesses. We will start with the publication of a guide for small businesses on how to -- or what are the, the regulations you need to be aware of, if you are a business in Portland. How do you deal with those and what are some resources to help you. We will be also converting that kind of information into a presentation that will offer in a variation on the lunch-and-learn program, a meet and learn for small business. We will not only do it downtown but we will, during the day we will do it in the evening and take it out to groups. We are going to -- we are in the process of modifying our website so we have a portal specifically for small business that links small business owners to information that is specific to them. The pilot test that's a part of this will be the, the designation of a small business team of staff from the various bureaus who will be available for evening assistance for a period of time, two small businesses so we can track specifically what kinds of projects we are getting in, what's happening with them, have a consistent team working on them, that includes inspection staff, as well. We will track the permits through from intake to completion, see what kind of regulatory issues are coming up from small businesses and as well as what kind of permit processing and inspection issues. We will evaluate that information, also talk with the participants to get their feedback and on the base of that, come back to you with a report on recommendations on what of that group of services works best for small business and what we need to improve further.

Adams: Also on the list of immediate process and service improvements is the creation of the s-dot, the strategic opportunity development team, an interbureau team that will focus on land use and building use code for signature and strategic building sites or work with businesses that are looking for plots of land that are larger and might have more signature issues. For example, and this team has already been underway for the past four weeks, and for example, within the next two months, we will produce a city-wide paper signed off on by all the bureaus that will lay out the development opportunities for the infamous Columbia sportswear site so this, this team is going to be looking at possibilities and opportunities for sites that exist, or possibilities or opportunities for businesses that are looking for sites in the city of Portland. And will provide a one-stop shopping for those folks. The work plan in terms of process and service improvements also calls for the creation of regulatory impact statements, trying to account better for both internal and ex-term cost benefits and impacts. We have a lot more to do on this task and the companion resolution calls for this to be done but gives us latitude on, on exactly what shape they will take. It builds on the impact statements, policy reviews that Commissioner Francesconi called for a year ago, about a year ago. And we will look at the good work already underway done by the West Side Economic Alliance. Metro has their economic social and environmental economic analysis work underway related to go-five and they and the clean water services for the Tualatin basin have also contracted with Econorthwest and we will coordinate our efforts with them in terms of perfecting our impact statements. On our initial list of cost and service improvements we also, as an exhibit in the document are asking as part of the companion resolution for adjustments to regulate some selected regulatory thresholds and triggers, and Margaret and her staff's work in the community and most definitely heard loud and clear in the last five weeks those triggers are considered by many to be too low and that there's a lot

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of, of remodeling going on that cost 27,999 and is done in three phases so that it doesn't trigger in more due diligence. The initial work plan also implements the Portland economic recovery investment program by reducing sdc charges to the customer for projects that are development projects valued at \$100 million and provide \$500, at least 500 family-wage jobs. To avoid future confusion about what is plan, what does planning do versus opdr and as mentioned in the previous resolution this directs the name of opdr to be changed to the bureau of development services and the last thing on the immediate list is to begin a, a gentle public discussion about what kind of city do we want to be. We can make a lot of regulatory improvements without a clear and up to date vision statement but we would be able to do a lot more and to do it a lot better if we had an up to date vision statement. So --

Katz: Nobody wanted --

Adams: So, planning director, gil kelley, is going to talk about vision.

Gil Kelley, Director, Bureau of Planning: It's kind of curious to me that the thing I wanted to do most of all when I first arrived here I am doing now and through the lens of regulatory reform but actually that's interesting because the regulation, or the proliferation there was really the other side of sort of what we have come to based on visioning work in the past, and so as sam has alluded to --

Katz: I just need to add, your predecessors on the counselor who were not on the council at the time I think it was '93, '94, when some of us thought that it would be nice to see if the vision for the city and the mission for the city was something that the entire city could embrace, really, other than maybe one or two people, nobody else wanted to do this. Now that we have a new council, we have got a new director who always wanted to do this. We have got the regulatory environment and the need to do that. We have an opportunity to get it done, and it only took 9.5 years.

Kelley: And I wanted to particularly take a moment to thank sam because I think that he has really taken hole of this thing and made it a vehicle to serve up really important opportunities that are outside of strictly regulation. And I think that this is one of those where we need to sort of step back and really kind of clarify where we want to go because that's really the foundation for the regulation, so we will be doing that. We have attached an exhibit l, a couple of the vision statements that have been prepared over the last two decades. One in 1984. The comprehensive plan, and another in 1994, the future focus effort, and those serve as a pretty good foundation, but the stand-alone visions don't mean a lot with at least two other pieces that are also in your document that sam will discuss in a moment. One is in exhibit g, which is sort of the analysis then we go through when we are contemplating either adding or altering or deleting a regulation that asks some, some basic questions about why is it that we need this. How does it serve that vision, and what are the relative costs and benefits of doing that and are there other ways to do it other than through regulation. So, the vision is one thing, and then having some legs in the process is another. And then in exhibit g, you have the lists of things in a pipeline that becomes an ongoing workload program item for us to gather when they are in the early as operational stages and then to measure up early on is the as -- is the aspiration best met through this mechanism so if you put those three together, you have a system that I think will tie the discussions that you have and the stakeholder have back to a more core, a core vision and allow you to decide on balances, is this something that we want to go forward with. So that's the prescription that we would like to move forward with in the future in terms of how we regulate.

Katz: Thank you.

Adams: So those are the -- that's a summary of the, the changes, the immediate changes of the pilots that we would undertake as part of the phase one, both dealing with the regulations and dealing with process improvements, again, the regulations, the top ten list will come back to you on october 2nd, which allows us more time to have conversations with the stakeholders. That's phase

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one. Phase two is we obviously need to do some more additional research and analysis and we are going to dig deeper into some of the issues that will allow us to further process, engineer some process improvements. We are very lucky and I would like to thank the auditor's -- to thank the auditor's office, as well, for their willingness to do audits that will focus on important internal factors related to the regulatory process, and I am on the board of directors of the nonprofit innovation partnership based here in Portland so I want to declare that potential conflict. And I have asked them to partner with us to help raise money to assess the stakeholder experiences through the permit process and by stakeholders, we definitely mean not just the applicant but stakeholders such as staff, definitely stakeholders such as neighborhood association, impacted by development. Through their efforts, get a much clearer sense of what are the private costs for stakeholders related to the experience of going through our process or being subject to our process, and this is never -- we have never really done this before, you know. What are the carrying costs for delays? What does it take to, to comply with the various steps along the way? Their efforts will be guided by a stirring committee that includes representatives from all the regulatory stakeholders, including developers, neighborhoods, and environmentalists, land use advocates. It's important that their group be a microcosms, of what the regulatory process faces every day. This suggests we provide them a \$15,000 stipend and they have agreed to raise over \$100,000 to complete this assessment in return from private sources. So with the auditor, get a good internal assessment and a clearer picture of what the external cost of the processes are with iep. And once those efforts are more complete we have a donation from the boeing corporation that spends a lot of time and money on re-engineering their own processes because their mark you know is just tiny with their competition overseas, and they are going to help us again based on that set of information and the work already done to re-engineer the current process. Taking out hopefully unnecessary steps with a clearer picture of what each of the steps, the cost of the external stakeholder is and our cost and the benefits of both, being able to look at each step and take out and combine and shorten and hopefully make less costly and more certain to all the stakeholders in the permit process. That's, that sort of is phase 2 and we complete phase 2, that leads to getting to phase 3. The early results of the research and analysis will be used to finalize again that, that work plan, the 2002-2003 work plan which will be coming back. All this will be coming back to council for consideration on november 13th.

Katz: November 13th. All right. Questions? Go ahead.

Saltzman: I can wait until after testimony.

Katz: All right. Let's wait until after testimony. I know you have a small amendment and then we will come back to questions. All right.

Bonnie McKnight, Land Use Chair, Russell Neighborhood Association: Mayor Katz, members of the council, my name is bonnie mcknight, I live at 1617 northeast 140th street. I am land use chair of the russell neighborhood association, co-chair of that neighborhood association and volunteer coordinator for the city-wide land use group, which is made up of all of the land use and neighborhood association interests and a lot of other people who are interested in livability of the city. And I came today simply to, for once, come here and not saying something was wrong, but coming here saying that something is very right. The process by which we have gotten to this point on this very complex set of issues has been excellent. Sam, I think, has had more early involvement with this process than my experiences we have had with any of the numerous policy definitions, program starts, and, and bureau initiatives through, throughout the last four or five years that i've been involved. I think the front end is the important part because we feel like we are not part of this. We feel that we have an open door and if we have got questions or comments or suggestions, the door is not only open, but it would welcome us into the process, and I hope that that continues and our expectation is that it will. The neighborhood was recognized as a stakeholder,

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neighborhood associations were recognized as stakeholders from the beginning and I congratulate the mayor and sam adams on keeping that part of the process. In many ways, we are like small businesses and small developers. We always appear to be in the process of trying to find out how to get information about what's going on. Our capital is volunteer time but it is no less valuable and we believe our input is, is something that will help inform the city at a level they simply have no other way of reaching. We view this as a way of kind of putting it back on us to prove our value to state and we believe that we are capable of doing that. If we can attract people who don't believe their role in a neighborhood is to either stop change from happening or to try to pure into what city council or city staff is doing to develop the things that are best done internally, we are -- I personally am hoping that we can begin to build some better trust relationships between bureaus and neighborhood people that the land use process will be, will become a positive one of building a city that we want to live in and you want to govern and if we can do that, this will be no small task. Commissioner Francesconi and I attended the same meeting tuesday night to show the problem of not doing it the right way. That was all around the surplus school property, the expectation is, in the community is that the school board is trying to do this without the community finding out. That's not a good way to communicate about the problems inherent in the process. And we think if we can build in this early involvement in a neighborhood role, it will help all of us. My personal hope is that that will mean that the eventual answer for dissatisfaction with the decision will not be a tax limitation measure on an initiative ballot, but will be open communication to the policy makers.

Katz: Thank you.

Mark Sieber, Development Advisory Committee: Good morning. I am mark sieber, 2939 northwest montava court. Good morning, council.

Katz: Good morning.

Sieber: I've been on the development review advisory committee since the beginnings as the blueprint 2000 group and I am also currently employed by neighbors west, northwest, one of the neighborhood coalitions and my role on the, the advisory committee has always been from the community standpoint. I would like to first compliment sam adams and echo what bonnie said about the degree of outreach that he's done and the effort he's put into the last few weeks of connecting with our groups, most certainly, and also with other groups on all of our concerns about this, and he has been unstinting in his receiving and replying to e-mails and notes from all sorts of folks and that's been very, very, you know, productive process, I think, to this point. In my role as a community person I support this process. I think it has been needed for some time. What it's really about is determining if the implementation meets the regulatory intent. It's something that we have never really known and there's been lots of concern about that in particular instances over my years as a community volunteer. I think that there's immediate concern about which community projects that are in the pipeline might be held up or not, and I think that in addition to regulatory pieces and how they, they impact those particular processes, as we are looking at this, also need to bear in mind what public promises have been made to date, in other words, how much public participation has gone into some of them and should they continue, but with that said, I think that they all should have applied to them at the end of their process and once implemented, a checkup, a, you know, follow-up evaluation, which is one of the pieces that we are looking for in this process. Also, in my role on the drak, they have been for quite a long time talking about this regulatory reform piece. We brought it up early on saying while we were not charged with dealing with that, we wanted to see that happen, and so the entire committee is very pleased to see this go forward. I think that specifics, concerns of the different constituents in that group can come up during the process and don't need to be here now. But, I think that the, the advisory committee would very much like to continue to be included in this process and I would also say that, that the beginnings of sam's

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community outreach need to continue at a high level. To me, the bottom line about this, is that it's doing good homework, about finding out the facts so that we can design a system that's based on what works, not on what people hope for, and that we be a bit careful about what people are promising as outcomes when we haven't gathered all the facts yet, but in general I think it's a great thing. Thank you very much.

Kevin Montgomery-Smith, Portland Business Alliance, 520 SW Yamhill 97204: Good morning, I am Kevin Montgomery Smith, and I am here today on behalf of the Portland Business Alliance. And as you know, we have been very involved in this, and it's been on, on a high list -- high on our list of priorities and also our predecessor groups, and also the Portland Chamber of Commerce. This is obviously a difficult problem to fix and recent experience demonstrates that it's not a quick or easy fix. So, to begin with we want to thank you, Mayor, and also echo everyone else's comments thanking Sam Adams for doing so in such an expeditious manner. Frankly we are still digesting the report in its more than a dozen attachments but we have some that we want to share. First, the concept spelled out in this report and the initial work plan, the regulatory reform, it will have to be an ongoing process. We will have to work on these issues continually. It was, however, sobering that there's almost 50 regulatory projects in various stages of development in the pipeline in the city's bureaus as the report was written. This fact reinforces our sense of urgency we must exercise regulatory restraints if we are going to make progress on the issues and our sense is that we must stay on top of the effort to clarify and simplify our regulations and regulatory processes. In this regard, we would like to emphasize the need for a performance evaluation target tied to the budget approval cycle, establishing when each year we will take stock of how we are doing on these issues. We believe this should start in spring of 2003. Second, we want to support the emphasis on relief for small businesses. Small businesses make up the overwhelming majority of our business community and create the majority of new jobs in the city. The work plan recognizes those facts and offers ideas for some immediate relief so please don't lose the focus on this important element of our economy. Finally we want to express our commitment to stay involved with this effort, and do whatever we can to bring issues to the city staff that work on this and also to you, as we become aware of them, and the hopes that at this time next year, we can point to tangible evidence of how we have improved the city's regulatory climate. We look forward to the final set of proposals to be delivered in November and thank you.

Katz: All right.

Jennifer Johnson, Small Business Advocate, Portland Development Commission: Good morning. Mayor Katz, Commissioner Francesconi, Saltzman, and Sten. I am here today as the city's small business advocate and on PDC's behalf. I want to start by congratulating you, Mayor, Sam Adams, Margaret O'Mahoney, Gil Kelley and your staff for your concerted efforts in taking a signature step forward for the city. The overall effort underway to build a process for improving the city of Portland's land use and building regulations, regulatory related procedures, customer services and fees is extremely important and it is evident that you have listened to concerns and the needs of the business community. A lot of progress has been made in a very short time, and the initial work plan outlines an aggressive strategy with incremental steps that puts us on course to make dramatic, systemic improvements and value citizens as stakeholders. There are several action items in the initial regulatory improvement work plan designed to improve the overall business environment, particularly for small firms that lack the capacity of larger ones. Overall, the regulatory reform will help eliminate redundancy and conflicts in codes and regulations. The new guiding principles and requirements after regulatory impact statement with costs and benefits to the city and business community will introduce regulatory discipline into our system. I am particularly encouraged by the concierge-type services imposed for small businesses that will help guide people through the system and the piloting of programs to allow for public input and tailoring the programs

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to meet business needs. Margaret o'mahoney already touched on a number of the programs, but briefly, the small businesses guide is a tool that can help businesses understand some of the key complex issues that they should research before planning a business expanding, remodeling or relocating. Opdr's small business customer portal will provide around the clock access to regulatory and permitting information. The meet and learn lunch forums will promote dialogue between city, staff, and small businesses hopefully resulting in a mutual understanding and respect of the issues and challenges they both face. A small business team in the development services center will help guide people through the system while facilitating coordination among bureaus. And finally, the small business after-hours night modeled after the permit night will allow businesses to visit the development services center to explore an expansion idea or get a permit without having to close shop. Other areas of the work plan are equally important to small businesses, including communication between the city and businesses, promoting public involvement, raising the threshold trigger amounts, the moneyback guarantee on permit turnaround and shadowing individual businesses through the system to identify yourself of improvement. The focus of the work plan to improve the cost, timeliness and predicability of the permit process will greatly enhance the business environment in Portland, promoting entrepreneurship and business development, which is directly tied to job creation and a sustainable economy. The public-private community approach incorporated into all three phases of this plan is extremely important in implementing effective change. Working together, we can and make this a win-win situation if we are diligent and continue to engage the public in this process. Reform is not going to happen overnight and encourage you to be diligent in seeing this plan through implementation while striving to achieve some short-term goals so we don't lose momentum or credibility of our stakeholders. I thank you for your efforts and offer my support and assistance. Thank you.

David Reid, Johnson Creek Watershed Council: Good morning. David reed with johnson creek watershed council, 5606 northeast 16th avenue. Very grateful for the opportunity today to address you on this very important matter and I am sure that you can imagine the watershed council is interested in the outcome of regulatory reform. The watershed council feels strongly that it's clear that the current level of protection isn't sufficient to prevent additional damage to our urban ecosystems and I think you all agree with that and that's why we are moving forward with the healthy streams process and this regulatory reform I think is, is another important element of that, as we make this, as we see this go forward so that the process can be streamlined and people can have more access to the process. Through that process, though, I want to urge the council to, to make sure that, that the reform doesn't compromise the integrity of the, of the permit process and that projects that people who are seeking permits for their projects do have an easier time but only if their projects are permissible. We need to make sure that we are, we are maintaining the integrity of our system as we move forward through the process. I also want to, to acknowledge the final work that sam adams and you all have done in looking for input from stakeholders from throughout the region and city and the watershed council as you did in maintaining its involvement in the process and assisting in whatever ways that we can in terms of reaching out to, to members of the community and working with members of the community to assist them in their development of permit applications and moving forward so that we can actually help, be a helping hand to both the citizens and the city council on these matters. So, I thank you again for your time and good luck.

Katz: Thank you. Go ahead, sir.

Jim Labhe, Audubon Society: Hi. I am jim labhe, live at 4805 north borthwich 97212 and I am here today representing Portland. Ron karlee could not make it so I am flying at the seat of my pants so make sure that we are represented. We represent 10,000 members throughout the Portland metropolitan area, and we are certainly concerned -- I just began -- did you have a chance to look through the proposals, there's been a lot of work done. These are certainly important issues of the

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city in dealing with, with a range of issues. The issues we are mostly concerned about are how the proposals are going to affect the city's ongoing environmental programs from healthy Portland streams, river renaissance, greenway, north macadam, the usa response, and particularly, I guess emphasize the role that, the cost-benefit analysis will play in the permitting process, that under, under goal five, healthy streams process already has, you know, an analysis, which is a holistic process for assessing and balancing impacts and social, economic energy, and I am curious, you know, these -- this has been a long process. Natural resource planning in the city, and healthy streams process, program, and I am just wondering, is this going to mean that, that another, another level of analysis is applied to this program? We are certainly not interested in seeing that. And I guess, you know, I think mike mentioned in his written comments will we have a corollary analysis, environmental impact analysis for every development? That's obviously probably, probably not, but, you know, raises the question, these, regulations obviously don't just, aren't just dreamt up by bureaucrats but events and problems that citizens face, and, and there's a lot of issues here that, that need -- need to be addressed. And cost-benefit analysis, I am concerned it is going to displace -- we have a democrat process to address a lot of the issues, and I am -- my comments are preliminary here but I am concerned that, that, you know, it's the kind of process that invites a lot of lawyers to, to meet and I wonder if it's going to encumber the democrat process in that way, and I would like to see, and i've been a big advocate. I served on -- or I was an alternate for the susan advisory committee for the healthy stream program, and I think a lot of the problems that come up around the issues are, we need to, to, you know, look at the democratic process and make sure that there is more exchange between citizens, you know, we need the exchange between the technical people, too, but also between citizens around the issues, and, you know, that is -- there is a tension between a democratic process and a quick permitting process.

Katz: Thank you.

*******:** Thanks for hearing me out.

Katz: Okay.

Francesconi: Can I just ask, first of all, to refresh and have somebody other than my people testify, tell him that I said that -- second, if the -- well, I forgot what we are going to call it. But if the environmental -- if the impact statements include an environmental element, see, you testified to healthy streams, which has the, the impacts you described but we have a bunch of other regulations that don't include environmental impact evaluations now. I take it that if they did, and if, if it was done in a way that you think is appropriate, then it could provide more protection not less protection, and therefore, you would support it, if it's done right?

Labhe: Yeah, certainly. Certainly. I was just concerned about from what I read so far about becoming this narrow economic analysis, you know, and not being holistic the way that I think the e.c. Analysis is somewhat addressing social and cultural and moral issues that are, that are very important to the city, as you know.

Katz: Thank you.

Katz: Anybody else signed up? Dean, and then the team come on up, and address the cost-benefit issue since that has come up several times in some of the meetings that I have been at. All right.

Roger Jones: Roger jones, 2936 southeast taylor in the heart of the hawthorne district.

Katz: Roger, why don't you grab a mike.

Jones: Oh, I will come over here. There we go. I want to publicly thank sam adams in the last month, he has come out to the alliance of Portland neighborhood business associations and personally met with as many as 38 association delegates, and, and feverishly was writing during that session where he was presenting and listening and getting things to be engrossed in what's come out this last week, I am just -- sometimes I come critically and I just want to come today and say thank you to the, the council and to sam wherever he is, and that's all that I have to say.

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Katz: Thanks, roger. All right. Anybody else? Dean.

Dean Marriott, Director, Bureau of Environmental Services: Good morning, mayor Katz. Members of the council. Dean marriott, environmental services, director. Let me just say that, that I very much support the efforts that's going on right now to improve this process. It's kind of ironic that one of the examples that was cited several months ago in opdr was here for that have their fee increase was involved, involved environmental restoration work on the columbia slough, and I recall people citing the fact that it took many months for that project to get through opdr, and, of course, no one is more familiar with that, than I am since it was my project. And we have already set up time with margaret and her staff to talk about sort of a postmortem on how that process worked or didn't work. And what we could do to improve it. We have already suggested to sam some areas for improvement, so I don't want you to think that I am here to complain about this process. I fully support it. But, I am suggesting is that perhaps we might want to just tap the brake lights a bit here to be sure we don't end up with, with a whole bunch of unintended consequences. And I just draw your attention to a couple of the exhibits. Exhibit a, prepare the regulatory improvement list so my staff will have to prepare the regulatory improvement list, submit it to planning and development services and then I presume spend time talking with their staff about how we are trying to comply with the clean water act or the safe drinking water act or some other state or federal law or regulation that they may not be particularly familiar with. I am not sure that anybody has calculated what the cost of, of the, complying with this requirement would be. How much staff time or, perhaps, even additional staff would be required to do that. Second, I have considerable concerns about the regulatory impact analysis, and particularly, about the cost benefit analysis. I think you are all aware of the controversy involving cost benefit analysis, the corps of engineers was cited by congress for fiddling with the cost-benefit analysis on their mississippi-missouri locks and dams improvement projects. They are fraught with danger. If you look through the list of questions that are suggested in this draft, cost-benefit analysis, the first thing that I would have to do is go out and hire some staff to assist us in preparing a cost-benefit analysis and then again, I presume that we would have to sit down with omf and walk through the precise value of a tree or an acre of wetland or a gallon of clean water. That is a process that I really don't think that, that will add value to this effort. So, I would urge caution as omf begins the process of, of developing the final guidance on cost-benefit. Last on the creation of a strategic development opportunity team, I think it's a great idea. I am a little miffed that bes is not included on this team. The issues listed, open space, in exhibit f, open space, neighborhood improvement, urban design and livability, water quality or stormwater management are not listed on that. I would love to see them included. It's what we are spending a billion dollars to work on here in the city. And I think that many of the issues frankly that cause problems for large-scale development center around stormwater management, how they are going to manage the stormwater so we would love to participate in that. And I am sure that that can be addressed fairly quickly. So, I think that we are, we are off to a good start. I am just suggest that go we be careful about unintended consequences and that I would encourage you to ask questions about, about what is this going to cost us in additional staff time and implementation. Thank you very much for the opportunity to comment.

Francesconi: I want to respond if I could briefly, mayor.

Katz: You don't want to wait for the team to respond?

Francesconi: No, I want to respond to dean's comments. Not on the third point. That seems like you should be included. That's up to the team but on the first two on the cost-benefit analysis, I think that, you know, I was the one and sam referred this, I required every bureau to comment on when you would come up with issues in bes, or any bureau. Every other bureau under the major policy review was supposed to respond, and we gave them no money to do that. So, although my intent was good, the practice was not effective. Let me be the first to say it. And I think that you

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opposed it at the time. I don't recall but you warned me about this. And other bureaus did, and it didn't work, okay. And I want to say right now that, that the thing I tried to do a year ago did not work. Having said that, this is an attempt to try to get each bureau to do it in a more cost effective way. So I have to tell you, I disagree with you on one and two. That doesn't mean it can't be done more clearly and easier for you, but i, as one commissioner, disagree with the points you made on one and two because we need to have some impacts done because we keep doing things without understanding the unintended consequences, on the environment, neighborhood livability or on economic development. So, this is a compromise approach that I think is effective. It doesn't mean we shouldn't have more input from the bureaus on how to do it. But on the need for it to be done it, needs to be done. I want to be clear about that.

Marriott: And commissioner, I don't disagree. I am not looking to pick a fight with you about this. My concern about your proposal a year ago, more had to do with, with how it was going to be implemented and I think you should be not, not ashamed in any way of saying that it didn't work out as you intended and you would like to find a better way to do it. I am happy to, to work with you on that. I am just encouraging that we try to keep this process as simple and straightforward as we can and not engage in a lot of paperwork and exercise and time consuming analysis that in the end may not get you the value that you looking for.

Francesconi: I am saying that I think this is a good way to do it.

Katz: All right, can we have the team come up? Let's, let me respond to the moratorium issue. If you recall I sort of warned the council that the moratorium in itself is not an answer because a lot of, of the regulatory and codework that's being done is mandated by state and federal law, and a lot is, in fact, not a lot but several of them are also to make the code a little simpler. However, having said that, we, we have identified those areas that aren't ready for code writing, and we will hold those back unless they truly are to simplify the work that margaret in planning has to do, but a blanket moratorium, as we looked and asked each bureau what are you working on now in terms of code, which is, by the way, never has been asked before, clearly identified those areas that we need to continue and most of them are in the environment arena. So, let's talk about the cost-benefit analysis. I think I heard a lot of, of discussion on that.

*****: I noted like --

Katz: Identify yourself for the record.

Adams: I am sam adams. City employee. I noted like three or four issues, but on the cost-benefit analysis, what was important was, in the companion resolution is to put the expectation from council out there that you want more cost-benefit analysis. And again, we have provided ourselves the latitude for trying to figure out how best to do that. We definitely want to learn from the experience of other jurisdictions. We definitely, obviously, don't want to duplicate efforts on either specific proposed regulations or duplicate efforts sort of systematically regarding cost-benefit analysis. We are the first to admit in exhibit "g" that dean referenced is titled "draft," and includes the point that, that this is a guide, you know, each regulation is going to be somewhat different, so it isn't intended and I think that dean misunderstood, it isn't intended a bureau necessarily answer each of the questions but we wanted to give bureaus a fighting chance to get a sense of the kind of information that at least we have heard you are interested as a city council and we have heard that the public is interested in. Again, you don't each, each question has to be answered discreetly but we understand there is more work to be done on the cost-benefit analysis and we understand, very sensitive to the notion that people are very concerned about it -- we are very sensitive to the notion that people are very concerned about it. And we propose your expectation be clear we move in the direction of having one because we heard a lot in the five weeks outreach and before this and in blueprint 2000 called this out very clearly that real concerns that what the council is considering in

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terms of regulation, that they, that you, as city council, might not have enough information about potential impact.

Katz: Did you want to add?

Kelley: Yeah. I think that there is justifiable skepticism about cost-benefit analyses as if has been carried out over the last 20 to 30 years by federal agencies, for example, and I don't think we have in mind trying to quantify every social or environmental issue that really can't be done, and, and make a perfect balance sheet but I think it is important that we look at, at the questions about if we are going to propose a regulation, what is that going to cost to implement, for example, within the bureaucracy versus the benefit we might get out the other side of it without trying to make them dollars-to-dollars, but simply just try to elucidate the points, and then also, the cost to, to applicants, and so you make, you make some judgment there about the qualitative benefits and the, the qualitative or quantitative costs but we are -- I don't think that we have in mind we are going to do some elaborate perfect balance sheet that somehow numerically identifies social and environmental values perfectly. That's not what we have in mind in case anybody is fearing that.

Katz: Did you want to respond?

Mahoney: Margaret o'mahoney. Yes. I certainly agree with dean's concerns that we don't want to institute something that's a paperwork addition that doesn't produce useful information, but I do want to emphasize and I think that you have all heard me say before that we tend to have a problem of expectations here of passing additional regulations without being clear about what it will cost internally and externally as gill identified or what's the impact on the processing time. As we add more regulations, it affects the processing time, and we have very high expectations for processing time to be very low, so there's a disconnect between those two. So I think it's really not so much a cost-benefit analysis as a, as an attempt to clearly identify for all parties what the implementation will be, what it's going to cost internally and externally, what we expect out of that, and what it's going to mean for bureaus and the public.

Katz: What I hear you say, because I have sitting on impact, I know what the e-z cost analysis involves. It's more of a process, what you were referencing is a process analysis as a component of that. Commissioner Saltzman, you had a couple of questions.

Saltzman: Can I ask, is it --

Francesconi: Is it on this issue?

Saltzman: You go ahead.

Francesconi: I wanted to follow up on the major policy, one other question, and that is -- is there going to be a way as you are working on it further, and I understand, it's the question of letting other bureaus comment on another bureau. See, some bureaus may have more -- dean has more expertise on stormwater so we may propose some policy in another bureau, and I don't want to make dean have to do it but is there a way the other bureaus can look at these things so we can get some feedback because I view it, it's information for the council so that we have more information before we make a decision. And I would, I just want to make sure that, that using stormwater as an example, dean can then comment without making it so burdensome on him, or the bureau.

Adams: The implicit vision you sketch out for it is exactly what we are after, I mean, to give oprd an opportunity to comment on the impacts that margaret referenced to give planning opportunity to comment on potential impacts to other regulatory areas, so that's the intent. We still have more work to do to operationalize that and put that together in terms of a system.

Kelley: And we clearly want to engage the bureau of directors in this discussion as we move forward.

Adams: It's a good project for review with the bureau of directors. Just a couple of others just from the audience that I wanted to comment on, the representative from the alliance talked about the need for specific regulations and we had a really good discussion when we went to the planning

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commission about at this point the notion in the pros and cons to it but put it on the table for you all to consider, the pros and cons of having like a 12-month technical review of new regulations that are past. So that 12 months after a new revised regulations passed, passed, sort of evaluated for technical problems and those get through the process for a quick fix. There is discussion on the planning council about the need to provide certainty to the community and what's a technical problem versus a substantive problem, so they didn't land definitively anywhere. And then he also described the need for evaluation each spring of sort of the regulatory environment and that's, that is exactly what we would do in terms of, of getting public comment and internal comment within the city about not only what codes people would like to focus on, existing and perhaps new, but also what the process, processes are. And dean's comment talked about request from bureaus. That was meant -- that is meant as much as an opportunity for bureaus to provide recommendations on how the process can be improved as it is for, for, you know, what he referenced in terms of, of asking customers for their comments, as well. It's intended to be an outreach effort to get neighborhood, to get developer and all sort of constituent comments on problems that they are having with their regulations and problems that they are having with the service and every year we have a plan working on a piece of those year in and year out. And then in terms of bes's involvement on the s--do the, we absolutely, it says -- on the s--dot, well involve other bureaus. Also being mindful of impacts on cost is to have bureaus and successes where it's really not pertinent, so we definitely bring in water. We definitely will bring in bes, the forrester, as necessary.

Katz: Commissioner Saltzman, you had some questions?

Saltzman: Okay, I think one of the best examples of success that we can cite in this last weeks, not only the product before us and sort of the, the, I hate to use the word "process," but I guess that that's what it is. We are sort of at the end of the beginning now and really into the meat and potatoes here, but one of the best, most valuable outcomes of this past six weeks was, in fact, the pipeline table that listed everything the city was doing. I don't think that anybody has ever seen anything like that at any time before. And I am concerned that this, this beautiful document is going to perish in the subsequent process and so what I am after is, is assurance and I think that it's in here but then again I am not sure it's in here. I keep reading things and thinking, okay, I want to have the city council annually approve proposed regulatory projects. As part of the budget process but a separate vote. It is designed to make the council approval list subject to a separate vote at the time of the budget but I am not sure the regulatory improvement code list includes an inventory of proposed regulations for the coming year that also gives us two things -- first, the pipeline table again and requires secondly that it's incumbent upon us to affirmatively approve those projects. So, help me out here.

Adams: Sure. Well, sort of segueing into the resolution that implements this thing, I will just read the language. Each annual work plan which is every year shall include a detailed regulatory code improvement list which has two components. One, a list of those existing regulations that are to be amended and two, a list of those codes that are new, proposed new codes for the fiscal year. That's the regulatory side of the work plan, again the other side of the work plan is process. What are the, what is the process goals.

Saltzman: That's a straightforward inventory, the first part, inventory of anything being changed or new?

Adams: It will absolutely start with an inventory of every, just like we have here in the exhibit, everything that we have heard a complaint about, that will be the existing codes, and there will be an inventory every year of everything that the bureaus are contemplating in the pipeline. That, then, will be taken staff, just like we did this time, take that, give our best thoughts to you, our recommendations to you and ultimately, of course, every year you will be approving this. We

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wanted it to coincide with your amendments helped to clarify for future generations. We wanted to have it coincide with the budget process at the same time that you looking at money issues.

Saltzman: So that is the regulatory code improvement list? That's the proper term?

Adams: Correct.

Saltzman: Great. That's, because I think that that's really a valuable exercise. It's probably my mind, it's probably the most important aspect of regulatory restraint, the dynamic being there, anyway, is that council will see the whole list and council has the opportunity at that point rather than 12 months after we adopted a regulation, before we have even had the bureau's embark on the regulation, it's an appropriate time for us and the public and the neighborhoods to get involved. So, that's great. I appreciate that and I will offer that amendment at the right time to have it subject to a separate vote. My only other comment is on the regulatory impact analysis, I understand the intent of this, but I also shutter when I look at the questions that, that need to be asked and answered. It's just, you know, it's human nature, the first question runs through my mind and I think that we saw this in the major policy review process, who writes these, when do they write them, I mean, my experience with the major policy review is we got them, you know, minutes before the agenda document, or minutes before we voted on the agenda items, and secondly, who reads them. Who writes them and reads them, and when do we get them. And I think that those will be the major challenges on this document, too. The other thing is, though, that we are a policy making body. We are not an administrative agency. We are not bean counters. A lot of our decisions come down to what's not doable and cost-benefit analysis implies you can quantify everything and usually the common unit ends up being dollars. And that means, you know, we have got to start attaching actuarial values to lives and things like that. And I don't want to see us go there or our bureaus go there too far so I think we need to make sure that when we talk about cost-benefit analysis, regulatory impact analysis, we are not talking about the products that, that the corps of engineers use because they have a very prescribed process and sometimes terminology, if we start socking cost-benefit analysis people will use that against us and say, you didn't do it according to the code of federal rules says is the cost benefit analysis. We saw this on the sworn officer debate, too, so we have to be very careful about definitions and how those are used otherwise we will be hung by them.

Kelley: If I could address your point, we have some work to do with the draft exhibit "g," I believe it is, and perhaps your suggestion, we ought change the name from cost benefit to something else. Because I think that that's not what we intended. What you may be fearing. Thematically, what we would like to do is rather than have, from a lead agency like planning or omf to be the judge here, before it gets to council, this is really intended to be a set, and we have to continue to boil these down and distill them, a set of questions that should begin with the project manager at the point when these are being conceived to really start thinking, thinking through, oh, yeah, I know that I have my objective to accomplish but what are the collateral pieces to this, and so that that's a thought process that starts day one, is then reviewed by supervisors and the bureau had, had, and the commissioner in charge long before it gets on the, before council is part of the annual list, so it wasn't meant to be reactive and at the end of the process.

Francesconi: Speaking of name changes --

Katz: One second, are you finished?

Saltzman: One thought on that very point, as I am thinking about it now, seems like when we get this annual inventory, proposed projects, should we not also at that time be able to see the regulatory impact analysis that goes with it because by then whoever is working on the project will have thought through all the questions before they even put it on the, on the inventory.

Adams: We absolutely designed the, the process that's beginning to emerge here with sort of beginning and an end pressure point and along the way for council. One, you get to ask the good

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tough questions when you see the pipeline or you see our proposed changes to existing regulations and ask those kinds of questions and also to direct staff that as they go forward with the regulatory writing process you are going to be especially interested in seeing how x, y, or x, the impacts of it, so you haven't had that opportunity before. You are going to have that opportunity now, and then you will be able to check in again and gill is right in terms of, I think that as much detail as we provide on the draft just to give regulatory writers a fighting chance to think through things in front, but then you will have a chance at the end to see how well staff did based on your first conversation.

Katz: Okay.

Francesconi: Speaking of name changes, two requests, concierge service for small businesses? People are going to think that we are charging them for limousine services so pick an italian name or get rid of it, okay. Something more basic. [laughter]

Francesconi: It's too floaty.

Adams: It's a concierge-type service. What is an italian word for it?

Francesconi: I don't know, I should.

Katz: I am going to do what president bush did, there is no italian word for concierge.

Francesconi: We are people of the people.

Adams: We'll take that as direction.

Francesconi: And the other, s-dot, I don't care about that one but you can do better than that, too.

Adams: We are open for recommendations. [laughter]

*******:** The mayor has long given me grief over our acronym, development efforts.

Katz: I am beginning to sound like gracey peck, I don't know how many of you remember her. She would not permit anybody to use an acronym during hearings when she chaired the committee and the legislature. Any further questions? Fine. All right. Then let's have roll call on 975 and then roll call on 976.

Harry Auerbach, Sr. Deputy Attorney: The amendments to 976 --

Katz: Did you want to present the amendment?

Saltzman: The resolution.

Katz: It's in the resolution. Let's do 975 and then we will take his amendments. 975. Roll call.

Francesconi: My comments are going to be to both. Well, having just come off of an island for a week and a half in montana, believe it or not, and turning 50, the issue of kind of values and what's important to me is, I have been thinking about. In terms the strategic plan for the city, and kind of the city that we want, it seems like there's four basic values. We have talked about three of them today. The other is kind of educational opportunities for all of our citizens, but one is, you know, we want vitality. We want economic vitality for our businesses, residence and our future kids. The second is, we want to protect the special place. We want environmental protection. And the third is, we want quality neighborhoods to support our families. These are four basic values that we have. So, our regulatory process has to reflect that, and we need information here on the council when we are making decisions to make sure that we take into account all of those values. Responsibility lies with us, the council, to make sure. So, in moving forward, we don't want to sacrifice one versus the other but on the issue of economic vitality, we need to send signals that we haven't set and I am talking about we, the council, that we are open for business. And this regulatory reform effort that was done in 5.5 weeks is a signal, and I wish more people in the business community were here today, by the way, we appreciate the alliance being here, that we are open for business. Now putting a sign up on the city that we are open for business isn't enough, it's the execution to make sure that we actually execute and when people come, the businesses are actually open. And thriving and therefore, it's incumbent upon us to execute this document. Now, the sign was made by the staff but for three people, gill kelly, who has taken a lot of criticism for

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not being sensitive to business. Margaret o'mahoney who hasn't taken personal criticism but the bureau has taken criticism for not being open for business, and sam adams. These three people made the sign and they made it in record time. And they deserve a lot of credit for this. And i, personally, thank you. The mayor, who has taken more than her share or fair share of blame has not produced a recycled document and I take that word back. She's produced a good plan that we, that we should have produced sooner. And it's all of our responsibilities that we haven't. And so we need to execute this. On the issues that I am particularly impressed with, we have talked about the major policy review. I disagree with the comments commissioner Saltzman made here at the end. We need this not numbers, but we need the information in order to make wise policy choices. Enough said on that. The swat team or s-dot team. This is something that we should have been doing a long time ago, convening the bureaus, focusing on key projects and key priorities, and at least we have learned from our painful mistakes and the key is learning, to repeat the mistakes you learn from it. So that's the second point. The one I want to, I want, I want to emphasize the greatest is the, this effort to try to respond to small business of which 90 percent of our businesses are small businesses. So, the idea of, you know, a special development track for small businesses, if we can do this for the large facilities, which is easier to do, but trying to do it for small businesses, this is very, very signature. Trying to get them more information. The customer portal on websites, letting them come in at night. Meet and learn forums on small business issues. Development service participation and small business fairs. Small business inspections. These are all terrific things. So, with the efforts of hiring jennifer, pdc being more responsive, there is more things that we are going to do in terms of business income tax and small business, we are sending some powerful signals that they are part of our neighborhoods and part of our community. And I want to thank you for that. The last area that's really important is the whole emphasis on customer service. That's how businesses -- we have a monopoly here, but that's how businesses and how we respond, so with the moneyback guarantee, with more, each bureau responsible in the work plans, we haven't talked about, to how they are going to institute customer service training in their various bureaus, the responsibility is not the employee's, it's the managers and the city council to make sure that this is a priority. And frankly, I don't think that we have done enough of this. So this is a very positive statement, the mayor deserves the credit. Sam adams deserves a tremendous amount of credit. As does margaret and gill. So, thank you for, for all your work on this. Aye.

Saltzman: As I said earlier, this really is the, the end of the beginning, and with all respect to, to the mayor, sam adams and everybody who worked so hard to get this plan in front of us, I am not ready to declare victory and come home yet. Because we have many challenges to make this work, and the biggest challenge I think is to continue to have the engagement of the regulated community, our citizens, and our staff. The biggest risk this faces is that ten months from now, the only people that will be sitting around the table will be ourselves and that the business community and our citizens will have bailed out because they are afraid this thing has just become too awkward and is basically, well, by then it will have proven itself to have imploded upon itself. So, the key challenge here is to make this thing vibrant and to make sure it really achieves tangible outcomes because that's what it's all about. 5.5 weeks ago when this came to a head, we weren't on a track to do this and yet we talk about this all the time in our speeches and our appearances and our one-on-ones about how we want to make this place work better and be a better place to do business and live in. It took a big event to produce this process here a few weeks ago. So the challenge will make sure that we have tangible outcomes. Remember some of the things spoken to, an independent analysis of our procedures to make sure that we are definitely capturing best practices used elsewhere, providing speed and certainty to the permitting process. That's the single most important thing we heard from the regulated community. We need to have the input of the citizens, as well. That's very important, as well, but there will be push points and it will require tough decisions.

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Sometimes you can't have both those goals accommodated. And that's part of what we are here for but that's part of the internal decision-making you will have to struggle with, as well. So, I am eager to have this succeed and I will be doing everything that I can to help make this succeed, but remember, we are walking a fine line here and there's a lot of people watching us, and there's a lot of people in the business community who will never show up at council meetings or never show up at, at after-hours nights because they are just too busy. That's not what they do. Very few people in this world think of coming down to a city council meeting. Most people, you know, it's out there, but they, they suffer the consequences. They are the ones that pay a \$1500 permit fee for a 5-foot awning so we have to be mindful that, that they are out there and, you know, we are out here, our job here is to represent their interests, as well, and our successor failure in doing that is never going to be flecked by them showing up here at city council, it will be reflected in them making a decision to do a remodel, making a decision to stay within the city of Portland. Making a decision to add a couple more jobs, so those are our tough tests that we have to meet with this project. With that being said, it's a good process but our work is cut out. Aye.

Sten: A couple thoughts. First sam and the team, thank you for working on this. It is hard to imagine a more politically charged issue than this one the last couple of months, and I think you have done a, a spectacular job of stepping back and trying to find a process to solve the problems, and I think that, that, I think it's important and I think you have done a good job of trying to figure out how to get our arms around this. We have a lot of regulations because we have a lot of interests in protecting the city and I think that, that historically, our quality of life is probably has more to do with why we have succeeded than having no regulations or more regulations will ever do. Despite the problems that we are having right now but I don't think that there's anything, it's sort of become, because I think that it's the way that things go over time. There is a sense that if you have more regulations, you have more protections and if you have more regulations, things are efficient and you can get to a point which I think that we have in some areas, where we have so many regulations, that they are not enforced even at times and they are expensive to administer and to permit, so I think that there is an argument that it will be tricky and difficult to get there, that some amount of streamlining and clarity will actually make the environmental regulations, for example, more effective, and one of the things I hear from businesses a lot is that although they will argue very, very vociferously about the regulations, having them clear and relatively easy to comply with and having lower fees because they are easy to comply with is as important if not more than exactly where the regulations stand. So I think that there is really some terrific common ground that I don't think that anybody has not aspired not to be there but it gets hard over time when you are trying to take things on so I think that this is the right time to take a pause. I like the approach, I am reasonably confident it could work. I am modestly underwhelmed by the association of businesses not showing up today other than one staff person after all the noise that's been said and I want to say that out loud because I see roger jones here and I see the small business group but the larger association is not here, and I hope that that's no indication that they are not going to take part because I don't want to hear about it if people aren't going to take part and try and make these things work. And so I am a little nervous about the lack of, of business here today because although I agree with commissioner Saltzman that, that most businesses are too busy to come, most businesses are, have not been too busy who are getting in the middle of this, and I think that they are absolutely right to raise the flag. I think it was the right approach. I am not criticizing them for that, but I want to make sure that once we drop into it, it is not more fun to yell about it than to actually dig in and fix it and I asked the question of quite a few business groups, a few months ago, where did we go wrong on blueprint 2000 that we all endorsed including the business groups not because I wanted to point blame but to say that I think that we need to understand what worked and didn't if this is going to be different, and so I hope that we can -- I am not saying that they are not here but

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they are not here today and I hope that we will see again at times other than just when we are talking about raising fees, which is something that we should think a lot about. So I think that this is a good approach. I am cautiously optimistic. I am very thankful you have taken this on, and look forward to working with you and I actually think that we could come out with simpler, better structures that serve all interests and certainly, you know, any message that the city is not interested in small business is not interested in large business and jobs and all the issues, I think that we were during the boom times and I think that we are now, figuring out how to do it correctly has proven to be more difficult and in tough times I think that people are more quick to point fingers, and I think that we have accepted it, pointed the finger at ourselves and get some things fixed and see if we can challenge the greater community to join us. So again, thank you and good work. It's a pleasure to vote aye.

Katz: Thank you, team. It was a pleasure participating to some extent with all of you, but I want to thank you for the time and the effort and I am glad you are coming back not only to continue this work, but to the, to do the regular work that you have been assigned to because you spent a quality amount of time on this, as well. Let me try to, to briefly spell out what my goal is. My goal is to put in place a process that will be with us for a long time. So that we don't do another blueprint 2000, blueprint in 2003 or 2006, that we have in process a place by where the council, and we aren't all going to be here forever, has an automatic review of regulations and has automatic steps that they take on and for continuous improvement, and it ought to last for a very long time and it ought to last when I take this bureau and hand it over to either one of you or to the mtc to my right, and I know all of you are very anxious to get margaret o'mahoney's new bureau and to continue this process, as well. I want to say that Portland is open for business and Portland has been open for business, but in a recession, people are very nervous and very concerned rightfully so about their ability to survive and we have heard through anecdotal stories from small businesses and small developers and neighborhood associations about some of the issues that they are facing, and I think this is a, an approach that will help resolve some of these issues, especially the outstanding issues. Let me identify three things that I think are in here, some of you have already identified, what I like to call the SWAT team but it's the S-dot team. Not any more. The SWAT team is a critical piece of, of this regulatory process because what we have identified in several controversial projects, sites that have issues that we need to address. Some of them are regulatory issues that we can work around. Margaret has some discretion. Some Margaret doesn't have any discretion at all and they are policy issues that would have to rise up to the council to make a decision whether they want changes or not. The one that we have tackled with, with, especially in the central east side, is what is the central east side going to look like and what do we do in an industrial sanctuary in the process of changing. A huge issue that we have not yet resolved. But, there are sites that are now in discussion where changes, the owners want to make some changes, and we may not be able to do that without bringing these issues to the council. So that SWAT team is very critical to all of us, as well as to the creation of jobs and primarily the creation of jobs. The other one is the whole issue of customer service. My heart goes out to Margaret O'Mahoney. She's got a bureau and inspectors who are out there and she can't be with them all the time, just like all of us can't be with all of our police officers or all of our firefighters or all of our inspectors from our bureaus every minute of the day, and things are said and done that really anger people who are at the other end of the regulations, and one of the things that we are going to build into this is a customer service approach of values that they, truly are the customers and that we are here to try to assist in making their project a success. We will identify what barriers we have as a -- the project a success, and we will identify whether we can modify them in some geographic areas with, of course, the, the help with all of our citizens. And finally, buried in the resolution is item "f," which is what we struggled with as we looked at, at what kind of incentives we, as a city, can provide to bring companies that will, in fact, provide a

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large dollar investment in many, many jobs. Most cities in the united states, especially the large ones, cities like ours, have a reserve, a strategic reserve of millions of millions of dollars that they can put out on the table, as well as states that have tremendous amount of resources to assist companies in reducing system development charges and reducing fees and providing tax credit, tax exemption, all the tools that we all know about, we don't have very much at all. We don't have much training dollars. We don't have much investment dollars. And if they are not located in an urban renewal area or the enterprise zone we basically have nothing in hand. So, so "f" is an attempt to write a policy, and you will have it as an ordinance that basically directs the city to consider huge dollar investments and large number of jobs as recipients of some benefits that we can provide and repay. This is not something that we are going to do to, to create holes in a system development charge budgets or in the general fund but a way that we can assist companies that are companies that we want here and that are companies that are going to provide a large number of jobs. So, I think that that's a very important part. Thank you, everybody, for all the hard work. Commissioner Saltzman is right. It's just begun, and it will continue for a long time. Aye. All right. 976, you wanted to do a, an amendment. -- 976 --

Saltzman: Yeah, it would require that the regulatory code improvement lists be subject to a separate council vote but at the same time, that we adopt the budget but not as part of the budget document. I think it's an important enough document it be voted on separately by the city council.

Francesconi: I will second it.

Katz: Do you have the amendment? Okay. Any objections? Hearing none, so ordered. Roll call.

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

Katz: Mayor votes aye. Okay. We are on to regular agenda. 1026.

Item 1026.

Katz: All right, everybody, please, we have other business. Bonnie, sam. The Portland police bureau has been receiving this grant since 1996. This may be the last year because president bush has stated that a primary focus of the department of justice will be counted -- counter terrorism efforts and not to assist law enforcement agencies necessarily in reducing community crime. My open is that the u.s. Conference of mayors and the national league of cities will have, will place enough pressure on the administration and on the congress so that these grants can continue. This is money that we share with the county. As you can see, we are 50-50 partners with the county in this, and we work in a collaborative effort to, to work with them to compliment the work that we are both currently doing some together, some separately. For us, it's crime prevention programs such as youth gang outreach and embrace program, equipment, overtime for traffic and records division, and for, for hiring purposes because we don't have the, the necessary resources to have people to do the hiring and the evaluation. You have in your packet outlines of how the money will be spent. Okay. Anybody want to testify? Roll call.

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

Katz: Mayor votes aye. All right. 10 -- i'm sorry, 1028.

Item 1028.

Katz: Okay.

Francesconi: Before I introduce this, actually there is one thing that I need to say, and because commissioner Sten and I both referred to it, the lack of the business people in the audience. I was told by one of the business people who left, was the reason for that is many of them, the whole Portland alliance is hosting the treasury secretary paul o'neil from 10:30 to 12:30 at the marriott so I wanted to make that statement because I was one, I said it. Okay. On this item, to address the need for parking turnover in turn areas of the lloyd center, transportation staff has been working with the lloyd district businesses to create the onstreet parking management plan. By the way, there is an evaluation that was done, which I have here, of the fax of that plan in terms of the reduction. I think

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it's somewhere from, it went from 70 automobile -- 70% automobile trips down to 60%, these numbers are rough, but it's eliminated like 1500 cars from the area, and the affect on the environment, they translated that into emissions the reduction in harmful emissions, and it's really a staggering document as to what -- one part of town with an aggressive transportation management plan, what it can do to reduce traffic and protect our environment. Having said that, this is part of that ongoing effort, and ongoing strategy. So, let me turn it over. Go ahead.

Ellis McCoy, Parking Operations Manager, Office of Transportation: Thank you. Good morning, council, and mayor Katz. I am ellis mccoey, parking operations manager for transportation. And I have actually two members of the lloyd district transportation management association sitting with me. We are here today to ask you to approve an ordinance that will increase the long-term meter rates at the lloyd district from 35 cents an hour to 50 cents an hour. I have just a few brief comments by the way of background, and then we can move forward with discussion. You are all aware of where the lloyd district, meter district is located. This was created in 1997. As a result of council approving it or adopting the lloyd district onstreet management plan. As commissioner Francesconi alluded to, the transportation staff, they worked very hard with the business stakeholders, and the community developed the plan and one of the great outcomes was the, the support for the lloyd district tma, and I used an acronym, transportation management association, and I use an acronym, transportation management association. The objective of the parking district to, was to increase parking turnover and encourage commuters to use ulterior modes to transportation. There were two rates developed at that time. Short-term rate of 75 cents per hour and a long-term rate of 35 cents per hour. Those rates haven't changed since then. To give you some comparison, the rates downtown are \$1 per hour for short-term and 6 cents for long-term. There are approximately 1100 meters in the lloyd district, 80% of which are long-term meters. The plan established the long-term rate, basically the key to the monthly transit pass. The long-term rates were to be slightly higher than the pass to encourage people to actually use that transportation choice, instead of parking at the meters. Over the years, the transit pass has increased a couple of times in the, and the metered rates have remained the same so we are in a situation of imbalance at this point in time. And increasing that rate will bring the situation back into balance where, where the driving public will be encouraged to use ulterior modes of transportation, including car-pooling. In addition we are out of balance in the area in a sense some of the short-term spaces are underutilized or remain vacant because the people are preferring the long-term spaces as opposed to the short-term. And we want to bring that in, back in balance by changing, converting those long-terms to short-term so they are better utilized for adjacent land uses. We worked hard with the lloyd district tma again on this, and they support that. So, I would ask council that they pass the amendment to the ordinance, amends the rate.

Katz: Before the lloyd district team says anything, I want to thank all of you. When I got the budget from p-dot, I raised the issue of the fact that there was no money to continue -- to continue supporting. I don't remember what the amount was, but it was considerable, and I said no, that's not acceptable, and I want to thank vic rhodes, who went back to the drawing board and said, we will find a solution that will work and then work with you soy really appreciate, thanks to vic and thanks to you for accepting this as a solution so that we can maintain our commitment to you. Okay. Go ahead.

David Elkins, Chairman, Lloyd District Transportation Management Association: My name is david elkins, chairman of the lloyd district transportation management association. And also, vice president of ashworth pacific, so I think that we wanted to be here to support and to, to thank the city council and you, mayor, for your support of the lloyd district tma. And to just, to make sure that there was a business voice and a community voice that says that we support this.

Katz: Did you want to say anything?

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Justin Zelner, Chairperson, Lloyd District TMA and Director Transportation, Oregon Arena Corporation: Sure. Justin zellner, chairperson with the lloyd district tma and director of transportation for Oregon arena corporation and again we would like to, you know acknowledge our support not only as a chair member, but also for the Oregon corporation and being involved with the lloyd district and to this proposal, and we thank for you your support.

Katz: Anybody else want to testify? Roll call.

Francesconi: If I could ask one question. Was there any opposition to this? And how much was there? There is nobody here, but can you tell us about the opposition?

McCoy: There is no, no opposition that we could find. We asked --

Katz: There was no money. [laughter]

Katz: It was very simple.

McCoy: Yes, did outreach on the subject and the use of the long-term spaces is not really a controversial issue, so we couldn't really uncover anything.

Katz: Okay. Roll call.

Francesconi: Thanks for your work, aye. **Saltzman:** Aye. **Sten:** Good job, aye.

Katz: Thanks for finding a solution. Aye. All right. 1029. Harrison streetcar.

Item 1029.

Katz: Okay. Come on up.

Vicky Diede, Office of Transportation: Good morning. Commissioner Francesconi, did you have any remarks you wanted to make first?

Francesconi: No. Thank you.

Diede: Agenda number 1029 to amend the agreement with Portland streetcar inc. We have been using funds from hud grant that was approved for the city through Portland state university and also tax increment financing moneys from pdc to do the preliminary engineering on, on streetcar phase 3 in the harrison street connector, which we have combined into one project, as you recall. We are now ready to move onto the final engineering phase of this project, and during that time, there were, I mean, during preliminary engineering, there were a number of outstanding issues that were raised that we must address until we get to construction documents, and then probably even more importantly, during final engineering, we will be finalizing the capital finance plan, as well as the finance plan for ongoing operations and maintenance. The notice to proceed for the final engineering is contingent upon funding from the Portland development commission. We will be meeting at the commission this afternoon, and if that all pulls together, we will proceed with this project. So, that's basically what we are doing with this. I would be more than happy to answer any questions you have.

Saltzman: Procedurally, do these have to be emergencies?

Diede: Well, yes and no. I mean, you can always do it as a nonemergency but what it does is it would go to a second reading and then we would have to wait 30 days to implement it. And that time frame is, is time that will just, you know, add onto the end product of this. We are ready to move into final engineering, as soon as we get the notice to proceed from Portland development commission, and our design team is expecting that.

Katz: Thank you. Anybody else want to testify? Roll call.

Saltzman: Actually, my statements earlier in the day on the consent calendar were actually meant for 1029 and 1030, and I just wanted to state that I have chosen in the past not to vote on these items because the alignment of the streetcar on harrison street is adjacent to property which I am a part owner. The city attorneys advise me that I am not required to step away from the votes but I have done it in the past. Nevertheless, given it does take four votes to pass, I will not recuse myself on 1029 and 1030 at this time.

Katz: Thanks, commissioner. All right. Roll call.

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Francesconi: Well, the harrison street connector is critical for a lot of reasons so I appreciate your work on it. The other comment I wanted to make, having seen for the first time the operation of the streetcar from inside the streetcar board, I want to, again, tell the council what a terrific job, how lucky we are to have you working on this project and more importantly, it's a cost effective for the taxpayers, so thanks for your work, aye.

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

Katz: I just need to again flag that this could not be possible without the Portland development commission and in this particular case, they are coming with a proposition regarding their real estate parcels down at riverplace and it's going to be a very interesting finance project for them. It's very creative, and it will help move this project down, so I am very pleased to vote aye.

Item 1030.

Diede: They have been the contractor on phase one and two has agreed and is providing to the city at no cost to the city preconstruction services on phase 3. As we have gone through the preliminary engineering piece of this, there is one of those uncertainties in the harrison street connecting area that we feel a need to go investigate and it's beyond their services for preconstruction services. And we would desire to provide them with \$15,000 and a time and materials basis to go and investigate the old buried tunnels that are there. As you recall when we abandoned harbor drive, which is now front avenue and the waterfront park there were freeway connections and has that occurred, there are buried tunnels underneath the ground where the harrison street connector will go. We don't know exactly where they are. We have a fairly good idea or we thought we did until we went out and did some boring. Nor did we know for sure what's inside of them. There's anecdotal information they may be full of all sorts of old instruction materials and we haven't got a clue as to what they might be. Not knowing that could have a big impact on our final cost in the demolition, so we just would like to go and have stacy witbeck do this work now so that we can proceed into final engineering and getting to construction documents with something we really know.

Saltzman: These are vehicle tunnels?

Katz: Yep. Okay. Further questions, anybody else want to testify? Roll call.

Francesconi: Aye.

Saltzman: Well, I sure hope they didn't put a lot of stuff in those tunnels. Aye.

Sten: Aye.

Katz: Mayor votes aye. Thank you, everyone, and we stand adjourned until 2:00 today.
At 11:56 a.m., Council recessed.

AUGUST 14, 2002

AUGUST 14, 2002 2:00 PM

Item 1031.

Mark Walhood, Office of Planning and Development Review: Good afternoon, again, mayor, members of the council. We're here today to adopt the findings for lur 02-00027 zc. I'm mark walhood with opdr. We have created the findings they were sent to the clerk on Friday we had city attorney frank Hudson review them. We have a new condition c that discusses the preference for the driveway on baltimore and then discusses the site distance analysis that transportation had discussed at the hearing. And then d, new condition d, requiring the design review or compliance with the design standards and as you may remember, because the building's over 55 feet, it has to be a design review, unless they shrink it.

Katz: Okay, thank you.

Walhood: That's it.

Katz: Council?

Saltzman: I would make a motion to overturn the appeal, adopt the revised decision with the findings that we've asked staff to make for us.

Katz: Do I hear a second?

Sten: Second.

Katz: Roll call.

Francesconi: I was on vacation at the time. I have reviewed the record here and it's in front of me. Yes, just briefly, I appreciate the appellants trying to stick to the criteria, which usually doesn't happen in these proceedings. I think the issue is the land use and the comp plan, and i'm glad you're in a process to help you change some of that, but given what we have in front of us I have to vote aye.

Sten: Aye.

Saltzman: Aye.

Katz: Aye. Thank you, everybody. And there is no further business before the council. We are adjourned until 2:00 tomorrow. [gavel pounding]

At 2:30 p.m., Council recessed.

AUGUST 15, 2002

AUGUST 15, 2002 2:00 PM

Katz: Good afternoon, everybody, the council will come to order. [roll call] read the item before us.

Item 1032.

Katz: Okay.

*******:** Good afternoon, mayor.

Katz: These are findings?

Mark Walhood, Office of Planning and Development Review: These are findings. I'm mark with opdr. We and the city attorney reviewed the findings prepared by the applicant's attorney joe voboril, and submitted them with the clerk last friday and i'm here if you have any questions.

Katz: Any questions by council? I'll take a motion.

Sten: So moved.

Saltzman: Second.

Katz: Roll call.

Francesconi: Just, I wasn't here -- I was on vacation at the time of the hearing, but i've reviewed the record. Aye.

Saltzman: At the last meeting I asked Oregon halfway house and ramada inn to get together to discuss possible policies that would involve restricting the residents of the halfway house from attending ramada inn restaurants, banquet facilities et cetera, as ramada inn had suggested. They were concerned about it in their original letter. And I also urged those discussions to happen in -- to happen in good faith. From what i've heard, ramada and Oregon halfway house, those discussions have occurred, and there -- they are still occurring, but they're moving forward, so I appreciate that and am pleased to vote aye.

Sten: Aye.

Katz: Mayor votes aye. [gavel pounded] thank you, everybody. We stand adjourned.

At 2:03 p.m., Council adjourned.