



CITY OF
PORTLAND, OREGON

**OFFICIAL
 MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **28TH DAY OF JUNE, 2017** AT 9:30 A.M.

THOSE PRESENT WERE: Commissioner Eudaly, Presiding; Commissioners Fish and Fritz, 3.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Lory Kraut, Deputy City Attorney; and Elia Saolele and Mike Cohen, Sergeants at Arms.

DUE TO THE ABSENCE OF TWO COUNCIL MEMBERS EMERGENCY ITEMS WERE NOT CONSIDERED AND ITEMS WERE NOT HEARD UNDER A CONSENT AGENDA		Disposition:
COMMUNICATIONS		
738	Request of Michael Jennings to address Council regarding areas of insufficient Portland City management (Communication)	PLACED ON FILE
739	Request of Eric Maher to address Council regarding cancelation of some Rose Parade activities (Communication)	PLACED ON FILE
740	Request of Nate Cohen to address Council regarding emergency medical services delivery (Communication)	PLACED ON FILE
741	Request of Holly Elaine Hooper to address Council regarding SW 10th and Yamhill Smart Park Garage update and eviction of tenants (Communication)	PLACED ON FILE
742	Request of Dian Chute to address Council regarding SW 10th and Yamhill Smart Park Garage renovation and its effect on the art community (Communication)	PLACED ON FILE
TIMES CERTAIN		
743	TIME CERTAIN: 9:45 AM – Accept report on 2017 Summer Free For All program (Report introduced by Commissioner Fritz) 30 minutes requested Motion to accept report: Moved by Fish and seconded by Fritz. (Y-3)	ACCEPTED

REGULAR AGENDA		
744	<p>Establish the Special Appropriations Committee and outline the review process for awarding one-time Special Appropriations grants (Resolution introduced by Mayor Wheeler and Commissioners Eudaly, Fish, Fritz, and Saltzman)</p> <p>(Y-3)</p>	37300
Mayor Ted Wheeler		
City Attorney		
745	<p>Authorize the City Attorney to appear as amicus curiae supporting gender equality on behalf of City of Portland (Resolution) 10 minutes requested</p> <p>(Y-3)</p>	37301
Portland Housing Bureau		
746	<p>Approve and terminate limited tax exemptions for properties under the Homebuyer Opportunity Limited Tax Exemption Program (Resolution) 15 minutes requested</p> <p>(Y-3)</p>	37302
747	<p>Direct the Portland Housing Bureau to adopt median income and maximum monthly rent guidelines (Ordinance) 20 minutes requested</p>	PASSED TO SECOND READING JULY 5, 2017 AT 9:30 AM
Commissioner Nick Fish		
Bureau of Environmental Services		
748	<p>Authorize a competitive solicitation and Price Agreements for Furnishing Sewer Improvements for Nonconforming Sewer Conversions Project No. E08748 for an estimated \$3,000,000 annually (Ordinance) 15 minutes requested</p>	PASSED TO SECOND READING JULY 5, 2017 AT 9:30 AM
749	<p>Authorize a Site Access Agreement with the Metropolitan Exposition Recreation Commission for the Force Ave Pump Station Remodel Project No. E10611 (Second Reading Agenda 705; Ordinance introduced by Mayor Wheeler and Commissioner Fish)</p> <p>(Y-3)</p>	188493
Water Bureau		
750	<p>Authorize Intergovernmental Agreement with Oregon State University in the amount of \$10,178 for the Cascadia Subduction Zone at Bull Run Watershed Project (Ordinance) 15 minutes requested</p>	PASSED TO SECOND READING JULY 5, 2017 AT 9:30 AM
Commissioner Dan Saltzman		
Bureau of Transportation		

June 28, 2017

751

Create a local improvement district to construct street, sidewalk and stormwater improvements in the N Burlington Ave and Edison St Local Improvement District (Second Reading 618; C-10057)
(Y-3)

188494
AS AMENDED

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

MARY HULL CABALLERO
Auditor of the City of Portland



By Karla Moore-Love
Clerk of the Council

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

2:00 PM, JUNE 28-29, 2017

**DUE TO LACK OF AGENDA
THERE WERE NO AFTERNOON SESSIONS
WEDNESDAY OR THURSDAY**

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

Key: *** means unidentified speaker.**

June 28, 2017 9:30 AM

Eudaly: Good morning it's time to come to order of Portland city council meeting on June 28, 2017. Karla would you please call the roll?

Fish: Here **Saltzman:** **Fritz:** Here **Wheeler:** **Eudaly:** Here

Eudaly: Before we start, I need to read our rules of conduct. The purpose of council meetings is to do the city's business, including hearing from the community on issues of concern, in order for us to hear from everyone and give due consideration to matters before council we must all endeavor to preserve the order and decorum of these meetings to make sure the process is clear for everybody, I want for review the basic guidelines which I hope will help everyone feel comfortable, welcome, respected and safe at the meeting and also ensure that the decorum is maintained. There are two opportunities for public participation. First, we have an opportunity for people to sign up for communications, to briefly speak about any subjects that they wish to address, these items must be scheduled in advance with the clerk's office. Second people may sign up for public testimony on the first readings of the reports, resolutions, and ordinances. If you sign up your testimony must address the matter being considered at the time. Please state your name for the record we don't need your address, if you are a lobbyist, disclose that, and if you are here representing an organization, please identify the organization. Individuals have three minutes to testify unless otherwise stated. When you have 30 seconds left, the yellow light will light up at the desk here, and when your time is done the red light will come on and there will be an audio queue. Conduct that disrupts the meeting, for example, shouting or interrupting other's testimony or during council deliberation will not be allowed. People who disrupt the meeting face ejection from the meeting. If there is a disruption I will issue a warning, that if any further disruption occurs anyone who is disrupting the meeting will be subject to ejection, for the remainder of the meeting. Anyone who fails to leave the meeting after being rejected will be subject to arrest for trespass. We really don't want that to happen today. If folks would like to show your support, please do thumbs up or twinkle fingers if you want to express that you do not support something, thumbs down. Thank you and let's get started with well, actually, before we get started with council communications I want to make a quick announcement. If any of you are here for the ordinance amending the southwest dolph spring garden lid it will not be heard today, it has been rescheduled to Wednesday, July 5, beginning at 9:30:00 a.m. On the regular agenda. The council clerk will continue to accept any written testimony including remonstrances until the conclusion of the new hearing date on July 5 Karla can you please call the first item.

Item 738.

Eudaly: Welcome, please state your name for the record.

Michael Jennings: My name is Michael Jennings my company is future power incorporated. In almost a year of reporting some -- what appear to be very serious defects in Portland city contracts, I have gotten no response. I have sent information to, perhaps, 40 people, and no one has responded. I find that interesting that there seems to be no way to contact anybody of the city and get them to explain or to consider some issues. It seems to me that there's very serious concerns about the lack of openness. I have reported

June 28, 2017

concerns about the renovation of the southwest 10th and Yamhill parking structure for almost a year, and there are many, many wacky details concerning that project. 60 people will be evicted and lose their jobs, more than 900 artists will lose a place to sell their work. And maybe there is a sensible underlying reason for that, but there's been no response from anybody involved with the city. It's interesting that the Portland city auditor is allowed to audit only with the permission of city commissioners. So there is no real auditing. Everywhere I look I see there is a lack of supervision.

Fish: Sir can I clarify something? I think we know each other, you put a ends from of the court brief in on the arts tax. It just, to be fair, the auditor independently selects both what is to be audited and the schedule of audits, and with the most recent charter changes she has greater independence, but she does not depend on the city, the city has no role in selecting the agencies and the sequencing of audits.

Jennings: Thank you very much for saying that. I talked with somebody in the auditor's office and they said that they did not somewhere -- this was maybe three months ago, they did not have permission to consider these issues. These nine issues that I am trying to bring before the city council now.

Fritz: Excuse me, are they all connected with the Yamhill garage?

Jennings: No. And there is more than nine, just I am presenting nine in this document today.

Fish: Commissioner, one is ban the bag and one is the Columbia river crossing, and another one is the arts tax, and I believe that this gentleman -- submitted a friend of the court brief against some of these and some of these are beyond the scope of the city so that may be why the auditor said that. But I don't want to --

Jennings: No, the auditor said, the auditor had no ability to audit. That's what they said, no Question. I talked to somebody there.

Fritz: I believe that she is not allowed to audit the Portland development commission, and that's who is managing the Yamhill garage.

Jennings: Yes. Very quickly there are two ways that I could be helpful. The city is making mistakes with homeless people. I have spent four hours every week for four years. Can I go on for -- good. I could be helpful there in telling you how to address the homeless issue.

Eudaly: We stopped the clock. Go ahead.

Jennings: Ok. And very quickly I could analyze and help the redevelopment of pdc. There is a lot in here documenting many problems with the pdc. Thank you very much.

Fish: Thank you, sir.

Eudaly: Thank you, next item.

Item 739.

Eric Maher: Good morning, my name is Eric Maher. Honorable members of the city council, good morning. I am here today as an impartial citizen to go on the record. I was inspired to do this because of the cancellation of the rose parade event last April due to threats. It appears that the organizers had little confidence in the mayor and the police department to maintain order and protection. I was outraged how entitled, cowardly idiots could put this fear in our community with impunity. I am equally disappointed in the organization's decision-makers to cancel the event. A decision based on fear is usually the wrong one. Coincidentally a decision by the mayor to attempt to revoke another event permit of an organization confirmed to me the manipulative discouragement of one political point of view and the encouragement of another opposite point of view. The first amendment to me is under attack in Portland whether the threat comes from a violent protest group or the mayor himself, it is an attack on the first amendment. Any attempt to infringe on that right is at the very least un-american. If safety is truly the motivation here, then the city council should take a proactive approach by enacting and enforcing a law

June 28, 2017

making the concealment of one's identity in a public space illegal. Such a law would protect those who wish to assemble peacefully without encouraging danger or threats of violence. I believe such a law would have very broad appeal. Currently freedom of expression in Portland is being hijacked by groups motivated to destroy public and private property and intimidate those they don't agree with and create chaos. The common denominator is that they are all masked and unidentifiable. Now our founders obviously intended the first amendment to be a broad-sweeping statement. As you know freedom of speech is not absolute. For example you cannot wear a mask in a bank or a fire in a movie theater which is why there are many states that ban disguises in public places except under special circumstances like mardi gras and Halloween. California, New York, and Washington d.c. Are examples of these. Now I strongly believe a similar law would protect the citizens and businesses of Portland and greatly inhibit the future violence and destruction. Recently Portland has been in the news for all the wrong reasons. Bad press has cost our city millions, provocateurs come to Portland to cause harm, and they have no sense of civic duty and they are not concerned about the public welfare and there appears to be no consequences for their actions. We need to give law enforcement the ability to protect the citizens and the businesses of Portland. It's an honor to be here, but I thank you for the opportunity and I hope the city council will courageously draft a law that will protect the first amendment for all of its citizens not just the ones that they agree with. Thank you.

Eudaly: Karla, next item.

Fritz: The challenge that's come up in the past is the Oregon constitution is even more firm on freedom of speech, it says shall not be a breach in any way whatsoever. So we have looked into some of those kinds of concerns and have been advised that that's not going to work in Oregon.

Maher: That's wrong.

Fritz: Thank you.

Item 740.

Eudaly: Is Mr. Cohen here? No. Ok.

Fritz: Excuse me madam president, I am happy to have my staff look through the paper that we were given and help to figure out who should organize, who should address each issue. Unless somebody else would rather do it? The things that Mr. Jennings brought forward has got eight things that have been addressed.

Eudaly: Karla, next item.

Item 741.

Moore-Love: They are not able to make it, not able to make it.

Item 742.

Moore-Love: They both were not going to come.

Eudaly: Let's check the time. Perfect. We have a type certain so Karla, please check, call the next up.

Item 743.

Eudaly: Commissioner Fritz are you going to introduce this?

Fritz: Thank you. We are so happy to present this annual overview of what we are going to be doing in the summer free for all program, which has come beloved, especially since under commissioner Fish's leadership of Portland parks and recreation during the recession, we really put more emphasis on free activities that people could do on stay-cations when it was very difficult to find the money to travel anywhere. So this year we're going to have 400 events, at 77 different sites, in just 12 weeks, free movies, concert lunches, activities for children, and now free fitness classes in Portland parks and recreation. This really is something that everybody can participate on, one level or another,

June 28, 2017

and that the community is joining with us in providing these programs. Commissioner Saltzman always and particularly concerned about summer lunches for children who might not get enough food at home over the summer, and the summer free for all bridge that is gap, last year we served 110,000 of them, and this year we are going to do better than that even. We remember that one in four children in Oregon live in poverty. 57% of Portland kids qualify for free or reduced lunches during the school year. That means there is 50,000 children or more who are struggling over the summer to secure food, and we want everybody to have a good time, so with that I will turn it over to Mike Abbate and our team at the Portland parks and recreation.

Mike Abbate, Director, Portland Parks and Recreation: Thank you. Members of council, Mike Abbate, director of Portland parks and recreation, and I am joined today by Soo Pak, arts and culture and special events manager and Kelly Torres, our development manager. As you know the mission of Portland parks and recreation is to help Portlanders play and last year during the reorganization we created the department of arts, culture, and special events bringing together our existing art centers and programs under a unified management, and we're fortunate enough to have Soo Pak move to Portland from New York to accept that, to accept that leadership role. With this change the bureau not only renewed the commitment to the arts but recognized the important role that arts and culture play in creating community and advancing equity for that matter. As you know in the budget process just recently concluded there was a realignment package within parks budget, and as summer free for all falls within the new arts and culture department, that program has grown significantly over the years, and at the same time costs have risen, and funding sources have fluctuated so this year we worked in earnest to right size the program, and you approved in the budget a realignment package to bring the summer free for all within the budget while optimizing the service and minimizing the harm. Some of the reductions included changing the Washington park summer concert festival from four nights to three although for this year because of the construction happening at Washington park we'll have one event, the rose garden centennial event, one concert but for ongoing there will be three concerts in the summer there. And we needed to eliminate the traveling rock wall climbing program, and we reduced the program hours and sites where lunch service and participation are low but at the same time expanded those programs in high need areas. Also of note there's been some concern about Brooklyn park's summer program, and that was discontinued due to the low numbers related to the realignment package. The neighborhood intends to start their own community-driven and community funded program with the support and guidance of the bureau. So I would like to also thank city council for its ongoing general support of roughly \$500,000 for summer free for all. With that we are able to leverage about a \$1.3 million in additional cash and in-kind support from corporate and community partners, and that enable us to provide life and community affirming activities that serve almost 300,000 Portlanders every summer. With that I would like to introduce to you Soo Pak our arts culture and special events manager, and she will tell you more about the programs this summer.

Soo Pak, Portland Parks and Recreation: Good morning council. It's a pleasure to be before you today, and I am grateful for the opportunity to serve as the bureau's arts and culture manager. At Portland parks and recreation, we believe that arts and culture are powerful vehicles that allow Portlanders to celebrate our diverse cultures, heritage, and identities. Provide pathways to self expression, and self discovery and self empowerment, and help to bridge greater understanding and dialogue across cultures and communities. Within the past year there have been many positive changes within summer free for all. We have diversified the staff and continue to strengthen the team's cultural competency. We are building new community partnerships and evolving programs to be more

June 28, 2017

responsive and reflective of Portland's growing diversity, and we have integrated last year's successful innovation fund program fitness in the parks, as part of the summer free for all brand, and finally, we are increasing the lunch distribution to all of our programs, playground program sites from 27 locations last year to 35 this summer to better serve kids most in need. As always summer free for all will present some of the most popular blockbuster and classic movies and favorite musical artists, all showcased in our marketing materials, printed in nine different languages. We have also been working to diversify our programs to name just a few artists, making their summer free for all debut the hip-hop and funk group speaker minds, pictured here, the Somali group, iftin band, the Tongan and pacific islander assemble mosimosi koula, and the native American music group painted sky, NorthStar dance company. We are also building new and more inclusive program partnerships. In collaboration with pdx, Latin x pride we are presenting our first lgbtq family-friendly event. We have invited the youth focused artist collective young, gifted and brown to join us at lunch sites to provide kids music programs, and this year also marks the third year partnering with Latino network on festival Latino. Summer free for all could not happen without our 71 neighborhood and partner groups, and the countless volunteers who help us run Summer free for all. And, of course, the school districts of Portland public schools, David Douglas, and centennial, that make our free lunch program possible. I would like to recognize summer free for all staff who work behind the scenes to make this fun but incredibly complex program seem easy. The team is here with us today and staff, if you would not mind standing up for a moment. I would like to recognize chariti Montez, Jed Arkley, Alex Diaz, Jamison Holtz, Shavon McKinstry, Nim Xuto, Corey Falbo, and Boomer Cisler I would like to thank them for their talents, commitment to public service, and resilience and good cheer during a time of tremendous change. Thank you. I would like to thank Kelly Torres and the community relations team for their partnership at the bureau on summer free for all. Kelly is our new development manager who will now speak about her sponsors and supporters.

Kelly Torres, Portland Parks and Recreation: Summer free for all is a community building endeavor adding to the city of Portland's contribution, leveraged revenue sources include \$275,000 in local business and community neighborhood sponsorships and \$1 million in in-kind contributions. A significant portion of this in-kind support includes advertising in Spanish. Some of the most heartening stories of summer free for all stem from targeted commitments made to ensure Portland families have access to free lunches and structured play all summer long. Momentarily you will have an opportunity to hear how very personal bank of America's connection is to this mission. Each year we are humbled and inspired by the support of many, Portland parks and recreation is grateful for every gift of time, talent, and treasure that makes summer free for all possible. In the printed schedule and on this slide you can see the very impressive number of sponsors that we are acknowledging this year. Several of the sponsors donate through our partner to the Portland parks foundation and many are consistent annual contributors with a long history of summer free for all. They provide significant savings for the program and enable us to broaden our marketing outreach and program capacity. Commissioners if you have ideas about additional sponsors that we should invite to participate in the future, please don't hesitate to reach out to myself, director abbate or Soo. Thank you. I would like to introduce two guests to speak with us today, first is the community leader and the second will be joe dang from bank of america. Thank you. Welcome.

Karis Stoudamire-Phillips: Thank you. Good morning council, it's wonderful to be back with her providing testimony for yet another wonderful program. Again my name is Karis Stoudamire-Phillips and I serve as the treasurer of the Boise neighborhood association. By day I work at moda where I direct the corporate responsibility. Moda has been a long-time

June 28, 2017

supporter of parks and recreation and the parks foundation. Our newest endeavor or latest partnership with Portland parks is our support of cully parks, and bring in all ability access play equipment to the park. Today I am here to talk about the summer free for all and how excited I am about it. My involvement with summer free for all has been bringing movies in the park to unthank park, I grew up in north Portland, the Boise neighborhood, and became involved with our neighborhood association, when I moved back from undergrad from California, and got immediately involved in, and learned about the movies in the park program and went and reached out to our historical, historic Mississippi business association who partners with us in bringing this movie to the park. Each year it's very important to me and to our neighborhood association, also, the business association to bring a relevant movie to the park. We always tried to find something that's going to be relevant to the community, which is the historical neighborhood, the community that was in that neighborhood, so this year we are very excited that we are bringing hidden figures, and I am sure that you are familiar with that movie. We are going to have that most of at the park on Friday, August 11, and we reached out to some community partners, and we're going to be partnering with the blazer boys and girls club, self enhancement, incorporated, Cairo school and also the Boise Elliott Humboldt pta, so we are thrilled about this and going to fill that park up. So another reason why this is very important to our neighborhood is that you all know about our neighborhood experience, many, many years, of gentrification, and for me and for many people in the neighborhood, it's a reunion. At that park, peninsula park, several of the parks that have movies in the park, it is a neighborhood community reunion. There is people that grew up there, that don't live in the neighborhood any more that come back to bring their kids because of the movie title, because we are so focused on making it be a relevant movie and there is new neighbors, too. There is times when I have seen people, you know, you are rushing, going to work in the morning and you don't get to talk to your neighbors but there's been times where that's where I have met a neighbor that I don't usually have the time to talk to but you remember saying hi to them and you get to stop and talk to them and meet their kids and families and I really feel like it's a community gathering, and that's why I -- those movies in the park and those concerts in the park are so important to me, and they are free. That's the best part. They are free, I would love to go to some of the other concerts and take my kids but I don't want to pay that money to take kids that will not sit through but you are at a park and you can take them over and they can play and if they get bored with the movie and it's just a neighborhood gathering, and I love it, and I am looking forward to it, and our neighborhood association will continue to support it and we are proud that our business association understands the importance of it as well. A lot of those business says are new people to our neighborhood, and so we have shared with them the history of the neighborhood and why this is so important and it's great to have their support, as well. One thing that I would say if I could ask the city council for anything, though, I know the city supports this, this wonderful program, very much, but there is always a need for more funding. Always a need for more staff, and I go to several of these events that I am, on various parks and I see the same people and they are working very hard and they are working very long hours, and if there was something that I could ask for, it would be more funding and more staff support. Thank you very much.

Joe Dang: Good morning. My name is Joe Dang I would like to thank you for the opportunity to speak here today to show why I and Bank of America where I work support the program. Bank of America is a proud sponsor of the free lunch and play program and has been supporting this work for the past four years. As an organization we are committed to tackling food insecurity in our community and are honored to be part of providing children and families with nutritious free lunches throughout the summer through

June 28, 2017

our partnership with Portland parks. Bank of America doesn't just slow their support through funds, they create opportunities for employees to give time through volunteerism. I am on the Bank of America community volunteer committee and over the past two years I have taken on the role as a liaison between Bank of America and Portland Parks and Recreation to coordinate the volunteers for the free lunch and play program. And this year 15 employees will volunteer at five free lunch and play sites. I was born in North Portland and raised in St. John's, my dad was a single father of three boys and I recall benefiting from parks and recreation as a kid specifically the free lunch program. My little brothers and I looked forward to the lunches prior to swimming the afternoon away at the Pier Park pool. I had forgotten about this until my first year as a volunteer with Portland Parks last year. My favorite part about volunteering is seeing the joy, the free lunch and play program brings to the children, and I know personally of the comfort and knowing there is going to be a meal not only for yourself but for your brothers and sisters, these are meals children might not be getting otherwise, especially during the summer months, and this is the reason I take pride in the partnership with Portland Parks, it allows me to give back to the community and city that I grew up in. Again thank you for the opportunity to share my story. I look forward to being part of the summer free for all for many years to come, and city funding is critical for this program, and it is appreciated in the community. Your support encourages corporations like Bank of America and their employees to give back in meaningful ways. Thank you.

Eudaly: Thank you. Karla, any public testimony?

Moore-Love: I believe that everybody spoke.

Eudaly: Is there a motion to move this item?

Fish: I move the report.

Fritz: Second.

Eudaly: Commissioner Fish moves, Commissioner Fritz seconds. Is there any discussion? Karla please call the roll.

Fish: Thank you for an excellent report. I am ready to issue my verdict, which is I think this is the most beautiful program that you have produced today. And I am also excited by how many languages you have printed it in, so it is truly accessible which reflects at her core the values of the commissioner in charge. So Commissioner Fritz, thank you for taking this program to the next level. Thank you to your terrific staff we welcome transplanted New Yorkers and we -- we welcome heartily transplanted New Yorkers, and thank you for continuing what I think we collectively know is one of the great traditions in our city, which is opening our parks to free family friendly events every year, and I want to particularly call out the fact that as I skimmed your list of offerings, you have made a concerted effort this year to celebrate local artists. I appreciate the fact that in a city that has great dance and great jazz and great blues and great ethnic music that you are showcasing some of the best of that in our parks. And I have circled the four or five concerts I will be attending so thank you for your good work and I am pleased to support it, aye.

Fritz: This is one of the most wonderful and heart warming reports of the year, and thank you, I am really proud to be associated with it, and thank you to the staff for taking it to the next level as well. And in some ways it was misnamed, it summer free for all it's free to attend but not free as Karis mentioned. It needs the taxpayers money and corporate sponsorship so we are grateful for those who are making it work, and including committees in every neighborhood who help to select the movies and the concerts and walk around with buckets, for what I call half time, but I don't think that's what it's called in a concert. I am very grateful to everybody who steps up and does this wonderful program. I want to say thank you to Harry Auerbach, the city attorney assigned to parks who is retiring this year shortly and so we had a lovely ceremony at Director Park yesterday, so thank you,

June 28, 2017

harry, you because yes, it's fun and games and also we have to make sure that we have the liability insurance and all those other things. If you doubt that, you should have been at Brooklyn bridge last summer when the gust of wind threatened to take away the movie screen and all the volunteers leapt on it it was the most exciting thing I have seen for some time. And definitely is an indication of why we have to be careful of the program. Thank you to Eileen Argentina as well for your leadership of recreation and parks. And to Cristina Nieves and Pooja Bhat on my staff and director mike abbate, this is a program that has its challenges as you say everybody wants more. So let's figure out how we can work together to get that done because that's what this program does. Aye.

Eudaly: Thank you everyone for your hard work and for being here today and to commissioner Fritz. This definitely is one of the funniest and most heartwarming reports that we get to listen to. Not everything that we do here is quite the fun and exciting, but absolutely vital to our mission, aye. Karla, can you call the next item?

Item 744.

Craig Haynes, Office of Management and Finance: Good morning commissioners for the record I am Craig Haynes, I am an analyst in the office of Management and finance grants management division. Today I am here to introduce the resolution to establish a special appropriations committee and outline the review process for awarding the special appropriation grants in the amount of \$1 million for fiscal year 2017 to 2018. The special appropriations committee will be comprised of a staff representative from the mayors and each council office and they will be tasked with reviewing the grant applications and making the recommendations of awards. Perspective applicants would apply for funding on the following areas. Expanding opportunities for youth, community-based and arts and culture, expanding economic opportunities for Portlanders and community health. The application process opens July 3, 2017 grant applications will be available on the Portland outline, office of management and finance, bureau of revenue and financial services, special appropriations website. The link to the application should also be, will also be on each commissioner's web page. Application closes on august 15, 2017. Commencing august 23, 2017, the committee begins review and applications. On September 27, special appropriations committee with submit a report with recommendations for funding the highest ranked applications for the fiscal year 2017-2018 competitive one-time grants, and the council will vote on these recommendations. Starting September 29, the applicants would be notified that they have received a grant. List of requirements to have them set up the vendors in the city system and to establish the grant in sap would also be sent to the new applicants. That concludes my presentation. I will try to answer any questions that you may have. Thank you.

Fish: Madam president just a couple of comments. Thank you for your presentation.

Haynes: You are welcome.

Fish: I have the honor of serving as the council liaison to the regional arts and culture council, so what I am about to say may sound counter intuitive. But we have established as one of the criteria community-based arts and culture. Let me express a concern that I have with this category it is my belief this is intended to capture unique, innovative applications that otherwise would not be competing through the normal process at the arts and culture council has set up. It has been my suspicion that we have sent a signal that people can get two bites of the apple by seeking money through the formal grant process at racc and using us as a backup. I think that that would be the wrong signal. We give racc a lot of money and ask them to serve on our behalf as the screening committee to make very difficult decisions among very worthy applications for operating support and the like. And the idea that one can bypass that and get a commissioner or two to support an application that otherwise should be pending before racc, I think is a mistake. That said I

June 28, 2017

believe that through our process, what we can encourage is the kind of applications that may not traditionally fit within racc's guidelines. Last year the council appropriated a modest amount of money to the confluence project, which is an effort to recognize native American history up and down the Columbia. It doesn't quite fit, and we were approached in our position as a sovereign, that is the nonprofit is seeking to have all the governments along the Columbia that have indirectly or benefited from the destruction of tribal fishing grounds, the building of dams to participate. That does not fit within the traditional guidelines, and I thought that was one of the reasons that we were collectively moved to fund it. As the city of Portland backing it. I also think from time to time that there will be a special request from a community-based organization that is doing capital fundraising to preserve a facility that otherwise would be lost. Our friends at moagua theater are trying to build an endowment to maintain a particularly culturally competent programming in their site. To me that's different, but I just want to put down a marker, and I don't know we might be able to recognize this through the literature, but I don't want us to give the impression that you can opt out of the racc system and put an operating grant in, but we do welcome unique and innovative requests, for funding around the arts, and so it's a delicate balance but I just offer that for your consideration.

Haynes: If I may address your concerns I think that that could be addressed in the process. We could ask, are you receiving any funding from any other organization, within the city of Portland? And if they say we are going to get funding from racc, then yes.

Fish: Maybe I can tweak that and say are you receiving public funding from the organizations, and that would be the Oregon cultural trust, arts commission, racc, county arts community or have you submitted a request for funding? That way at least we can cross-reference, and again, I am the arts commissioner. I will always vote for robust funding for these things, but I don't want people getting just into the habit of seeking two bites of the apple and bypassing the competitive process that racc administers.

Haynes: I am in agreement with you commissioner Fish.

Fritz: I appreciate you raising that concern, and I agree not only in the application information but the direction that we give to the participants on the committee. For myself one of the great things about this program that mayor haes started is that it's not who knows two or three commissioners, to get their funding which previously was how things went through the budget process, rather it's each of us has a delegate, and those delegates would receive the same advice that although people are free to apply, the people on the committee should keep that in mind if they have applied. Let's say there is an organization who wants say \$100,000 and apply for 50 in one place and 50 in the another, they really need to look at as commissioner Fish said the impacts and maybe it's appropriate if it's big enough. Last year the committee chose to limit the individual funds to \$100,000, and many were less, what we did find we had more applications than we had funds available. The great thing about this and why I am glad that this is on the regular agenda with your presentation is to get the information out to people, the application will be solicited and that there will be a clear and objective public process in order to be able to select culminating in an appearance at a hearing at council that anybody who feels like they did not get a fair shake can still come in and talk to the final decision-makers.

haynes: Can I comment on something you said, you said receive lots of applications last time around, are you thinking of increasing the one-time funding from \$1 million to \$2 million?

Fritz: That would have been nice in fact I am not entirely clear if we might have used some of this year's funding for.

Fish: We have \$350,000

Fritz: For Portland united against hate right?

June 28, 2017

Fish: 350 has been allocated for that program.

Fritz: Right so we're down to 650, and that is obviously less than a million. The challenge is we at the city council have to balance all of the things that we are asked to do for the entire budget, and so I think that there is a challenge in figuring how much should be in this process versus what we consider bearing in mind the other factors that we have to consider like police, fire, and other things, so we came to the determination that a million minus the Portland united against hate was the correct number for this year, but it could be more or less next year but I think this is the right process.

Eudaly: Thanks for that discussion. I think I largely agree with you. My office is digging into the Public budgeting process, and what that would look like, and looking at opportunities as we move forward to implement that and I think that that could be one of them, and I am looking forward to spreading the word in my community, which is kind of more grassroots, arts and culture community about this because I know that there are hundreds of individuals in smaller organizations that may not qualify for race funding or may experience too many barriers to that process who we might want to support.

Haynes: Sounds good.

Eudaly: Karla, is there any public testimony?

Moore-Love: Yes, we have one person signed up. Shedrick wilkins.

Shedrick Wilkins: I'm Shedrick Wilkins and I would like to use this appropriation committee cause I'm kind of a crusade to highlight the solar panels on Montgomery park with some artistic design or something or at least powered by leds at night or something, let people decide what to put on it. I would like to get a reputation for solar energy for the simple fact that I just read in the Oregonian that the Oregon state director of energy was fired because he stole \$300,000. I am certainly not going to steal \$300,000 of the state money but I need a reputation in alternatives energy. I think that Portland has a good opportunity, some day, I remember living through the 1979 oil embargo. Portland could, actually because of light rail trolleys function in an oil embargo and not blame other countries for embargoing the oil, and I remember those times that people wanted to go to war with iran because of the middle east and I am not into that, and it makes people hate other people, Portland, if there is an oil embargo, and there will be in the future, we should still be able to function. Part of that is using alternatives energy for heat and electricity and storing it, as well. I heard a guy got fired, had a relationship with the army, I am a veteran with a degree in electrical engineering and I will find out if he did.

Eudaly: Thank you. Karla please call the next item.

Fish: This is a resolution.

Eudaly: Oh, sorry. Oh, gosh. I was jumping ahead, ok let's back up. So is there a motion to move this item?

Fish: It's a resolution.

Eudaly: Karla, please call the roll.

Fish: I am very supportive of this process, and I think that it worked really well last year. I am proud of where the committee landed, and if it was within my power we would add additional resources to this worthy program, and thanks to Jamie Dunphy who serves as my liaison on this and is very diligent in the work that he does. Aye.

Fritz: I also am very pleased we are having this more clear and objective way of doing things. Last year my chief of staff Tim Crail was the delegate, we are going to give somebody else a turn, Cristina Nieves so that we all can experience the challenges that council has when we are asked to fund so many things and don't have the resources. I do appreciate the work done and I look forward to hearing about the applications cause that's the way it happens people get their applications in. Last year the applications had to be submitted by august 15, and there was the notification of acceptance by September 21. It's

June 28, 2017

a short order to get the word out to get the application and send it to them, and we try to get them as quickly as possible because we know that there is good things that need to be funded in the community. Aye.

Eudaly: Thank you, and aye. Karla, call the next item.

Item 745.

Moore-Love: If I can add that this may be chief deputy city attorney Harry Auerbach's last appearance in front of council.

Eudaly: So I have heard, all right, before we get started does anyone want to say anything.

Fish: Karla would you like to say a few words?

Moore-Love: Thank you, commissioner. In his 35 years, he's getting embarrassed. 35 years with the city, Harry used to sit in that chair over there for us many times. He's appeared in front of council hundreds of times. And Harry you are going to be missed, and I appreciated working with you. Thank you Harry.

Fish: That's the highest praise that I am think of. Karla, you have sat in that chair for 17 years?

Moore-Love: Just about, yeah.

Fish: So you have overlapped about half of Harry's career. I just celebrated a milestone of sorts, my ninth year on the council so we have overlapped nine of the 35 years, and this is Harry's last day on Friday. I would have been there last night except I was sent home sick in the afternoon so I apologize that I missed it. I believe, and I have nine years of experience to back this up, that we, at the city of Portland, have the best law firm in the city. I would have said the best law firm in the state but I don't want to get sideways with our attorney general. But we have an extraordinary group of lawyers who work very hard, and who get great results for the people. It's a pleasure as a recovering lawyer to work with so much talent. A couple of things come to mind when I think of Harry. One is he's is a terrific troubleshooter he's someone who digs into the details and who identifies problems very carefully and clearly. He has good judgment, you can be the best lawyer in the world but if you don't have good judgment and you don't share that judgment with your client, you are not doing much. And we have always found that the legal advice was sound and often very creative. Another unheralded part of Harry's personality is his fearlessness in dealing with his clients in telling them to slow down and to get it right. That sometimes produces frustration for some of us who are in a hurry. But as a result of that approach he's probably saved the city a ton of money. And made, made sure that we got it right. When I think about the totality of my interactions with Harry Auerbach, and they have been many through the bureaus I have had the honor of leaving, I come down to one way of thinking about his service. I believe that Harry is the model of a lawyer and public service, and I think that the city has been exceptionally lucky to have 35 years of service from Harry, and you will be greatly missed. Thank you.

*****: Thank you very much.

Eudaly: Thank you. You may begin.

Harry Auerbach, City Attorney: Thank you. If I may have a moment of personal privilege, thank you. It has been a true honor and privilege to work for you all and your predecessors and the people of the city of Portland. I mentioned this the other night, I think you get a really bad rap. I worked with thousands of people over the last 35 years, and my experience of people would work for the city of Portland, everybody from the elected officials to the -- everybody on the staff in this building and the Portland building and throughout the city comes to work every day for this -- for the purpose of helping to make their community a better place to live. It has been my great honor to be a part of that. I have tried always to remember that we work for the people, and our ultimate responsibility

June 28, 2017

is to take care of their money and provide them things that enrich their lives. Thank you for allowing me to be part of that, in particular commissioner my role model was Charles Jordan, who I worked with when he was the director of parks for 13 years ago, and forever grateful to you commissioner Fish for allowing me to serve on the committee that joe's university park community center to be renamed in his honor. Thank you very much for that. Having said that, I am here for a different thing, and that is to ask for your authorization to allow us to participate as amicus curiae in a case supporting a challenge to the refusal to the department of veterans affairs to cover gender reassignment surgery for transgendered members of the military, and I think that it is fitting that my last appearance before you is on an item such as this because it reinforces the city's commitment to true equality for all and to basic human dignity for all, and I couldn't think of anything that I would rather spend my time doing than defending that principle.

Eudaly: Thank you.

Fish: Thank you.

Eudaly: All right. We move to public testimony.

Moore-Love: No one signed up.

Eudaly: All right. So thank you Harry I hardly knew you, but it's been a pleasure to work with you and --

Auerbach: And with you, thank you.

Eudaly: And our few interactions and I am pleased to vote aye on this -- I have to ask Karla to call the roll.

Fish: Harry one other point you mentioned the renaming of the university park community center in honor of Charles Jordan. Michelle harper joined us on that committee, it was one of the highest functioning committees that I had a part of, and one of the joys of that was that Charles Jordan got to be present and got to share in the tribute and the celebration.

Auerbach: Absolutely.

Fish: Sometimes we do these namings by tradition, actually, we do renamings after someone is no longer with us and that was we made an exception and that made it especially poignant that he and his family were there to accept the recognition and love of the community. Thank you. I am proud to support this resolution. I am disappointed that the v.a. refuses to cover gender confirmation surgery by policy. I do note that the administration just passed through a reform of the v.a. Which allows them to strip certain people of their protected rights as employees. Seems like we are going the wrong way, and in passing this resolution today, though, we follow in the footsteps of other actions that the council has taken that I am proud of. Under mayor Adams and commissioner Fritz will remember this, the council voted to expand healthcare coverage for transgender individuals, and that was an important step, and in last year's special appropriation process the committee appropriated \$100,000 for prism health, which is the first dedicated lgbtq plus healthcare center in the state of Oregon. I ran into the executive director the other day, and asked him what would happen with the repeal and the destruction of the affordable care act. He said it would be bad news but there is other dedicated funding through the Ryan white funding process and others that they can rely on, but one part of the attack on the affordable care act is that it will have a devastating impact on people living with hiv-aids. This, I think, is a, an important step, and I am proud that in the last six months that council has voted to join on a number of important issues facing our community, including the Muslim travel ban and other actions taken by the administration. Again thank you Harry for your service and I am proud to voted aye.

Fritz: On this issue to start with I agree commissioner Fish that having a gender confirmation, health benefits in the city's plan was something that was one of the best things that we did with mayor Adams and it was over the objections at the time of the

June 28, 2017

benefit committee who I hope now that they are more informed on the issue as I am. And so it is fitting that this is your last time in council to be pushing it again. I met with members of the Portland resistance and the Portland police and the mayor's office to talk about protest and we need to protest in as many ways as we need to, to keep people safe while doing that so This is a way that we, as the city council and the city attorney's office can do our part in pushing back and saying that this is not who we want to be. So thank you for that. I have really enjoyed working with you and I wish you all the best in the retirement, and I want to thank commissioner Fish and president Eudaly for setting up that Karla, who got to say her tribute, it's the first time, I've been watching city council for nearly -- probably longer than I've been council clerk, and in fact, yes, and that's the first time that you've been able to share your views so I appreciate how we should do that more often. Feel free to pass the note if we missed something, so that's, again, an affirmation of your statement, everybody is trying to do the right thing here in the city of Portland, and we all have our role and you have played your part, as well as it could be done. Aye.

Eudaly: Well as the political newcomer I have a lot to learn. And that includes how to pronounce much of the legal jargon that crosses my desk. Sometimes there isn't just one way to say something, but in your honor I will forever say amicus curiae. I am glad to have that settled there is a debate among my staff, and I am also proud to support this resolution. Aye.

Auerbach: And thank you for your kind remarks last night, I appreciate them.

*****: Thank you.

Fritz: I wanted to say Harry that one of the other things that I have enjoyed about learning from you in my office is when I ask a question, often you sit back and go that's really interesting, and then you lay out, and I can see your thought process as well, you could do this and this and these are the risks so again thank you for teaching me things.

Auerbach: Thank you. [applause]

Eudaly: Karla please call the next item.

Item 746.

Eudaly: Welcome.

Matthew Tschabold, Portland Housing Bureau: Good morning members of the council. I am here for Andrea Matthiessen, the manager of the single family program on this issue. Traditionally this is on consent, I think that the presentation is for the next one.

Fritz: You just put your name into the record.

Tschabold: Matthew Tschabold with the Portland housing bureau. Thank you, so traditionally these resolutions are heard on consent but given that we have two members of council absent and that we have some statutory timelines to meet, we're here before you today, and for folks unfamiliar with the home buyer opportunity limited tax exemption program is a tax exemption program authorized under state law which the city of Portland and Multnomah county have agreed to have, and is operated through the Portland housing bureau. The tax exemption is on the single family homes and new construction and for families earning below 100% of the area median income, and it's a ten-year property tax exemption so throughout the year, there is -- so there is a cap on the number of applications the city can consider, which is 100 per year, and not including those authorized through the nonprofit ownership.

Eudaly: Is that 100 units or developments?

Tschabold: 100 single family homes. So 100 units. So, and then throughout the year to me the statutory timelines, these resolutions are regularly before the council to approve new authorizations as well rescind authorizations for instances where the authorization no longer meets the state statute or local code and administrative rule, so before you today you have 12 new authorizations and the rescinding of 20 previous ones for the program.

June 28, 2017

Fish: Two comments on this. When commissioner Fritz and I joined the council there were two standing objections to the tax abatements or tax break programs for development. In our community, one was a criticism that there was inadequate public oversight of the program. Not enough transparency, and the second was there was not enough public benefit. A lot of work has gone into scrubbing these programs to tighten the return to the public and put more sunlight on them to ensure that they are operating properly. And in fact, originally this was functioned, performed by the Portland development commission with the creation of the new Portland housing bureau when we consolidated the programs and the funding under one roof here at the city, the Portland housing bureau took the responsibility for delivering this report and for the first time we had an annual report in which we were told what properties or programs no longer qualified and were kicked off the program, how much money that brought back in the previously foregone revenue and the like. I think that work has led to this day where we're about to have this item discussed and debated at council and no one is here to object. It tells us a lot about sharpening the connection to all our programs to clear public benefit, and in this case expanding the supply of affordable homes and making sure that there is adequate oversight so that the people that don't qualify don't get to take advantage of the program. I compliment the housing bureau for the role that they have played in building more public trust for the, these programs.

Eudaly: I see that there is 39 application slots available. What kind of outreach do we do to the landlords to let them know about this?

Tschabold: This is one of the programs that we administered directly. We outreach to primarily construction and development professionals because it's traditionally the folks that are building the homes that can choose to sell below the price point, and to try and then identify the potential buyers below the income threshold so if you are thinking about eligibility there is two factors. One is getting somebody building a home that's not a nonprofit, and the nonprofit will own it and will already be exempt through our programs but so you have to identify the builder that's willing to sell below the price point, which currently is \$350,000, and work with them traditionally to connect them to the community nonprofits, to identify the home buyers who also fall below the income threshold, which is 100% of the area median income. So the bureau staff worked directly not only with the professionals in the construction industry but then our community nonprofit partners to connect families to those houses once they are built.

Eudaly: Ok. Any other questions for matt? Karla do we have any public testimony?

Moore-Love: No one signed up.

Eudaly: All right. And this is the resolution. So Karla can you please call the roll?

Fish: Thank you. You did an admirable stop stepping in for the lead program person at the bureau and thank you for the enhanced transparency that you and the bureau have brought to this program. Aye.

Fritz: Thank you commissioner Fish for reminding us of the history of this, and I do appreciate the housing bureau's diligence in making sure a that people remain eligible and appreciate the president Eudaly's comment, it would be nice if everybody knew about this opportunity and also given your answer, if more developers would be thinking of how can I make this more affordable for the potential buyers so thank you.

Eudaly: Thank you. Aye. Karla please call the next item.

Item 747.

Matthew Tschabold, Portland Housing Bureau: Thank you, Matthew Tschabold with the housing bureau. So this is the first of a number of what has been administrative policies that will be coming to council to officially adopt them as Portland policy documents to, you know, to formalize the administrative policies. And the impetus is coming from a few

June 28, 2017

places, in part upon the guidance from the city attorney's office, given the bureau's new role in the mandatory programs for affordability and inclusionary housing being one, and potential for their programs around renter, owner services or renter, owner regulatory requirements. And then separate from that, there have been some audits, both at the federal and the local level that have provided guidance that it would be good for the bureau to formalize the administrative policies. So this is the first one, which is our area median income and maximum guidelines, and given we are moving this as a policy document I wanted to give a primer for folks unfamiliar with the terminology or unfamiliar with the guidelines themselves. So this policy does essentially two things. One is to set the maximum household income for eligibility for programs, the city housing bureau programs. As we talked about with the holte program, that's 100% of the area median income but we have programs both on the rental side and the home ownership side as well as home repair for households at 30% ami and 50% ami and 60% ami, so throughout the income threshold. And this policy formalizes the table, and you will see in the documents there is a grid of median incomes by household sizes. And that is what determines eligibility for our programs. And then the second thing is establishes for the rental portfolio what the maximum rents are that can be charged in the unit based on the ami they are regulated at so if they are regulated at 30% ami level or 80% ami level, it imputes what the maximum rents would be for our various rental housing programs. So ami is a, a calculation, a metropolitan area figure, and it is actually calculated by hud. It uses the census bureau data from the American community survey, and it's a methodology that combines both five-year estimates as well as one year data with some attempts by the federal government to incorporate inflation factor, given the time lag of the data, and every year it is published by hud for every metropolitan statistical area in the country, and this year it was a bit late but it has been published, and the bureau provides noticed to all of the providers of regulated housing that they have to adjust not only their eligibility for the units but the rents that are in the units themselves. Just a little bit more detail. Area median income it is the midpoint so the median income in the city at which more than half, half the households will make more and half will earn less, and again, it can be a bit complicated because it varies based on household size, and there is some -- there are some methodological elements that the housing, department of housing and urban development incorporates to try and address outliers for rather large households. Again I have calculated it every year and it's what establishes our program eligibility throughout the city. Just a quick note because I think that council probably is hearing the term, area median income as well as median family income and they are synonymous, the median family income has been, well, a local term that the city of Portland has used for quite some time and some other jurisdictions in Oregon, and area median income is a national standard, so the bureau slowly is changing at the terminology to align with the national standard of area median income. It is more of a process than one would expect given the volume of the code and policy and regulatory documents that need to be modified. So it's a slow transition over time. We are moving towards the use of the term, area median income. And as far as the maximum rent schedule you will find in the policy document a maximum rent schedule. And the maximum rent schedule is -- it's imputed 30% of cost, given a particular income in the ami grid. So, it is inclusive of the utility allowance so you will see the policy coming before you to formalize that from an administrative policy to a Portland policy document. Again so if you are looking at this chart here, and the maximum rent allowable in a 60% unit for, with two bedrooms being 1009 a month, the provider of that regulated unit would have to lower the rent in order to allow for utility allowance. So the rent that the household is paying plus the utility allowance cannot exceed 1009 per month. That's how the rent works. Again it's a

June 28, 2017

simple calculation, we use the national standard which is 30% of the income, and within the ami table for a given ami, and column, and household size.

Fish: Matthew I have a question. And by the way I wish that this is an area where I wish that we were not bound by the jargon of housing because it does not invite people in. You use these acronyms, and people's eyes glaze over, and I wish that we had a different language but every bureau deals with this. The question that I have is the -- in updating these charts and maximum rents and allowable income, are we also simultaneously with developments like the Ellington that were purchased with bond money, working to ensure that people whose income goes above the guidelines are grandfathered so that they are not evicted. I think it would be very odd if the city is in the business of acquiring properties than displaying people so can you give us an update on that?

Tschabold: Sure. So that's another policy that you will see in the months to come. The bureau has an administrative policy called incomes rising in place. And the essence is we don't want to kick people out who happen to move in at a dollar amount and they make \$1 more so depending on the source of funds, whether it's federal funds, local funds, and depending on, or potentially mandatory inclusionary housing units or tax credits, there is a different income rising in place policy, but in general the bureau tries to allow an income to rise in place to either the next threshold of the ami category, so if they are in a 30% unit they will be rising to a 50 or 60% ami level or potentially 80% depending on the source, but we will certainly be given a presentation on that policy and all of the different nuances given the funding source.

Fish: Previewing my concern on this, I am talking specifically about properties that we acquire with our resources, to me there is a difference between someone who is renting without subsidy and who may no longer be eligible, and someone who is renting in that development subject to some subsidy program, federal, state, local, whatever. And I would hope that those particular individuals are red circled and that we look closely at the insuring that they are not at risk of eviction.

Tschabold: Absolutely.

Fish: Thank you.

Eudaly: I want to make sure that I understand for the median income guidelines what is the criteria, that's a hud.

Tschabold: Yes.

Eudaly: Hud numbers. But for the maximum rent, monthly rent guidelines, is that also hud or using our own?

Tschabold: It's hud but we impute that by just applying a 30% factor to the income over the monthly income over a year.

Eudaly: Yeah. I think we were struggling a bit looking at the monthly rent schedule, some of these will be privately owned homes or units that we are subsidizing the renter, right. It's just striking that balance between not encouraging landlords to charge the maximum amount that they can get because we have set it, and not making it almost impossible for renters to find housing in that range. Any thoughts on that?

Tschabold: As far as our providers, I think that you will find that they each operate differently based on their organizational values and mission and their own financial books, I suppose, and some of our providers don't always reach the cap. Perhaps they have got a 60% unit 60% regulated one bedroom unit, and they don't reach the \$784 because they have had someone in there for five or ten years, and that person has been paying \$625 maybe and they try and balance that with, from a mission standpoint with their ability to get enough cash flow to operate the building. I would anticipate given that the program given that is a mandate through the zoning code that the providers of those units would be right up at the cap so in general the guidance I would offer council is to the extent that for a

June 28, 2017

particular program, there is a desire to encourage a deeper level of affordability. I would recommend not changing the rent calculation, but modifying the program to have a lower ami threshold for eligibility. That's probably a more administratively, I will say administratively less burdensome way to get at a deeper level of affordability rather than different -- we would have to administer different rent calculations.

Eudaly: Sure. That's helpful just wanting to understand what this actually looks like in the real world off the page. Thank you.

Fritz: I just have questions about the exhibit a, number six, the amendments to the policy. It says the director of Portland housing bureau or designee shall have the authority to make changes to this Portland policy document as is necessary to meet current program requirements throughout the year. How often does the calculation of the area median income come out?

Tschabold: Once a year.

Fritz: Once a year and when is that?

Tschabold: Usually around February or March. It was later this year we think because of the transition at the federal level. This year it was around April, and then we provided notice in May.

Fritz: When it comes out you do that, and then the second one, it says this policy will be reviewed annually. Will the adjustments come back to council annually?

Tschabold: We can present on them given the language, the intent was to run it through a process similar to an administrative rule making process, and if you recall a few months ago we had presented the bureau adopting a formal administrative rule making process in order to notify the public there would be a change.

Fritz: I think there is benefit in bringing it to council. The questions of my colleagues, know far more about this than I do, presumably are reflecting interest in the community. So do we need to add that to the policy or to the resolution? Ordinance? Sorry, to say that a report would come to council every year.

Tschabold: Sure that probably would be appropriate.

Fritz: You probably know more about this, does the affirmation of the number need to come back or just the report about it?

Fish: I don't know the answer. To me this feels a bit like if it ain't broke why fix it because this -- we've been doing this on a regular basis setting these numbers, and there is a lot of community oversight. I would say that get the level of reporting you want but I am not -- I would want to be clear about the benefit.

Fritz: The numbers are the number, right? So there is no discretion in that.

Tschabold: We can, in the state of housing report we do publish some of the ami figures but we can add something that publishes the full schedule each year, and the readers of that report on an annual basis can see what the maximum income is.

Fish: I think that would be, commissioner Fritz, a great one, that report keeps getting more comprehensive so adding that to the report, and also ensuring that the phac the oversight body of the housing bureau reviews these numbers annual 8, I think, would be an addition.

Fritz: If you could make sure that's included on the housing report to council because I don't routinely check the housing bureau's website on a daily basis. I would appreciate having this open for the public who also may not go through that website so thank you.

Tschabold: Absolutely.

Eudaly: All right. Karla is there any public testimony?

Moore-Love: Nope. No one signed up.

Eudaly: And all right, so non-emergency gets moved to second reading.

Fish: By the way congratulations to Shannon Callahan. She -- I am sorry Dan is not here but there is, there's been an announcement that she will be leaving Dan's office and

June 28, 2017

joining the housing bureau as a deputy director, a co-deputy director with the primary responsibility in implementing and overseeing the housing bond. As a former housing commissioner who worked very closely with Dan's office when he had the bureau I just want to call out Shannon's superb work on behalf of the city. Very detailed, focused, creative in her thinking and highly regarded in the community I know this is a big loss for Dan's office and his chief of staff actually said that, but I think it's a win for the bureau, and she will be in a position where she can, I think, have a bigger impact. I think that that's a terrific addition.

Tschabold: I agree.

Fish: Thank you.

Eudaly: Thank you. Karla could you call 748.

Item 748.

Fish: Madam president, Scott Gibson is here to talk us through this ordinance. The bureau of environmental services has a non-conforming sewer conversion program to promote efficient urban development while also protecting public health and the environment. In an effort to apply uniform sewer connection standards in developing properties bes constructs sewer extensions to properties that are currently served by non-conforming sewer connections. We have Matthew hickey from the bureau of environmental services here to further describe the purposes of the ordinance, and he's joined by Scott Gibson. Welcome gentlemen.

Scott Gibson, Bureau of Environmental Services: Good morning madam chair President, commissioners. For the record I am Scott Gibson. With me here today is Matthew hickey, and matt Hickey runs our non-conforming sewer program at bes. Bes needs to construct sanitary sewer extensions and branches directly to properties currently served by non-conforming sewer connections in accordance with the city code. The ordinance authorizes bes to use a competitive solicitation process in order to obtain the most responsible and responsive offers for price agreements for this work. Estimated cost is \$3 million annually these are in the range of \$100,000 to \$200,000 per task order. Bes completes the design plans, specifications as well as managing the construction while the work is performed by the contractors. These price agreements will be competitively bid to the development program. The primary goal of the program is to increase disadvantaged minority women prime contractors participation in the city public improvement projects, and the pcdp is a part of the social he could contracting strategy for the city. We have had a bit of a snafu I think our presentation didn't make it over here this morning. We are going to be audible, and I will have matt walk you through some of the basics of his program and answer any questions about the projects.

Matt Hickey, Bureau of Environmental Services: Thank you Scott. And again I am matt hickey, a senior engineer with bes in the systems development group. Since 2008 I've been the lead engineer on what's called the non-conforming sewer program. You may know the general scope of that is when two properties may share a sewer system or a property may have, in fact, a private sewer line in the right-of-way so this is a difficult situation for property owners. I have given you a simple example of a party sewer on the left, property b doesn't have a sewer in front of them. Historically none was built they had taken the route through property a, and property a now in 2017 would like to improve their property, and that route of service is no longer viable so beginning in 2008 we recognize that the city needed to step up and provide a program to do some extensions on behalf of property owners such as these and that's what our focus is. The magic green arrow simply means that we're going to convert the situation to each property, and then having its own branch to a sewer main so that's the focus of my work. We're here today to talk about one specific route of getting that work done, and that's through the use of on-call contracts for

June 28, 2017

building the public sewer extensions. Each time one of these would come up we initially tried to do the standard bit project, and oftentimes that would run us very close to a time frame that made further development or fixing emergencies very tight, so we came up with a way to do price agreements with various contractors in the prime contractor development program and the predecessor so we would have agreed upon prices and we would just have to develop the technical designs that they could implement. We would have a basis for knowing what that would cost and move forward quickly. So the bottom line is to keep existing customers in service and that's what we do driven by heavily development climate right now and unveiling private sewers. We often are able to meet the six-month deadline that one property can impose upon another. I have a couple of examples for you of projects that we recently completed this half of the year. The first one is the la happy restaurant on northwest 16th avenue. It is a small restaurant, and we came upon them with notice of a demolition of about a quarter block area for new development. It was found that their sewer crossed into the developing area, and then in fact, went out in the street into an old clay line which was also private and went 150 feet. That was not a sustainability scenario and the neighbor California developer has been very good to work with they understood that we couldn't make it happen this week, but we needed the six months so they followed all our directions in terms of notifying the property owner of the restaurant. This needed to be done, they also needed to grant them a small easement because the developments are property line to property line there so they did in fact grant an easement so that's going to allow us to get them connected and remain in service as a viable business.

Eudaly: Do the businesses bare the cost of these improvements?

Hickey: So the business being served pays what is called a conversion charge which gets set each year and in addition to that they have to have a private plumbing as well so they do bare a portion of the cost, but it is pretty heavily subsidized.

Fish: Commissioner one way of thinking about it is we cover the main sewer lines that are underneath the public rights of way and it is the responsibility of the business or the homeowner to connect to the sewer up to their property line.

Hickey: Thank you. On the next slide I traveled northeast 24th avenue a failed line in the right of way. This is one of the more shocking historic situations for folks that they feel just amazed that there are private sewer lines under the streets that were historically built. This is an example of four properties, a couple of which were having flow problems and gave us a call and we let them know that this would require a public sewer extension and conversion and those things, so we put in roughly well over 200 feet of main line pipe and four services. We worked closely with the homeowners to connect those services live so they didn't have additional plumbing costs. It's also a street that is very busy. We also use a trenchless technology on the laterals to limit amount of paving, sidewalk, restoration required. We just finished that in March and was a very successful project.

Eudaly: Do we have an idea of where these things are happening around the city or do they just emerge when sewage starts backing up? [laughter]

Hickey: Yes, we have I call it a measles diagram now we labeled each property we suspect could be in the situation. So they just dot the landscape so this is equity based program and I have covered every neighborhood, every quadrant in town. Several times over already. They are very common in the older combined sewer neighborhoods of southeast, northeast and north, but they stretch.

Gibson: Matt has a proactive approach but many are reactive. Real estate agents are recommending to home buyers that they have their sewer inspected before and oftentimes that is when the current owner becomes aware that their sewer is nonconforming and there's an issue, so it has negative impacts on development, redevelopment, property

June 28, 2017

sales so the structure matt set up with these in-place construction contracts and ability to move relatively quickly to resolution is what we're here in support of today.

Hickey: The next slide is just a review of the last contracts we had, fiscal year '16 and '17, utilizing prime contractor development program. We had two wbe firms and two emerging small business firms that were the low bidders. Those contract values like totaled about \$500,000 a year maximum, so with an overall budget of \$2 million I got four contracts. So this is their utilization and over 20 projects completed in the two years and their work order averages are there. It's not a strict you're up first, you're up next, third, fourth, there just happened to be so much work that it was able to be spread out among them. It meets their goals of when they are available because they all carry busy workload for small firms, but most of them were utilized at least 80 to 90% so very good. In closing, the overall would be to establish a first your contract with the ability to reup it two more years, so a total of three years. If approved I would move to work with purchasing in detail starting next month. Initially, we would target four contracts from the prime contractor development program, tier 3 and tier 4. Tier 4 is a newer tier goes up to \$1 million annually per contract and they are required to provide oversight and guidance over the lower tier of contractors. This has been used over the last six years very successfully and we're looking to have a budget move to up to \$3 million a year annually.

Eudaly: Great. Karla, is there any public testimony?

Moore-Love: No one signed up.

Eudaly: Colleagues, any discussion? I would just like to thank you for your presentation and I enjoy learning something new every day, and today it was the term party sewer. [laughter]

Fritz: Not what you might think.

Eudaly: I don't want to think about it too hard.

Hickey: It really is no party.

Eudaly: Yes. So this is first reading. We'll move it to second reading. Karla, could you call the next item in.

Item 749.

Eudaly: All right. We're going to -- it's second reading. Please call the roll.

Fish: Here. Aye. **Fritz:** Aye.

Eudaly: Aye. Karla, could you please call the next item?

Item 750.

Eudaly: Commissioner Fish?

Fish: Teresa Elliott is here -- was here a second ago. Why don't you come forward and I'll do the introductory remarks. Colleagues, the Portland water bureau provides water to approximately 960,000 people one quarter of the population of Oregon. The water bureau strives to mitigate hazards for Oregonians before, during and after Cascadia megaquake event. A significant amount of research has gone into mapping prehistoric landslides around the bull run watershed nonetheless little is known about under water landslides within the lake. This would authorize the water bureau to work collaboratively with Oregon state university to conduct an investigation into two specific areas. First the shaking levels at bull run lake during prehistoric earthquakes. I'll be interested in learning more about that. Second the present day vulnerabilities of the bull run lake and of its greater watershed to a mega earthquake event. I'll turn it over to the chief engineer of the water bureau Teresa Elliot.

Teresa Elliot, Portland Water Bureau: I'm Teresa Elliott chief engineer Portland water bureau and with me is Tim Collins, geotechnical engineer with the water bureau as well. This is an extension of -- a new agreement but an extension of study work we have been doing with Oregon state university to figure out what our vulnerabilities are within the

June 28, 2017

watershed. In 2015, we did a study and looked to see how frequent earthquakes are. We know we have them, we took core samples and are now looking to have a new contract that or new intergovernmental agreement with them to figure out what the carbon date those and try to relate those back to the Cascadia subduction zone earthquake. It's a small contract, \$10,000. \$10,178 specifically. It should be all of the work will be done this fiscal year. The carbon dating this summer, the report by the winter. We're here to answer any of your questions.

Fish: I have a question. Commissioner Eudaly, have you ever participated in the bull run watershed tour?

Eudaly: I unfortunately have not had an opportunity to do that, but I would love to.

Fish: Commissioner Fritz, you've taken that tour.

Fritz: I have. Unfortunately my theory is that everybody should do it just once. I know you do it often, everyone should do it once and it's not a tourist destination. It's definitely for the purpose of protecting the watershed, so yes, I would encourage you to avail yourself of that opportunity.

Fish: When you and whoever you want to invite are ready, let us know, and we would love to host you on that trip. It's one of the -- I have been twice now, once as a guest and then once as a commissioner charge hosting some people. It -- it changes the way you think about our water, our water supply, the bull run watershed and about the work that comes before us when you do the tour. It's one of the most majestic places in the state of Oregon and because it's so heavily protected it's hard to get to and very few people get the opportunity to do so but we would be delighted to schedule that around your availability.

Eudaly: Fantastic. Thank you.

Fritz: Evidently my stipulation that everyone should do it once and no more doesn't apply to commissioner in charge or the employees who do it, but I will tell you commissioner Fish that I did it as part of the 1995 community watershed grant that I got from the bureau of environmental services which you also manage. That was really my awakening as you say as to what some of the issues are in our entire region not just in the small elementary school that I was the parent in at the time. Actually I know some of my staff has not been on the tour either, so I would ask if they can join that would be great.

Eudaly: Commissioner Fish, I don't have anything comparable to offer but if you would ever like to do the life of a permit tour at bds-- you're welcome to join me.

Fish: I was hesitant to say this but we also do an excellent tour of the Columbia wastewater treatment facility. I was there last Friday with Todd, and Steve Barrett gave us the tour. It's actually another amazing thing when you see how they manage \$80 million of wastewater a day and then it's put back into the Willamette -- the Columbia and it's perfectly safe, it's an extraordinary engineering marvel.

Elliot: From an engineering standpoint I love looking at it myself.

Fritz: I did it with fourth and fifth graders. You haven't lived until you've done a wastewater treatment plant with fourth and fifth graders. Shortly after I decided I needed a better occupation. [laughter]

Eudaly: I will take your word for that. Any further discussion? This is a first reading, so we'll move it to second reading. Karla, could you please call the next item.

Fish: Thank you.

Item 751.

Eudaly: This is second reading, so Karla, please call the roll.

Fish: Aye.

Fritz: I have to just note thank you president Eudaly and thank you for your leadership as president of the council over the last six months. I will be taking over next week if the vote goes as planned, and I really admire how you have stepped into the council role as

June 28, 2017

president in your very first term on the council. So thank you. Well done. Aye.

Eudaly: Thank you very much. I still feel like I'm getting the hang of it but I'll be much more prepared second time around. Aye. So I can't believe I think this is the easiest council session I have had in my first six months on council, so before anything goes wrong we're adjourned.

At 11:13 a.m. council adjourned.