



CITY OF
PORTLAND, OREGON

OFFICIAL
MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **29TH DAY OF NOVEMBER, 2017** AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Wheeler, Presiding; Commissioners Eudaly, Fish, Fritz and Saltzman, 5.

Commissioner Saltzman arrived at 9:32 a.m.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Denis Vannier, Deputy City Attorney; and Nicholas Livingston and John Paolazzi, Sergeants at Arms.

Item Nos. 1246 and 1256 were pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

COMMUNICATIONS		Disposition:
1238	Request of Shedrick Wilkins to address Council regarding police (Communication)	PLACED ON FILE
1239	Request of Craig Rogers to address Council regarding trust and City government (Communication)	PLACED ON FILE
1240	Request of Eli F. Richey/Hightower to address Council regarding filming police and public spaces (Communication)	PLACED ON FILE
1241	Request of Roberta Palmer to address Council regarding tax reform (Communication)	PLACED ON FILE
1242	Request of Alan Kessler to address Council regarding transit congestion in Portland (Communication)	PLACED ON FILE
TIMES CERTAIN		
1243	TIME CERTAIN: 9:45 AM – Presentation regarding partnership between the Portland Rose Festival Foundation and Portland Parks & Recreation (Report introduced by Commissioners Fish and Fritz) 15 minutes requested Motion to accept report: Moved by Fish and seconded by Fritz. (Y-5)	ACCEPTED

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1244	<p>TIME CERTAIN: 10:00 AM – Rose Festival Foundation Updates (Report introduced by Commissioner Fish) 30 minutes requested Motion to accept report: Moved by Fish and seconded by Fritz. (Y-5)</p>	ACCEPTED
*1245	<p>TIME CERTAIN: 10:30 AM – Authorize conveyance of city-owned property located at 1010-1034 NE Grand Ave to Home Forward, and funding not to exceed \$5,600,000 to its affiliate, Lloyd Housing Limited Partnership, for the construction of a new mixed-use, affordable housing development located in the Oregon Convention Center Urban Renewal Area (Ordinance introduced by Mayor Wheeler) 30 minutes requested Motion to add to the ordinance directives a new subsection: Within the next year Portland Housing Bureau and Lloyd Housing Limited Partnership shall review the feasibility of including at least 20 units of permanent supportive housing in the development and shall report back to Council: Moved by Fish and seconded by Fritz. (Y-4; Saltzman absent) (Y-5)</p>	188688 AS AMENDED
<p>CONSENT AGENDA – NO DISCUSSION Mayor Ted Wheeler</p>		
*1246	<p>Authorize a grant agreement with APANO Communities United Fund not to exceed \$100,000 to support a part of the capital campaign to build a cultural center and permanent home for APANO (Ordinance)</p>	RESCHEDULED TO DECEMBER 6, 2017 AT 9:30 AM
*1247	<p>Authorize a grant agreement with Metropolitan Family Service in an amount not to exceed \$200,000 for Experience PDX program to provide academic support for children at academic risk and enhance teacher outcomes at four low resourced Portland schools (Ordinance) (Y-5)</p>	188680
1248	<p>Extend term of Street Closure Program in Old Town/Chinatown for a period of one year (Ordinance)</p>	PASSED TO SECOND READING DECEMBER 6, 2017 AT 9:30 AM
<p>Office of Management and Finance</p>		
*1249	<p>Authorize a grant agreement with VOZ Workers' Rights Education Project in an amount not to exceed \$31,516 to support Portland day laborers through trainings, wage claim services and marketing of worker center (Ordinance) (Y-5)</p>	188681
1250	<p>Authorize an Intergovernmental Agreement with the City of Gresham and Multnomah County for the City of Portland to conduct transient lodging tax audits on Gresham and Multnomah County's behalf (Ordinance)</p>	PASSED TO SECOND READING DECEMBER 6, 2017 AT 9:30 AM
<p>Commissioner Amanda Fritz Portland Parks & Recreation</p>		

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*1251	Amend contract with Pioneer Courthouse Square Inc. for \$82,433 for additional services related to the all user restroom configuration project; authorize contract in the amount of \$100,000 for payment of unanticipated losses and costs as approved in the Fall Supplemental Budget (Ordinance; amend Contract No. 30000073) (Y-5)	188682
Commissioner Nick Fish Bureau of Environmental Services		
*1252	Accept and appropriate a grant in the amount of \$68,275 from Meyer Memorial Trust for Willamette Floodplain Streamlined Monitoring Framework (Ordinance) (Y-5)	188683
*1253	Authorize Interim Sewer Service Agreement with the City of Maywood Park (Ordinance) (Y-5)	188684
*1254	Authorize the Bureau of Environmental Services to reimburse property owner at 7835 SE 15th Ave for sewer user fees paid to the City in the amount of \$5,054 collected in error (Ordinance) (Y-5)	188685
*1255	Authorize the Bureau of Environmental Services to reimburse the ratepayer at 11619 N Force Ave for sewer user fees paid to the City in the amount of \$2,736 collected in error (Ordinance) (Y-5)	188686
Commissioner Dan Saltzman Bureau of Transportation		
*1256	Accept a grant in the amount of \$669,209 and authorize an Intergovernmental Grant Agreement with Metro for Regional Transportation Options SmartTrips, Smart Cities Transportation Demand Management programs (Previous Agenda 1229) (Y-5)	188687
1257	Amend contract with Central Parking System of Washington, Inc. to extend contract term through March 31, 2019 and replace the contract incentive fee with a management fee for parking garage management service (Previous Agenda 1230; amend Contract No. 30001972)	PASSED TO SECOND READING DECEMBER 6, 2017 AT 9:30 AM
City Auditor Mary Hull Caballero		
1258	Approve Council Minutes for July-December 2016 (Previous Agenda 1231) (Y-5)	APPROVED
REGULAR AGENDA - Wednesday Mayor Ted Wheeler Bureau of Planning & Sustainability		

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<p>S-*1259 Delay effective date of Portland's 2035 Comprehensive Plan and implementing measures to allow more time for the required state review (Previous Agenda 1228; amend Ordinance Nos. 188177 and 187832) Rescheduled to November 29, 2017 at 4:00 pm Time Certain. Motion to accept substitute ordinance: Moved by Fish and seconded by Eudaly. (Y-4; Saltzman absent) Motion to amend dates in directive a, b and c to May 24, 2018 at 1pm: Moved by Fish and seconded by Eudaly. (Y-4; Saltzman absent) (Y-4; Saltzman absent)</p>	<p>SUBSTITUTE 188695 AS AMENDED</p>
<p>Bureau of Police</p>	
<p>*1260 Execute a contract with Sunshine Division, Inc. to define roles and responsibilities in support of Sunshine Division's mission to provide food and clothing to community members in need (Ordinance) 15 minutes requested (Y-5)</p>	<p>188689</p>
<p>1261 Authorize disposal of surplus Taser X26 Electronic Control Weapons, holsters, cartridges and batteries and authorize the Portland Police Bureau to proceed with donation and/or sale of the property (Previous Agenda 1233) 20 minutes requested Motion to remove emergency clause: Moved by Fritz and seconded by Fish. (Y-5)</p>	<p>PASSED TO SECOND READING AS AMENDED DECEMBER 6, 2017 AT 9:30 AM</p>
<p>Office of Management and Finance</p>	
<p>1262 Accept bid of Moore Excavation, Inc. for the Slabtown Sewer Replacement project for \$8,423,219 (Procurement Report - Bid No. 00000715) 15 minutes requested Motion to accept report: Moved by Fish and seconded by Saltzman. (Y-5)</p>	<p>ACCEPTED PREPARE CONTRACT</p>
<p>1263 Accept bid of Landis & Landis Construction LLC, for the Concordia Sewer Rehabilitation project for \$4,876,431 (Procurement Report - Bid No. 00000730) 15 minutes requested Motion to accept report: Moved by Fish and seconded by Saltzman. (Y-5)</p>	<p>ACCEPTED PREPARE CONTRACT</p>
<p>*1264 Authorize short term subordinate urban renewal and redevelopment bonds on behalf of Prosper Portland to finance projects in urban renewal areas (Ordinance) 15 minutes requested (Y-5)</p>	<p>188690</p>
<p>*1265 Authorize general obligation refunding bonds through December 31, 2019 (Previous Agenda 1234) (Y-5)</p>	<p>188691</p>
<p>Portland Housing Bureau</p>	

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*1266	Amend Joint Office of Homeless Services Intergovernmental Agreement with Multnomah County to provide revised FY 2017-18 budget allocation to the Joint Office of Homeless Services (Ordinance; amend Contract No. 30005335) 15 minutes requested (Y-5)	188694
Commissioner Nick Fish		
1267	Accept Portland Utility Board Annual Report (Report introduced by Commissioner Fish) 10 minutes requested	RESCHEDULE TO DECEMBER 6, 2017 AT 11:15 AM TIME CERTAIN
Commissioner Dan Saltzman		
Bureau of Transportation		
1268	Authorize the Bureau of Transportation to acquire certain permanent and temporary rights necessary for construction of the St. Johns Truck Strategy - Phase II project, through the exercise of the City's Eminent Domain Authority (Ordinance)	PASSED TO SECOND READING DECEMBER 6, 2017 AT 9:30 AM
1269	Amend Public Improvements Code sections on penalty for violation, permits required and permit revocation terms in support of the Bureau of Transportation right-of-way use enforcement program (Second Reading Agenda 1236; amend Code Sections 17.100.050, 17.23.050, 17.24.016) (Y-5)	188692
Portland Fire & Rescue		
1270	Accept a grant in the amount of \$103,471 and authorize an agreement with the Mt Hood Cable Regulatory Commission to increase network capabilities for fire stations (Second Reading Agenda 1237) (Y-5)	188693 AS AMENDED

At 12:43 p.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **29TH DAY OF NOVEMBER, 2017** AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Wheeler, Presiding; Commissioners Eudaly, Fish and Fritz, 4.

Commissioner Fish arrived at 2:04 p.m.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Lauren King, Senior Deputy City Attorney and at 3:00 p.m. Ben Walters, Chief Deputy City Attorney; and John Paolazzi and Nicholas Livingston, Sergeants at Arms.

The meeting recessed at 3:46 p.m. and reconvened at 4:01 p.m.

		Disposition:
1271	TIME CERTAIN: 2:00 PM – Accept the 2017 Portland Historic Landmarks Commission State of the City Preservation Report (Report introduced by Commissioner Eudaly) 1.5 hours requested Motion to accept report: Moved by Fish and seconded by Fritz. (Y-4)	ACCEPTED
1272-1275 TIME CERTAIN: 4:00 PM Central City 2035 Plan items rescheduled from November 2, 2017 For more information see project website www.portlandoregon.gov/bps/cc2035 Motions were made for items 1273 & 1274. Motions are numbered below in the order they were made. No Council votes were taken.		
1272	Adopt the Central City 2035 Plan Volume 2A, Part 3, Environmental and Scenic: amend the Portland Zoning Map and Portland Zoning Codes for Environmental Overlay Zones and Scenic Resource Zones (Previous Agenda 1194; Ordinance introduced by Mayor Wheeler; amend Code Chapters 33.430 and 480) 1.5 hours requested for items 1272-1275	CONTINUED TO DECEMBER 6, 2017 AT 2:00 PM TIME CERTAIN

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<p>1273 Adopt the Central City 2035 Plan; amend the Comprehensive Plan, Comprehensive Plan Map, Transportation System Plan, Willamette Greenway Plan, Willamette River Greenway Inventory, Scenic Resources Protection Plan, Zoning Map and Title 33; repeal and replace prior Central City plans and documents (Previous Agenda 1195; Ordinance introduced by Mayor Wheeler)</p> <p>Motions:</p> <p>1. 1273 & 1274 Accept Minor or Technical Amendments: Moved by Fritz and seconded by Eudaly.</p> <p>2. 1273 A – West Quadrant SAC Map, Part 2: Moved by Fritz and seconded by Eudaly.</p> <p>3. 1273 C3 – View of Vista Bridge: Moved by Fritz and seconded by Eudaly.</p> <p>4. 1273 F1 – Ecoroofs: Moved by Eudaly and seconded by Fish.</p> <p>6. 1273 F3 – Bird Safe – technical amendments: Moved by Wheeler and seconded by Eudaly.</p> <p>8. 1273 G1 – Expand the transfer within a subdistrict: Moved by Wheeler and seconded by Eudaly.</p> <p>9. 1273 G2a – Increase bonus FAR, allow more than 3:1 FAR to be earned through bonus: Moved by Wheeler and seconded by Fritz.</p>	<p>CONTINUED TO DECEMBER 6, 2017 AT 2:00 PM TIME CERTAIN</p>
<p>1274 Adopt the Central City 2035 Plan Action Charts, Performance Targets and Urban Design Diagrams (Previous Agenda 1196; Resolution introduced by Mayor Wheeler)</p> <p>1. 1273 & 1274 Accept Minor or Technical Amendments: Moved by Fritz and seconded by Eudaly.</p> <p>5. 1274 F2 – Light Pollution: Moved by Fish and seconded by Fritz.</p> <p>7. 1274 H2 – Redevelopment in the floodplain: Moved by Fish and seconded by Fritz.</p> <p>10. 1274 G2b – Increase bonus FAR, analyze options: Moved by Wheeler and seconded by Fritz.</p>	<p>CONTINUED TO DECEMBER 6, 2017 AT 2:00 PM TIME CERTAIN</p>
<p>1275 Adopt the Central City 2035 Plan Green Loop Concept Report (Previous Agenda 1197; Resolution introduced by Mayor Wheeler)</p>	<p>CONTINUED TO DECEMBER 6, 2017 AT 2:00 PM TIME CERTAIN</p>

At 4:58 p.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **30TH DAY OF NOVEMBER, 2017** AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Wheeler, Presiding; Commissioners Eudaly, Fish, Fritz and Saltzman, 5.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Lory Kraut, Senior Deputy City Attorney and Jim Wood and John Paolazzi, Sergeants at Arms.

		Disposition:
1276	TIME CERTAIN: 2:00 PM – Direct the Portland Bureau of Transportation to work with the Oregon Department of Transportation to implement the Oregon State Legislature’s value pricing on I-5 and I-205; and to work with the Bureau of Planning and Sustainability to research and evaluate best practices for congestion pricing strategies (Resolution introduced by Mayor Wheeler and Commissioner Saltzman) 2 hours requested (Y-5)	37334

At 3:44 p.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.

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Key: *** means unidentified speaker.**

November 29, 2017 9:30 AM

Wheeler: Good morning everybody this is the November 29th, morning session of the Portland city council, Karla please call the roll.

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

Wheeler: 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 do consideration for matters we must all endeavor to preserve the order and decorum of the meetings. To make sure the process is clear for everyone, I want to review some of the basic guidelines which I hope will help everyone feel comfortable, welcomed, respected and safe at the meeting and also ensure the decorum is maintained. There are two opportunities for public participation. First we have the 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 of the clerk's office. Second people may sign up for the public testimony on the first readings of reports, resolutions and ordinances. If you signed 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 please disclose that, and if you are here representing an organization please identify the organization. Traditionally people have three minutes to testify. I apologize today. We have a gigantic agenda, so we're asking people to keep their testimony limited to two minutes. When you have 30 seconds left the yellow light will light up. When your time is done the red light will come on. Conduct that disrupts the meeting, for example shouting and interrupting other's testimony or interrupting during council deliberations is not allowed, people who disrupt the meeting face ejection from the meeting. If there is a disruption eruption 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 ejected will be subject to arrest for trespass. If folks would like to show your support, please do a thumbs up. If you do not support something, thumb's down. Thanks, let's get started with council communications. Karla please call the first item.

Item 1238.

Wheeler: Good morning.

Shedrick Wilkins: I am shedrick Wilkins and I wrote this. The death penalty moratorium was started by john Kitzhaber on November 22, 2011, our women governor Kate Brown has kept it without public debate although not without flaws, Kitzhaber was a doctor and intellectual.

Fritz: Excuse me, you have three minutes so you don't need to go quick.

Wilkins: Ok, I was thinking of getting one of those little voice recorders and putting it on fast speed.

Fritz: It's hard for the captioners.

Wilkins: I am nervous because I wrote this. So it is coming off the top of my head. I was in the u.s. Army and where we tend to round up the death penalty, and I feel like the stabber the light rail stabber in Portland brings out my instincts for capital punishment as a man. However I am going to talk about chief, woman chief Danielle Outlaw I forgot to put that in

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there. We need a woman's soft hand in law enforcement as we need a women's soft hand like Kate brown not to kill, not in the prison system to kill or execute prisoners. Interesting that John Kitzhaber's moratorium was started on November 22, 19 – well, November 22. The odds are 365 that this was not related to the Kennedy assassination. He was assassinated on November 22, too much of a coincidence. I believe in conspiracies in 1963 Kennedy assassination and lee Harvey Oswald was framed. If he was not killed he would have been unjustly executed within two years. I should say probably. Probably executed within two years. He was totally innocent and I think that the film shows that, and that's another reason not being for the death penalty because our legal system is not perfect, makes mistakes and executes innocent people although it's one out of 100. Also jerry brown just released a person convicted of murder, given life and he had to admit that he had to spend 40 years in prison brought by a mistake in California. Thank you.

Wheeler: Thank you, next item, please.

Item 1239.

Wheeler: Good morning.

Craig Rogers: Good morning. My name is Craig rogers, time for a customer satisfaction survey, like when I go shopping at qfc. Looking at the code of ethics the purpose of city government is to serve the public, city officials, treat their offices as a public trust. All of you are a public servant, and you have a duty of care. Your job is not to make a few people happy, but to balance the interests of many. On one of your campaigns from last year, it says "work to help homeless individuals and families get off and stay off the streets by providing transitional housing is, mental healthcare, addiction treatment and employment assistance. Create a new air of openness and accountability at the city hall". Last year you went down with Steve to Texas to see the way that they were dealing with the homeless. You were elected as mayor, not serving yet the last year in May, that's 18 months ago. I got a kick out of the police chief, she said to bring one officer onboard. It takes 18 months, well I am still waiting for you and your customer service for survey for Portland last year in November, here's a recent one, April, translated community, says half report cities doing a good job. Another poll shows Portlanders dissatisfied, this is October of this year. November, residents disturbed by homelessness. Watching out for you. Channel 6, you are telling, cut your budget 5%. Homeless budget could be cut for other needs, priorities versus limited fund. I have wondered when you get rid of somebody you don't want here as the department head they you always kind of sign off on hush money. I would like to see those contracts that they have to sign off on to get that money in healthcare for several months after they left office. Where are the priorities here? So then all of a sudden you turn around, and I know more than what I have time to say here, that say's wheeler hopes to extend the homeless emergency 18 months. That happened real soon after you said you were going to cut it. I watched when down there with the small business community, one of your people, you sent down there, he's standing there like this, and he says we want to know where the hot spots are. That's the same thing that your spokesperson said to me. During the summer after countless emails and pictures of where I live right near what is called a gamer trail. We have got a whole hillside full of homeless, women that are assaulted, like I said to you before, the face of homelessness is a woman with a black eye and bloody nose and I see it and the guy goes like that and she goes flying, and you know what, you contribute to that by not doing anything. So when I come down here, it's like watching reruns of the gong show because to me, this is not city hall. If it was it was spelled haul. This is propoganda.

Wheeler: Thank you very much. I appreciate your testimony. Can you do me a favor and actually leave your email and I will send you a very specific list of what I am doing and what the strategy is, and I would appreciate your feedback and if you think there is more in

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a particular area or something we're missing, let me know because I know what the problem is. Thank you. Very good. Thank you and read the ones, I will send back in response, next item.

Item 1240.

Wheeler: Mr. Hightower here today? Next individual, please.

Item 1241.

Wheeler: Come on up. Good morning.

Roberta Palmer: Good morning and thank you for the progress that you have made in housing our homeless and a special thanks to commissioner Saltzman for the amazing work that he's done in this area. The time seems right, though, for tax reform that will generate more revenue with even more needs, with more needs we face budget cuts. Our reliance on the property tax may no longer be possible, already too high, it increases the cost of housing and the deductibility from our federal returns may be limited. Two new revenue sources should be considered. First is a 2% to 3% tax on served food and drink, a tiny tax with a huge return, already used at 5%. It is the sales tax with heart, since it targets the more affluent. More Portlanders cannot patronize – many Portlanders cannot patronize restaurants or food carts often. Portland's tourist and visitors can help to pay this tax. They pay more tax nearly everywhere else, second change would be to scrap the business tax, income tax for our gross receipts or gross profit tax. Revenue from this source could easily double without the problems of watching the tax expensed away of noncompliance and of high administrative expense. Speaking of which the ill-fated arts tax could be eliminated with new revenue sources. Some Portlanders reject these taxes because they are quote, "regressive sales taxes." however the progressive income tax is the only tax it is not regressive. Any tax at a fixed rate or amount as you know is regressive including our federal, state, and local gas taxes, the property taxes, the arts tax, and many more. The same people who object on the grounds of regressiveness also envy the social services provided in other advanced nations by a large sales tax, the value added tax. Obviously the kind of tax system in the world cannot provide opportunities without revenue. In 2018 a European study found a threefold increase in incomes at the low end in nations that provide quote, "social transit centers." as opposed to those that rely on tax policy as an anti-poverty measure, such as the united states. So to close I live in the pearl district, where dogs live inside and people live outside, and in this upside down world Portland be bold. You are the default government when all else fails. Thanks for your indulgence.

Wheeler: Thank you. Next individual please.

Item 1242.

Wheeler: Good morning.

Alan Kessler: Good morning my name is Alan Kessler, I am here with the Portland bus lane project. I am addressing you to make you aware of a pop-up bus lane project that we have proposed with better block and with Portland state university to happen next summer. The idea is that for one week next spring and summer, we would open up the left lanes of eastbound southwest Madison which is currently parking, we'd open that up as a mixed traffic transit travel lane and then that would allow us to take the right lane and make that bus and bike only for that one week trial period. We would have to stop right turns on 1st and 3rd but we think it would contribute to cyclist safety substantially and we think the traffic would adapt. I imagine people working in this building have seen that southwest Madison doesn't flow smoothly in the evenings. There are a lot of people at the bus stops waiting for the buses to crawl down from the transit mall. This is one of the places in the city that we need to fix because so many bus lines move through. We have already gotten substantial support from better block pdx from Portland state university, and we had a conversation with matt Grumm and Art Pearce and they have been helping us to work with

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pbot staff to try to advance this. We also had a meeting earlier this week with tri-met, and they seemed really excited about the idea that we would clean up one of the biggest trouble spots in the city, at least on a trial basis. The reason that I am here today is I would like the support of the other offices, I would like especially for Mr. Mayor, for example, we met with the commander of the central precinct to talk about the parking situation for Portland police. That's one of the biggest sticking points. We think it would be possible to move the six emergency vehicle spots around the block onto the left lane of southwest 3rd which would also be right next to their front door, initially Portland police, seems like they might be ok with this, we would really -- we really enjoy the support of your office working with the police to try to find a compromised solution that can clear up that critical through-way for bus traffic and move vehicle storage maybe to a secondary street. Similarly, there is going to be construction in the Portland building next year. We would appreciate commissioner Eudaly, your office's support with bds and commissioner Saltzman, your support in figuring out a way for one week during the construction period to take what is supposed to be a staging lane in the left lane of southwest Madison and make that available for this project. We are hoping that there is some week that we can pick that will work where the construction staging can happen off that main throughway. We are hoping to do this to prove that southwest Madison could be better, that we could save tri-met a lot of money and improve bus service throughout the network by freeing up the resources to be used in outer areas, so again, my goal here is to ask for all of your support in this one week pop-up bus lane project that we're hoping to do next summer.

Wheeler: Great and I am not as well versed on this as I would like to be, so I will coordinate with commissioner Saltzman. Commissioner Fritz?

Fritz: I just have a suggestion, and that is usually I am very pro pedestrian because that is what I am most of the time, but I would suggest for this project at least that you try not having pedestrians crossing on the east side of the 2nd and Madison intersection, so that because otherwise the cars trying to get out of the Jefferson garage and trying to turn right, there is usually only one or two that can get through because of the pedestrians on that side, whereas if they were diverted to the west side, I think that would be safe for the pedestrians and also maybe solve some of the congestion problem there.

Kessler: I really appreciate that and we will consider that.

Eudaly: Mr. Kessler did you send an email to our offices.

Kessler: I didn't send an email today based on this. I have some correspondence that I can forward or I can send you an email directly if you'd like.

Eudaly: That would be great. Thanks.

Wheeler: Karla, I know that there is one item on the consent agenda item 1246, 1246 that we would like to move to next week.

Moore-Love: 1246?

Wheeler: 1246 we'd like to move to next week for further consideration and it's my understanding 1256 has been pulled.

Moore-Love: Correct.

Wheeler: Are there any others that have been pulled?

Moore-Love: That's all that I have.

Wheeler: Call the roll on the consent agenda.

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

Wheeler: Aye. The consent agenda is adopted. Please call 1256.

Item 1256.

Wheeler: Very good, and I am not sure who pulled this item.

Moore-Love: Mr. Lightning did.

Wheeler: Very good. Good morning.

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Lightning: Good morning, my name is lightning, I represent lightning super watchdog x. One of the reasons why I pulled this item is that I want to have a clear understanding from president trump on some of the moves that he's beginning to make on the federal grants. Now a lot of people think that the federal government is required to do federal grants down to the state, the city, the counties. Now that is being basically challenged through court as of this time on certain presidential executive orders. What I am beginning to see with a little more research on this is that a lot of groups that like challenge Hillary Clinton, judicial watch on her foundation, the watchdogs is that what we're going to see on these grants is that you may be able to receive the money, but there is nothing from their position on how restrictive they can be on these grants. Now for instance when you start reviewing the federal grants and the federal clauses, you will notice in there that you are required to follow presidential executive orders. Now that's being placed inside the federal grants on the clauses, when you review this very close, you need to understand that you received the money, but if they come back and say that you are in violation of the grant, because you don't follow presidential executive orders, you are in violation of this grant. Now what does that mean? Well, that's where it's going to get complicated because at that point they can come back and impose penalties. They can come back and say that you were aware that you were going to violate this grant based upon my presidential executive order, and yet you signed for the money. Well, you don't want to be doing that so again I am just stressing to the city attorneys, start watching very close on his positioning. There is a difference between an Oregon developer and New York developer. There will be 100 pages added in New York of various terms, clauses that you need to look at very close. That's how they negotiate, that's how they deal. Very restrictive. So watch these grants close and understand if you violate these grants, and the terms, you might have to pay that money back whether you like it or not. You may be entitled to it up front, but when it gets so restrictive you might not want to sign on the dotted line. Thank you.

Wheeler: Thank you. Appreciate it. Commissioner Fish.

Fish: I have had a chance to skim the documents in our packet. It looks like this is focused on trips and demand management, but where we often see smart cities coming up in matters before the council now it also has to do with so-called autonomous vehicles. I see nothing in the attached documents that relate to autonomous vehicles so can I confirm that with the commissioner in charge?

Saltzman: I see nothing in it also.

Fish: Thank you.

Wheeler: Any further discussion? Please call the roll.

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

Wheeler: Aye. The grant is approved. Thank you. Please read items 1243 and 1244 together we will vote separately but excuse me -- we won't, they are presentation, 1243 and 1244

Item 1243.

Item 1244.

Wheeler: Very good, commissioners Fish and Fritz.

Fish: Fritz will take the first one mayor and I will take 44.

Wheeler: Thank you.

Fritz: Thank you commissioner Fish for your partnership on this. I know both of us are very fond of the great rose festival foundation and great partnership and this first report is about the partnership with Portland parks and recreation. The rose festival foundation runs the garden store at the Washington park international rose test garden, which many people know just celebrated 100 years and a new walkway, and more accessibility thanks to the fix our park bond measure. The store is really a key stopping place for lots of visitors

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including myself and pretty much everything roses that you could possibly imagine is on sale at that store and just some really great holiday gift ideas, I'll just put that in right now. And we are very much appreciate the partnership which is good for the foundation and also good for the city. Thank you.

Fish: I will hold my comments until after this presentation, so Jeff do you want to come forward?

Fritz: Ok so I think I'm inviting Rachel Burlington, the rose garden curator, Seth Menser, the Washington park operations supervisor, and Jeff Curtis and Lilia Villasenor from the rose festival foundation.

Wheeler: Good morning.

Fish: Jeff before you get started I want to say for those that have been to that gift shop, I usually go there the week before Christmas, and finish up all my Christmas shopping. One of the cool things that you have there is books about various historic parks in our system. Those are sometimes hard to find but there is one place that you can go to get the history of Washington park, the history of other things, so really appreciate that store.

Rachel Burlington: So, my name is Rachel Burlington, I'm the rose curator up at Washington park, at the international rose test garden. So mayor, commissioners, director on behalf of myself and all the fellow Portland parks and recreation staff, the countless volunteers that make this rose garden such a special place to us and the city of Portland, I really would like to express our gratitude of our longstanding relationship, partnership with the rose garden festival. The rose festival foundation. It's not just a financial contribution, but it's our daily interaction and support that we get on a daily basis from the foundation that really means a lot to us. The international rose test garden makes many hands to make it bloom and we recognize and really appreciate all that the rose festival foundation has done for it in the city of roses.

Jeff Curtis: Thank you Rachel, I appreciate our partnership, distinguished council I am Jeff Curtis, ceo of the rose festival foundation. It's an honor to be here and tell what I think is one of the best kept secrets within the city and how this partnership was created and what it means to both the rose festival foundation and the city of Portland and the parks system and I want to share a slide that is appropriate to honor former commissioner bureau director, Charles Jordan. He had the vision for this. He had the vision for the city of roses. His time as director of the bureau he saw what the rose festival does, saw the power of the rose and saw an opportunity for a partnership to build a small store and have it operate on a private side by an independent nonprofit, the rose festival, and it made sense in that context, so we honor Mr. Jordan for his vision for making this possible and building this store some 16 years ago. Specifically it's very small, Lilia will talk in detail a bit more about it, but it's 450 square feet, but it has had a tremendous impact on a daily basis. The mechanics of the partnership is one where we operate it, we receive a set commission by those net sale proceeds, and with the majority going to our park system directly. At the end of this presentation we'll give you a cumulative total which ultimately is a very significant number that helps our parks system. So, and it's been a wonderful private, public partnership, it certainly serves a purpose for the rose festival itself. It gives us year-round branding in the context. It's not a festival store, it does connect the rose festival, the spirit of the rose, the rose city with us, which is in our mission. And again, it allows us to have retail activity and most importantly in today's world running dedicated funding of some sort is a critical part of our operations. Going forward there is an opportunity moving ahead with the Washington park master plan, there is opportunities to look at that store. To integrate that which is a consideration by our parks department, and as well as the idea of having a visitor center up there which is right now that the store serves that purpose so we're excited about continuing the conversations with our parks department on that. With

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that said I think that it's really important to acknowledge and appreciate one of my employees, Lilia Villasenor. We hired her ten years ago to run the store, and it's her hard work and dedication that is turned into the results that we are sharing with you this morning. I would like to have Lilia say a few words.

Lilia Villasenor: Good morning my name is Lilia Villasenor, and first just as an introduction to who I am, I was actually born in Mexico and lived there for the first six years of my life. Raised in California where I met and married a native Oregonian. So I landed in Portland 35 years ago. Interestingly enough my very first job was with Portland parks at the children's museum located at Lair Hill. Obviously my life has taken many turns, and almost ten years ago I accepted this job as manager of the rose garden store. Reflecting back on the past ten years and really I am struck by the word, community, and as Rachel, who is new, actually, stated earlier, you know, it is about community, and in this short period of time Rachel and I already feel that community, which is very important, also in the city of Portland. Everybody who comes to my store as some of you have alluded to feels they are part of the Portland community, and it is our pleasure to welcome people from around the world. I am lucky to have an amazing crew who all serve as ambassadors to the city who love our city, and who are more than willing to give restaurant names, you know, what to do, where to go. I also have some amazing volunteers, and keep in mind our store is now seasonal, and these are volunteers, and employees who come back year after year. My volunteers have been there over nine years, two of them followed me from a previous job. One of them just turned 94 years old, it's amazing. Anyway that community as I said earlier includes everybody up in Washington park, and in addition, I really sought out local vendors because that, to me, is also very important. It is one of the first questions customers ask, where does this come from. I love to be able to say, from Portland or, you know, I have a window where I say, if I could get it in Portland I get it in Portland and it's Oregon, and then it goes on and on like that, but if you are from New York, unless I cannot get it anywhere else, you are not going to be in my store. Anyway, just a small little window into my world in sourcing vendors, I had a local vendor that I found at a bazaar who made soaps and lotions, I asked him to make a votive candle for me which he had never done, he proceeded to do it, and of that little candle, we have sold over 13,000, which translates to dollar amount of \$33,420, not bad. You will each be receiving one of these candles, and I hope that you enjoy it and come up and visit us sometime. In addition I have managed to get local larger companies to support us Stash Tea, after much consideration, have branded two teas for us, which we sell in the store very well. In addition Smith Tea, before Steven Smith passed, we had a tasting and came up with a rose festival tea that also does really well. In all I have over 20 local vendors that I deal with and Jeff alluded to the size of our store. It is 438 square feet to be exact, and in the retail industry, we look at square feet, how much that per square foot sales, and that translates for 2017, which actually was a little below what I would have liked due to all the construction, but our sales were still about 600,000, and that translates to \$1358 per square foot which is very high in the national standards for retail. I thank you for your continued support of the rose garden store, I feel honored and privileged to be running the store and look forward to a fantastic 2018.

Fritz: Thank you. I have to interject and say the fact that you have got so much stuff in a very small space makes it interesting to me I often go around two or three times and keep seeing more stuff. So thank you for that. I also appreciated you welcoming Rachel Burlington, who is the new curator of the rose garden after Harry Landers long-time curator retired in a blaze of glory, I would have to say.

Villasenor: Absolutely.

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Curtis: And in enclosure, it's but the context of what it means to the parks system and the dollars and cents, and we delivered a check last June, commissioner Fritz and the bureau, to the tune of \$157,000, which was Portland parks, which is a direct contribution to the Portland parks and rec for one year of those sales, that's significant amount of commitment. I can tell you today that we're still in that process, we've closed our fiscal year for the store and there will be an auditing process, but by next spring we'll likely present a check to you in the amount of \$125,000. So a bit of data, a little less due to the construction and volume at the store, and but still, when you look at the life of the store and the vision of Charles Jordan, the commitment of prior councils and your commitment to continue this, it's -- it adds up to \$1.3 million based on just selling rose merchandise, a true partnership, we're thrilled to continue that, and we look forward to continuing that in the future. Thank you.

Fritz: Is the store open for shopping over the holiday season?

Villasenor: It is open, 10:00 to 4:00, seven days a week until December 21.

Fritz: Get there while the getting is good. Thank you.

Curtis: Thank you.

Fish: We now have a second related matter, which has already been read. So we'll welcome Jeff Curtis back and ask Jeff, Jeff is joined by board members Karis Stoudamire and Amy Johnson, if you would come forward and join Jeff, and I have a few introductory remarks. Earlier this year mayor Wheeler assigned me as council liaison to the Portland rose foundation. Now as we all remember in the year of 2010, council declared the rose festival to be the official festival of the city of Portland. It serves as our premiere annual event and showcases the best of Portland with over a million people visiting our city because of the various activities. It's an integral part of Portland's identity, and we're so proud of the partnership, Jeff, and so grateful for the many ways that the foundation benefits our city. It's year-round work, it's hard work and each festival requires all hands on deck. Today we are going to get an update on their work, Jeff is joined by as I mentioned two board members. I will turn it over to you Jeff for the annual presentation and welcome.

Jeff Curtis: Thank you commissioner Fish distinguished council mayor Wheeler. We realize your agenda is full and really appreciate this opportunity as your official festival to come up and brief you. Give you what we are going today this morning is give you a recap and go back in time in 2017 with facts and things we experienced in 2017 and share with you the momentum building for 2018. What we want to do is show the true character of the rose festival foundation. I am the CEO and I have the opportunity -- it is my job is to steer the ship on a day-to-day basis and talk to you on a regular basis. It's the people that make up this organization, the people that you may not meet that we invited you today but they are a cross-section of a board and a family of volunteers of citizens that make up the rose festival. Now and they represent the history and they represent the future itself, so that's -- we're going to tell that story through their eyes, and I will give a very factual update on what happened in 2017 and facts about 2018 and have time for questions. I want to be respectful of the time you have given us this morning. At this time, I want to introduce and have Karis Stoudamire Phillips say a few words. She's been on the board since 2002 and a distinguished member of our team, Karis.

Karis Stoudamire Phillips: Thank you Jeff. Good morning. Wonderful to see so many of you again. As Jeff said my name is Karis Stoudamire Phillips and I want to share my personal story about why I love the rose festival. To me as a native Portlander I believe that everyone should have their own rose festival story, and here's mine. So every year from the moment I can remember my parents and my aunts and uncles took me and my cousins to the grand floral parade, that was our annual event. We also went to the starlight parade and the junior parade but it was the grand floral that was my favorite, and it was in

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1983 that I fell in love with that parade and it was that year, that June when I was eight that coming around that corner was someone that I knew, the first time, I saw someone that I knew on the court, the rose festival court, her name was Marla, and she was my neighbor's girlfriend, and she was a rose festival princess. And she looked like me, she had brown skin like me, she had black hair like me and a bright smile like me, and that let me know that I could do that, too and that's the day that I fell in love with it. When she saw me I was mesmerized, and she scrambled to find a rose on that float, pulled it and tossed it to me, and I kept it for years, that was when I fell in love with the rose festival. Later on I did run for princess and for junior court and also for senior court in high school. I did not win but that did not take away my love for the rose festival because seeing Marla that day inspired me to know that I could do it, too and so after that when I was invited in 2002 to join the board I jumped at the chance because not only was I going to be able to give other girls the opportunity to see someone that looked like them, not just on the court or participating in parades or participating in events but actually wearing the jacket and making the decisions and being out there and being an avid volunteer of the rose festival. So like I said, I took that on and 15 years later yes, yes, I joined when I was ten, I am still here, and it's because of that wanting people in my community to see people that look like them to be a part of the rose festival, to let them know that this is for us and for everyone, this is for all of Portland. And so the first committee that I joined was the court committee and I am a graduate of St. Mary's academy but I requested to support Jefferson's program. St. Mary's is a wonderful school, but I felt that the students at Jefferson high school could benefit from seeing me more than the girls there. And so that's where I remain, and have served, served in that capacity for many years, and I have also joined other committees and it's been a pleasure to join committees and work on events that I actually attended as a child and so now to be behind the scenes and back then I didn't know that all the people that had on these jackets and also the people who wear the white jackets are volunteers. We are all volunteers and we do this because we enjoy it, because it's a tradition and we want to be a part of that tradition and keep that going. I am now a mother of two and my kids have gone to the parade since they were born and they have gone to every parade. I have dragged them there, and even when they did not want to all the time, but it's a tradition that's a part of our family. My husband is a New Yorker, and he goes to the parade. He thinks it's amazing that we have this week long festival of parades, three huge parades. He goes gone to parades in New York, but he has not seen anything like what we do here. People come from all over the world to be a part of this, and I take pride in being a part of it and able to showcase our city and being able to showcase the rose festival. Thank you.

Wheeler: Thanks for sharing that. It's a great story. Thanks.

Curtis: Thank you Karis. Amy Johnson, member of the team, board since 2005. Also has a similar story of growing up in Portland, like her to share her story and her commitment to this great organization. Amy?

Amy Johnson: Thanks Jeff. As Jeff said my name is Amy Johnson and I been a board member since 2005. However, I am also known as princess Amy from David Douglas. David Douglas doesn't have the history that other schools do when it comes to rose festival, and in 1996 I was only the fourth princess ever elected from my school, and for east county our inclusion in the festival was and still is a big deal to the community and our school. It is no secret to anyone who knows me that the Portland rose festival is an organization and mission that I am impassioned about and is something that has impacted me in multiple ways and on so many levels. My journey to the festival came simply because I wanted to accomplish more than I was expected to. My divorced parents were blue collar workers and I lived with my mom and younger sister, while my parents did the

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best they could they both lacked in education and an understanding of how to be successful in school. We received public benefits while I was in high school because my step-dad a convicted felon was serving time in the federal penitentiary, my mom's focus was getting us through the next day and week to make sure that there was food on the table and heat in the house. And me it's probably not shocking that I was a bit unique in high school with the shaved heads and chains and spikes on my oversized clothes, but I was on the school newspaper and coached third grade girls basketball and was in all the advanced classes and got good grades. I was fortunate to have attended a school like David Douglas with teachers who encouraged me to embrace and be proud of my quirky personality. I really wanted to pursue higher education which would have made me the first person in my family to attend college. I spent most of my junior year filling out dozens of scholarship applications and being rejected by everyone, I didn't have a college savings fund and my parents were not capable of contributing to the cost of my education, by the time I reached my senior year I was resigned to the fact that I would not be attending college. And then I was invited by one of my teachers to learn more about the Rose Festival Court. I laughed of course, imagining myself among the more traditional court. My hair was less than an inch long and I couldn't even wear a crown but I went to the meeting anyway, enticed by the possibility of a \$2,100 scholarship. I spent the next few months going through the application process, culminating a lengthy interviewer session that included 35 other girls from my senior class and the rest as they say is history. I became princess Amy from David Douglas with an undercurrent of gossip about why I had a shaved head and how that would impact my ability to serve on the court. I had little idea just how controversial my lack of hair would be in the community, but the support that I got from the Rose Festival staff, my classmates, teachers and administrators in my district, and from my fellow court members was critical as I navigated through an odd debate, the other princess would say spout to their friends and family members when asked about me, she's the same as the rest of us, smart, kind, and generous. Starting from when I was a Rose Festival princess 21 years ago I was influenced and challenged to be a better version of myself because I was surrounded by court members who were and still are ambitious, driven, independent, successful, intelligent, gracious and amazing women. I took my scholarship and completed a bachelor's degree in communications at Maryhurst University and have gone on to do leadership work in the nonprofit industry. This year as I am celebrating my 12th year as a board member I continue to be influenced by the amazing people who I serve with, the incredible staff I have the privilege of working next to and the community groups and people I build relationships with every year, more than two decades since I became the first and only Rose Festival princess with the shaved head, I am still pushing the envelope at the festival trying to lead people in positive and impactful ways, not being afraid to say what I think, and finding new ways to serve our community through our events. I've been honored multiple times by my colleagues at the festival for my passion, my drive, my enthusiasm and my energy. I am still speechless in describing my role in what this means to me, from my days as a princess to my role as a board member. It is an honor to stand with some of the most amazing and generous people in our community and then to be told that I have inspired others. It has come full circle. I am proud to be a member of the board and part of an organization where I can do the kind of meaningful work that is so important to me and who I am as a woman. The Rose Festival Court embodies the values of strong women and encourages growth and without that I would not be the person that I am today. I am a mother raising smart and independent children who, of course, love the festival, and an avid volunteer and confident with a strong sense of self-esteem, and I have also had the courage to start my own foundation that serves our community in unique ways that are significant to me and my family. After all these years

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my community work with the festival continues to challenge me in different ways. I am grateful for those who let me fail, give me tools to succeed, throw up is a roadblock when necessary and recognize my passion comes from the deepest and most intimate places of my heart because rose festival is my heart. Thank you.

Wheeler: Thank you.

Curtis: Thank you Amy and Karis. I would like to bring up Leslie Goodlow and Brett Baker.

Wheeler: Good morning.

*****: Good morning.

Curtis: Good morning. I will start off Leslie Goodlow, will go first, a familiar face, a city of Portland employee but to us And our rose festival family she's family. She's grown up around the festival and has had an amazing impact as our centennial year president. She's the past president but that does not mean past, she's active, like to have Leslie say a few words.

Leslie Goodlow, Portland Housing Bureau: Good morning commissioners and mayor. As you know I work for the Portland housing bureau during the day and in the evening I spend my hours working on getting ready for the rose festival court program. Some of you may have heard this story but I moved to Portland in 1971 from a small town in Illinois, and my very first parade was in 1971. My family, we walked to the parade route with a wagon and we joined thousands of other people in watching the parade, and I have been to or participated in every parade since 1971, save one, and that's because of my daughter was being born so I hope that I can get a pass on that one. My parents were very staunch supporters of the rose festival and they were proud of the fact that I was going to be president. Unfortunately they both passed away before they got an opportunity to see me as president but I know that they were very excited about that. Both my daughters have volunteered with the rose festival. My oldest daughter started when she was ten and she recently became a board member so she is second generation rose festival board director and my younger daughter was fortunate enough to be selected as a princess in 2013 representing Vincent high school. She, like Karis, saw the princesses in the parade and when they would come to sei and from the time that she was probably four or five years old she said, I am going to be one of them and whether she was a junior, she decided that she was going to try out and despite the fact that she was very nervous, and concerned that she would not do well, she won, and I think that I was probably more surprised than anybody else, and there is a video somewhere that demonstrates my surprise when I got up and started to walk out of the room because I was so excited. My being president of the rose festival in 2007 was probably one of the biggest honors that anybody could ever have had. Not only was I the fifth woman, to ever be president but I was the youngest person and to date I am the only african-american to ever hold that honor, although Miss Terry will be president next year. She will be the seventh woman and the second african-american to hold that honor. The rose festival court program as you heard from both Karis and Amy is an integral part of the rose festival and I have worked with it since 1999 when I joined the board. I, too, tried out for the court when I was in fifth grade for the junior court, and then, in high school, I didn't win friends of mine won, but as I tell people I was not a princess but I got to be president so I think that it evens out. The rose festival court program is not a pageant. Lots of people think that that's what it is. It is not a pageant. These are young women that want to go to college, and so they work very hard to win a scholarship, that's provided generously by the Randall group, and I have done research of other programs across the country, other festivals that have court programs, and we give one of the largest scholarships in the country for young women to go to college and each of our 15 princesses gets a scholarship, some programs, only the queen gets one, but each one of our princesses gets \$3,500. We are also the only program in the country that pairs up our

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princesses with a mentor. Unitas community credit union another one of our partners pairs up each of our princesses with one of their women executives, to help them answer questions and to just be another role model, to be another person in that can support the women as they go through college and into their careers. Since 1999, over 2,000 women have participated in the court process and some of them won and some of them didn't, but all of them were able to build on their interview skills and their public speaking skills by participating in the process. I would like to say that the rose festival as Jeff said is my family, my children grew up with the festival. A woman asked me a couple of weeks ago when I was doing a presentation about the program why do I give my time to this when there is so many other opportunities for volunteering and my answer to her was that I grew up with this. This festival brought a lot of joy and happiness for my family, and it's only right that I do the same for others. Thank you.

Wheeler: Thank you.

Curtis: Our current president, Mr. Brett baker. Brett?

Brett Baker: All right. Thank you Jeff. Well, I have a tough job following those dynamic women, but I will try. So before I jump into that Leslie thanks again for handling the court, Leslie has done that for how many years?

Goodlow: This will be my 5th year.

Baker: It's a big job and just think of all the impacts that she has had on quite a few young women. **Fish:** We all have Leslie's stories but I think that speaking from my colleagues, one of the highlights every year is meeting the young women again at the St. John's parade and they are enthusiastically received. Afterwards we meet in a church off the end of the parade route and we have a chance to share a meal with the women. They do their presentation again, and the mayor and council members get to meet them and some of their family members, and there is Leslie off to the side sort of making sure that everything goes according to planned. They are a remarkable group of women, and my recollection is this year the entire court are young women of color.

Goodlow: 13 out of 15.

Fish: 13 out of 15, what an accomplishment, thank you.

Baker: All right. So good morning, again I am Brett baker, I have the honor of serving as the president of the rose festival board of directors for 2017-2018. It's really important to me personally that I thank the city council for supporting mayor wheeler's appropriation of \$100,000 this past year for the rose festival. The funding was critical to our efforts to provide the necessary safety plan and continue the programming elements of the grand floral parade that sets it apart as one of the best in the world. The 2017 Portland rose festival was produced under greater pressure and anxiety over public safety than ever before. Sadly, terrible events both locally and on the world stage leading up to the festival had an effect. With that said we saw an incredible commitment from city bureaus, particularly the Portland police bureau, pbob and Portland parks who all worked together with the rose festival officials in coordinating a safety plan that proved to be successful. We thank all city bureaus for their efforts in assisting us. We are lucky to have an organization with an incredible commitment to volunteer resources, as you heard earlier. I am fortunate to lead a 54-member board of directors committed to the mission of the Portland rose festival foundation and in producing the city's official festival. The board stewards, an entire volunteer force in the thousands. Rose festival board members collectively gave over 5,000 hours of time in planning in producing the rose festival events and programs. Like many of us in this room, my happy relationship with the Portland rose festival goes back to my childhood, when my parents and grandparents brought me to the events that they attend as children. It has been fun for me to take my own daughters to the same event that I got to enjoy as a child. It makes memories for families and is one of the most

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impactful things that binds our city together in a positive way. Then as an adult I began to appreciate the festival even more. I became the commercial banker for the festival some, quite a few years ago, and about ten years ago I joined the board of directors. It has been very satisfying for me as a board member and as a business person to watch the investment of our time and resources in this organization into, and to witness the positive economic and social impact it has had on the community. With that I will reintroduce you. Let me reintroduce our friend Jeff Curtis. Jeff, of course as you know, the ceo, and he's going to complete the report this morning. Jeff is celebrating his 20th year on staff. It's hard, you are not even – you don't look that old, and in his 14th year as ceo, and his ten years unprecedented in the events industry where Jeff also plays an important role. In January he will become the chairman of the world – chairman of the world board of international festivals and events association. The trade organization for a big festival events around the world, this is only the second time that anyone from the rose festival led this organization, and it was the first time since 1974.

Fritz: You are not going away?

Baker: No, no, no. We just renewed his contract. Jeff Curtis has become a force in the special events industry, which says a lot about what an important asset it is to Portland and Portland's official festival. We are very proud of Jeff. It's my pleasure to introduce him to you again now.

Curtis: Thank you Brett and thank you council. The ifea piece, I feel it's a responsibility to take the rose festival's time and talent and including the staff with my partnership with Marylynn Clint and team to take our excellence and broaden and contribute it to the events industry.

Fish: Jeff by the way congratulations for the honor but we cannot take any chances. Would you surrender your passport? Thank you.

Curtis: Thank you. It puts the rose festival on that global stage and appropriately so for 112 years old, one of the largest festivals in the united states, and recognized globally. My role there is to be a steward of the events industry but also represent Portland, Oregon. And in fact, I was just at ifea's world headquarters yesterday, back last night, discussing the 2018 issues that affect all events including the issues that affect cities and how they manage and produce the events, so we look forward to further conversations with council about that as we continue to lead the events industry. Specifically I want to give you an update. I have had a chance with the liaison role to go back in time with you to 2017 to give you facts about what happened to the rose festival foundation, what we experienced and how we propel forward as an organization but also with you as a partnership. I want to take you back to April 25, 2017. I got a phone call from the 82nd avenue roses organization. Canceling their parade of which set the precedent of conversations about safety of events and potential violence, and that was a rose festival sanction event so it set up a lot of questions going in and frankly, a distraction to the core purpose of rose festival. Later a few weeks later on May 19th, there was a carnival incident, port Townsend, Washington, and the rose festival has a large carnival that had media implications, a minor one, a couple people were injured, but still, set the question of who are you doing for safety of pedestrians of your participants? Just one little episode but all adds up. On May 22, just three days later and yet on the footsteps of the 2017 rose festival, Manchester England. Bombing outside of major concert. Continues to set the stage for a concern over public assembly at events leading right on the forefront of the 2017 rose festival. We are about to welcome the world to Portland, Oregon and celebrate. And then on May 26th, we all know that date very well, it was the opening day of the rose festival, ten minutes before we open the doors the tragedy on the max line. Sets the stage for Portlanders to be concerned, and at the same time just Portlanders, were numb and raw about that, that

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tragic event, appropriately so. Just two weeks later, June 4th, another date you will remember, public demonstrations in downtown Portland, taking place right in the rose festival when it's happening, on the major event days on that Sunday and also, having a bit of rain. Through all of that, what I will tell you, as the ceo, and important to understand I have never been more proud of the Portland rose festival foundation, the volunteers, for the delivering on the core purpose that we do for this community, the purpose of uniting us and not dividing us. Through all those circumstances, rose festival leaders have one of our best produced events. Collectively, from a safety standpoint, people came to the rose festival events, and saw the need to celebrate, but that did come at a cost, all those cumulative efforts came at a cost, we saw a dramatic reduction at the city fair, the waterfront event which is our primary fundraiser, so I think that it's important to acknowledge and share with you some financial facts related to the rose festival in 2017 and how we address those. We have a slide for you that shares, that we definitely will incur a loss in 2017. Roughly a little over a quarter of a million dollars as a nonprofit, that's something that you look to avoid at all costs but that was very real and direct cause of most things out of the control that I described. As an organization that produces the festival of great pride and financial care, you look to do so with break even the surplus and look for a surplus to build our reserves. So that's the bad news. In 2017, that had an impact on us and I want to share with you how we are managing that. The good news is, through good stewardship and good partnerships both on the private side as well as the city council, we've been working on a reserve for over ten years, currently \$640,000 towards the goal of a million. That's the rainy day fund to ultimately – our job as an organization is to be good stewards now, and to ultimately put this festival in a good place in the future, so having reserves are critical. The good news is, we have made significant contributions over the years, we'll take a bit of a hit in 2017, but at the end of the day we have resources to pull forward, and that's the key message for you and the public. Despite those circumstances, that I laid out for you, that happened to us in 2017, we are ready for 2018 and Portland is ready for 2018 we're ready to put those behind us and here's the context of what's happening within the walls of rose festival foundation. First of all we have done our due diligence, reduced our staff some, looked at the cost structure, but we have made a very important strategic decision to embrace and continue to invest in public safety at our events, but also to invest in our core programming. Meaning that the public embraces and loves as defined as our waterfront events, our parades, our court program and what we do from a philanthropic standpoint. That's what is not going to be changed that's what we will continue to invest in that in 2018. That's what the publics going to embrace, that's what people appreciate and we will invest and manage those events appropriately so. Our charitable impact will maintain strong because the events allow us to put, especially nonprofits, on a stage, especially with our parades. So an investment in our core events multiplied with enthusiasm for 2018 and the opportunity it presents, coupled with the private side of sponsorship sales, other efforts, we like, we like our chances of turning that reduction, deficit around significantly in 2018. It will take work and partnerships from the public and our continued support from city council that is what we are looking to do. Ultimately the 2018 goal is to balance the books but embrace who we are, what you heard today, embrace that. The power of people, the power of people will connect and continue to do so, engage stakeholders across our community, at the same time not to inherited any risk, one example is our half marathon talked about for the period of years, we postponed the half marathon, we are going to be producing half marathon in 2018, we are going to focus on our parades, waterfront activities, fleet week and the court amongst many other community activities and most importantly we are going to embrace the power of human potential. We all know and see that, it's about asking for support and continuing our

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support. To give you an example, the last two slides, just kind of puts in context why this all matters in facts not just words, our economic impact continues to be one of the strongest in our country for festival events, last time measured at \$65 million. No other organization brings as many people together in the settings of the parades over a million people that commissioner Fish said, what does not get talked about the platform for cultural exchange, with our sister cities in particular, if there was no rose festival, where's the opportunity for our sister cities to come together and celebrate and have a reception and welcome our communities from across the globe, rose festival provides that. As well as our commitment to environment for our cleanup program, which has saved the bureau of environmental services thousands of dollars through our community cleanup program. And we invest, and you have heard it today the partnerships with you, and both impact fees as well as the rose garden store and prior commitments to Portland international raceway, we are a true partner but you are the greatest beneficiary. You are the one, the city of Portland, and the citizens, is this gift that we get to give. So in closing I want to reiterate to say that 2018 provides us a great opportunity to rebound in a very big way. I think that Portland is ready to rebound, and I say rebound in the context to show its true spirit, its spirit of connectivity, which it is showing already and the rose festival is that opportunity at the, to put it on a world stage and we're going to do that the rose festival foundation is, has volunteers and staff behind me are ready to deliver for you on that context. A final fact, that's great, that is the plan but what inhibits those, well, we'll share with you and my final comments to say long-term stable funding is always a challenge, its a roller-coaster ride, like groundhog day. Every year we have got to raise money to produce the festival and turn around and raise it all over again year in and year out. We have to continue to find relevant programming that meets our community's needs, especially at waterfront park. What do people want to attend or do they like? And we got a more short-term challenge we have to find a home for the floats in the context of construction. We've been going year to year finding a home for constructing floats. That has got to be addressed and this is, that's a short-term challenge right now because we're looking for a home to build floats in 2018 in Portland and then we have got to keep pace with the changing Portland and we're up for that. That's an ongoing challenge but we are always up for that, in conclusion thank you very much for this time. I know you have is a busy calendar and I really appreciate the opportunity to visit with you and bring our team up in front of you and share our commitment to you and our citizens that we're in it for you. Thank you very much.

Wheeler: Thank you.

Fritz: Mayor I have a question? You mentioned the \$100,000 that the council advocated in this year's budget. Is that an ongoing allocation or is that a one time?

Curtis: That was a one-time funding through mayor wheeler's budget in 2016/2017.

Fritz: I think we need to revisit that in this coming budget because we just heard about the amazing support that the festival gives to the rest of Portland, and the millions of dollars it brings in. Thank you.

Curtis: Thank you Amanda.

Fish: Mayor, we have two reports before us. I am going to move the adoption of the report in 1243.

Fritz: Second.

Wheeler: And could we please call the roll?

Eudaly: Thank you for the reports and I look forward to – we're not in the new year yet. Next year's festival. Aye.

Fritz: I think one of the most important things said today is that it's not a pageant, it's not a beauty competition. It means so much and has been doing so much for women in Portland

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for over 100 years, and that's part of the reason we are such a great city so thank you very much all of you, aye.

Fish: Commissioner Fritz I am reminded of that on a regular basis when we are at public events, and senator Wyden, the staff person who represents him in the tri-county area, grace is a proud alum of this program, and has gone on to glory, so another example of a young woman of distinction who got leadership training and is now kind of a local rockstar. Jeff I will save my comments for the next one but thank you to your team and I will say this, this is the ninth year that I think that we have had presentations from the rose festival foundation, and I think that this is the best that you presented and I appreciate that you have woven together the data, but also the human face of this tremendous enterprise that you lead. Thank you. Very proud of the partnership. Aye.

Saltzman: Yes, I was impressed with today's presentation, I learned a lot. I am thinking where does a 54-member board meet? That board obviously works very hard because you pull off a first class festival here every year and the city is going to be a partner next year and into the future, I am confident of that. Good job. Aye.

Wheeler: I just want to add my thanks, thank you for the presentations today, they were nothing short of inspirational. Like my colleagues, I learned a lot today, but the important thing is to -- the main take away I want people to have here is these are volunteers. These are people in our community who represent the best interests of our community, who care but the community, and as you can see, there is nothing frivolous about the rose festival. It gets to really important issues, it gets to leadership, it gets to equity, it gets to lifting each other up in a very positive way, it gets to coming together and supporting philanthropic and nonprofit efforts in the community, it's all great, it's all positive. I am all in, thank you for being here to share this presentation. I vote aye. The report is accepted.

Fish: I move the report 1244.

Fritz: Second.

Wheeler: We have a motion and a second on 1244. Please call the roll.

Eudaly: Thank you again. Aye.

Fritz: Aye.

Fish: Three quick points. As commissioner Fritz said and the mayor alluded to, you are our official festival and we will remember that at budget time and we are true partners so when you have a bump, that bump year, it seems only fair that we step up and see how we can help, just two of my favorite memories from my favorite even which is the starlight parade. I will never forget the year that you honored Clive Charles, and it was the last year of his life. There was something so magical about the city showering him with love and gratitude. The second was a personal favorite, I was in a car doing the circuit, and you get introduced about five or six times as you go through the circuit and you always hope that they get your name right and I will never forget when we made the turn and were coming down Broadway and an exuberant announcer said, ladies and gentlemen, let's give a warm welcome to randy Leonard. I will never forget that, and it has not gotten in the way of our relationship and my support. We are lucky to have the foundation. One benefit of this, of this presentation is it is not in your nature to toot your horn all the time so when we get a chance to get a focused presentation on everything that you are bringing to the city, on our behalf, I think it's valuable and just like all my colleagues said we learn something today, so it's an honor to be the liaison, that gets to work with you and I am just proud of everyone who is associated with this foundation, and thank you for your service. Aye.

Saltzman: Aye.

Wheeler: Aye. The report is accepted. Thank you, thank you very much, we appreciate it. Thanks for, to all of you who came in. Item 1245 please.

Item 1245.

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Wheeler: Colleagues, this development with our regional partners of the Portland housing bureau home forward, Multnomah county and my office exemplifies a great regional working partnership to accomplish a common goal, which is to increase affordable housing in our community. This project, a 12th floor mixed use building will consist of ground floor commercial and retail space, and 240 multi-family residential units. Additionally in solidifying our ongoing commitment to creating deeply affordable units this projects will include 20 units serving households at or below 30% median family income. It's my understanding that this property will become the largest affordable housing development built in Portland in the last 50 years. At a time when we see so much decisiveness and government across the country, personally I find it very reassuring that we have local agencies that are working together seamlessly to address the community's needs around housing. These strong relationships help us to do big things for people that we serve and this building is a testament on how we're responding to our housing crisis. Home forward is not a typical housing authority and I am very happy that we have a partner with the knowledge, the skills and the capacity to deliver landmark properties of this scale to the community. To give us further details on this development opportunity we have the Portland housing bureau's director Kurt Creager here as well as home forward's director Michael Buonocore. Come on up, gentlemen.

Fish: I have a brief opening comment, while our distinguished guests are coming forward. We have two members of council not here in 2010 when this property was transferred to the city. There is an important history lesson here I want to put on the table because we would not be having this hearing today had an event not occurred. In 2010, as part of the creation of the new Portland housing bureau, which in fairness, was a core priority of the then mayor Sam Adams and was charged to then housing commissioner me to affect. There was a debate about what to do with all of the properties that were in the inventory of the then Portland development commission, and whether they should be assigned to the city, or be retained by pdc. This particular piece of property is, because of the location, generate a lot of interest, and just to, just to sort of explain the different cultures that were at work back then, when pdc looked at this property through the lens of economic development, not through the lens of housing, what they saw was a luxury hotel or luxury apartments or possibly retail space but it was high end. And in fact, the property came to the city with a unfulfilled development agreement of some kind with Joe Westen, and Mr. Westen had gone through different iterations, but his then most recent vision for the site was a high end hotel, a luxury hotel for that site. When it came over to the city it was covered by the strategic plan and the values that the council adopted when they, when the creation of the Portland housing bureau occurred, and the city adopted a set of principles about how money would be spent. There was nothing in those principles which said that it was a concern of the Portland housing bureau to create a hotel or high end luxury housing, and in fact, it was specifically focused on people shut out from the marketplace. So I won't go into the details, but there was some conflict over that and there was a bit of vinegar, but here's the bottom line because the council ultimately decided that all those properties that were in play, be transferred to the city, and because the city established clear guidelines for how that money should be spent, we are here today celebrating as the mayor said a substantial down-payment on affordable housing in our community rather than completing a dda on a luxury hotel. That has everything to do with the creation of the Portland housing bureau and the final thing that I will say, colleagues, is it also explains while as long as I am on this council, I will never accept back sliding on what we did in 2009 and 2010 in creating the new bureau. I welcome a partnership between prosper Portland and the housing bureau, I welcome the strategic partnerships with others. What this teaches us when the dollars came to the housing bureau they were a matter of concern for low income

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households in our city, not economic development, not high end hotels, not other things which we can debate the merits of, but are no longer eligible for funding through this process. So I want to acknowledge Margaret van fleet, I want to acknowledge Patrick Quinton, I want to acknowledge mayor Adams, who was a champion for creating the new bureau and acknowledge the then pdc chair Scott Andrews. I had a small role but it was a collective effort and the council that put the marker down and said these dollars and these properties will be spent and focused on the needs of people who have been shut out from the market. We would not be here today had that property not gone from pdc to the city.

Wheeler: Thank you commissioner. That's actually a very helpful thing and an important introduction. Good morning.

Kurt Creager, Director, Portland Housing Bureau: Good morning. Good morning mayor Wheeler, members of the council my name is Kurt Creager I am the director of Portland's housing bureau and it is my pleasure today to describe the financial contours of this project and Michael Buonocore as the owner and managing general partner of the partnership which is doing the development will describe how they will operate this for the next 99 years. We have got a power point presentation with hard copies to follow, so you can have backup documents as you desire. As mentioned, this is a key site within the interstate, excuse me the convention center. Oregon convention center, urban renewal area, and this map shows you the coordinates, fronting on grand, Hassalo and holiday. This is a flagship site for the Portland housing bureau, so accurately described by commissioner Fish it has a multiple competing interest in uses, but since the housing bureau came into possession of this site, the streetcar was installed, it became a much more walkable neighborhood and we saw with great interest what was going on with the adjacent Lloyd eco-district which contains really no affordable housing whatever. So we felt it was important to help counter balance that market rate development with strong infusion of equity and equitable housing. Within a half a block of the convention center hotel, it will be is a dynamic walkable urban environment for many years to come. When this partnership was crafted it was really under the leadership of commissioner Saltzman, in 2015. Immediately after the state of emergency was declared with housing and homelessness the housing bureau moved every one of its sites in all of the available money forward in what we call a supernova, a notice of funding availability. We were all in to help you solve the housing crisis and our partners responded. Home forward was one of two competitors for this site, reach cdc was also in competition, a very capable developer but they had differences in their approach which I will describe in a little bit. So in early 2016 commissioner Saltzman selected home forward, and this project is important to note that it is jointly underwritten by Multnomah county. For the first time we braided our funding streams together in the supernova, offered in this case Oregon convention center urban renewal funds, of \$5.1 million, and a half a million of resource from Multnomah county. So it was an unprecedented level of cooperation, where they gave us control over their money and we originated and vetted projects with their involvement, so we're both excited about this. So your action today will essentially approve \$5.1 million in funding for the project. The total development cost is \$74 million. The result would be a 12-story mixed use building. It's important to note that when the site was conveyed by prosper, then pdc to the housing bureau it had a booked value acquired in the year 2000 of \$1.4 million and of course in the present day it's worth more. It's worth over \$3 million at present but on the city's books this is reflected a \$1.25 million basis. The 240 affordable units, in this case 100% below 60% of ami using the 4% tax credit program which we can discuss in more detail and 20 deeply affordable units at or below 30% of the area median income with resident services which Michael will describe. It's also important that you know that this is one of the projects that, where we have gone from long-term affordability to permanent affordability, title 30, which your policy dictates to

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the housing bureau says that "housing should be affordable for 60 years" and because of our strong commitment and ownership of the land, conveyance of that land at no cost to home forward we've been asking our partners to agree to 99 years of affordability so this will do that and so you have more public value, longer term commitments from our partners as a result. This was in part selected because of its dynamic streetscape, and reach had a good design, also 240 units proposed but they were going to have a nonprofit partner anchor the ground floor in this instance, home forward is curating the retail space for sale to a retail operator. A private retail operator, so we think in the long-term having a dynamic streetscape with lots of pedestrian activity will help enliven the neighborhood and bridge the neighborhood between the Oregon convention center itself and the Lloyd eco-district.

Fritz: Why are we selling it rather than renting it go out?

Creager: That's a question for Michael. They are taking the financial risk on that space and they are actually paying out-of-pocket for the tenant improvements so they have some risk rewards to balance here in their transaction. I think it's in their best interest to sell it.

Fritz: I'll wait never mind, sorry.

Creager: It is important that you know however that that was a key factor in the decision, which is how this relates to the street, how it enhances the neighborhood and builds on success. We have established a minimum standard of 35% women minority disadvantaged small business in terms of the hard costs. As I mentioned the total project cost is some \$74 million, so this will have a significant impact on the minority and women owned businesses and they have committed to lead gold. I would note that this project, as I mentioned, is financed with bonds and low income housing tax credits, and Dirk Vanderhart has been tracking the impact on tax credits with tax reforms so it's probably worth mentioning that home forward's price from bank of America for the tax credits is \$1.07, the average in 2017 is 95 cents. So home forward is receiving a premium of 12 cents over and above the national average, and I think it's worth mentioning that's worth about \$2 million. It's in large part because of the stability and quality management of home forward and the unitary underwriting that Bank of America has applied to this both in the debt and equity because they are providing the entire suite of financial services which reduces some cost.

Fish: What's the value of the tax credit?

Creager: It's \$29 million tax credit, and fusion, \$29 million of tax credits.

Fish: They are getting the benefit of what, 90 something cents on the dollar?

Creager: They are getting the benefit of \$1.07.

Fish: Just to put that in context, in the teeth of the recession where we couldn't get the development moved in south waterfront, when the market collapsed, I think he was down to 70 something cents on the dollar so it was not feasible so that's an entire turn-around and a reflection of the balance sheet of home forward.

Creager: Yep. So, I wanted to reinforce that because the complexity can be mind boggling at times, but this really reflects a stellar project in a stellar location undertaken by a stellar developer with a great team and I think you can be proud of this for many years to come. The next slide describes the total development cost, talks a little bit about the city's leverage, our investment is leveraging \$10 outside dollars in the form of tax credits and tax exempt bond and home forward is all in with \$12 million of their own resources plus an allocation of project based rental assistance vouchers.

Wheeler: Kurt I feel like you just buried the lead and I want to reiterate that, it leverages our resources 10:1 with outside and private resources cause I know there's a lot of back of the envelope scribbling as a result of the total cost that you mentioned in exchange for permanent affordability. So I want to keep that front and center 10:1 leverage.

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Creager: Excellent, thank you for pointing that out. The actions before you today then an ordinance 1245 would be to authorize me to execute the final disposition and development agreement and other documents to implement the project undertaken by a limited company created for this purpose Lloyd housing limited partnership. We also convene \$5.1 million of Oregon convention center urban renewal tax increment financing and \$500,000 of money from

Multnomah county's home for everyone fund. I would then be authorized to enter into any final agreements necessary to implement the project in substantially the form presented to you today. Before Michael speaks I would like to recognize that this is a team effort involved a lot of people and is alluded to by commissioner Fish it involved people who are not here today, but the people that are here today were instrumental. Julie chin, project manager within the housing bureau. Karl dinkelspiel housing finance manager and Javier Mena, assistant director. I'd also like to recognize Lisa gramp with the office of city attorney these are very complicated projects and the city attorney's involvement is instrumental to our success. It's worth mentioning that this project is not technically does not fall under underneath the city of Portland's inclusionary housing requirements. It's a fine point details, its 100% affordable anyway, but it's important that you know that it was vested prior to. So that summarizes my comments and Michael Buonocore is here with his project manager and director Jonathan Trutt.

Wheeler: Thanks Kurt, good morning.

Michael Buonocore: Good morning, mayor wheeler, commissioners. Thank you for having me, we are thrilled to be here and very excited about this project. I remember learning that we were awarded this project. We had just completed one of the largest preservation efforts in the state's history on four of our public housing high rise buildings on over 600 apartments and we were giving commissioner Saltzman a tour, my board chair and I. When he congratulated us on being the winner in the competition and asked if we felt like we had the capacity to take on a big project like this and we were thrilled and said that we absolutely did and in fact this is very much in the wheel house of what we do well, large and complex projects. So we couldn't be more excited to be doing this. Our original proposal which was awarded had a lower unit count and lower number of affordable apartments but today we're at 240 at 100% affordability at 60% and below and as the mayor said with 20 project based vouchers providing deep affordability as well as three more apartments at 50% affordability. So to be able to increase significantly increase the number of affordable apartments and not have to come back to the city for anymore money feels like a big victory for all of us and something we're excited to get in the dirt and start to deliver. As much as we love doing big projects like this, our role is not just as a competitor for city resources but as a strategic and funding partner with all of you in the larger effort to increase affordable housing in the community and we're very careful on both sides to wall off those two roles but frankly the more important is that we are a partner in this effort and I think that role you know is critical to leverage the resources and expertise that exists between our organizations, and it's been acknowledged but I think it's important to acknowledge again just what a big lift the Portland housing bureau did to put all those resources out on the street en masse like they did in response to this crisis. If I could do anything to change the reality of the crisis that we're in I would and it's important that while we are we take every opportunity to figure out how we use our resources together strategically and that we leverage our talents and capacities. So I believe this project does and I think our relationship in a much larger sense does that. In this super nofa we contributed 100 project based vouchers to get as much affordability in all the projects whether they were ours or not and the value of those vouchers over the 15-year contract period that they will be committed to provides millions more in resources to

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contribute towards the effort we're all making together. Truly we could not be more proud to be your partner and to be working collaboratively but we are here today mostly to say thank you for your trust in us to deliver on this project. So thank you very much and as you have questions, Jonathan has joined me to be able to answer some of those as well.

Thank you.

Wheeler: Great. Thank you.

Fish: I have a few.

Wheeler: Commissioner Fish?

Fish: So I love the idea that the commercial space will be professionally managed and you're looking to sort of think about it in the context of the fact you have a hotel across the street, a convention center and the Lloyd district, but there's a cautionary tale I want to avoid which is what we experienced at the Clifford apartments. The Clifford apartments has a lot of very vulnerable people in it, and the primary anchor tenant of that building was a package store and as a result we were in the anomalous situation of a nonprofit housing developer providing housing to people in recovery and then on the ground floor selling alcohol. It was a package store selling high octane malt liquor and other things. Do we need an amendment or can I have your assurance that there will be no package store on the ground floor of this building?

Buonocore: Jonathan?

Jonathan Trutt: Yes. Jonathan Trutt director of development for home forward. I don't believe we need an amendment because it's going to be in all the condo documents that that's a prohibited use. There will be no alcohol store, no package store in that building.

Fish: Thank you. It's weird that there was some legacy projects throughout the city where we found the situation but as you know 6th and Morrison became quite a scene because people living in the building were essentially getting their daily fix of very unhealthy things and then hanging out. It just seems to me nonprofits should not be in the business of enabling that. Very pleased to hear that.

Fritz: Commissioner may I just interrupt? So can it have a pub? Is that --

Buonocore: I think we precluded that possibility.

Trutt: A restaurant and food is a permissible use within the commercial space.

Fritz: Ok.

Fish: I don't have a problem with a restaurant, but I do have a problem with a package store selling turbo charged alcohol that's cheap. The second thing is I forget what standard applies here, so this is being built to what lead specification?

Trutt: It's going to be lead for homes gold.

Fish: That's our standard, right? It has to be lead gold or above for anything the city invest in?

Trutt: I believe so.

Creager: Just to clarify the city in October adopted a standard which is a Portland housing bureau sustainability standard. Its not strictly speaking lead gold, but it focuses on indoor air quality, energy saving's and water saving's in a way that actually achieves our goal.

Fish: No, I get it, there's a big debate about whether do we do this the right.

Creager: This will be certified.

Fish: Does this meet our minimum standard in sustainability.

Creager: Absolutely.

Fish: And then here's the other thing, we as our friends at home forward know because they were instrumental in this we made a commitment as a council a couple months ago to add 200 units of permanent supportive housing every year so I'll be looking to each project that we fund for what's the set aside towards that goal. The 20 project based section 8 vouchers will allow us to bring the rents down. Is it our intent for those to be permanent

supportive housing units?

Creager: No, its not.

Fish: So, I can't support this unless we actually make a down payment in this project. So, what would it take, is the answer no cause we have to out some service dollars in there or you don't have the capacity or both?

Buonocore: Well it hasn't been designed with supportive housing in mind, it would need I think a significant services investment above what's budgeted for the property.

Fish: So in fairness the county and the city have said we have to come up with the service dollars. So the question now becomes what additional steps do we have to take so that those units could be eligible for people that need permanent supportive housing? And it's a 217 units so we're talking about 20 out of 217. So I would not think it's a huge impact overall. So we have a policy saying we're going to hit 200 and start looking opportunistic at every project, so this is \$5.1 million. What could we do in the early stages of this project to ensure there are some psh's? And what would you need from us?

Buonocore: I can tell you today is that we are explicitly providing preference in working with domestic violence system to house people with these units. So there is a deep services component for a population who will be housed here, it's not necessarily generic deeply affordable housing and that's the programming that we have moved forward with.

Fish: Under what policy? There's dozens of populations that require – what's the policy that put domestic violence survivors ahead of, say, formerly homeless, people with mental illness, whatever?

Buonocore: Sure. We have been working for several years to deepen our very active partnership with the dv system and we continue to see significant need there. As we develop projects each one is a consideration about location and what partners might be available to work with us. Again, we continue to see this as a significant service need.

Fish: I completely support providing housing for victims of domestic violence, but this is the first project out of the box and we're already experiencing the problem which I anticipated, which is we are going to lose an opportunity because of some other compelling use. We're not enforcing a policy and we have 217 units and not one of them, Kurt, is set aside for permanent supportive housing, so what are we doing wrong?

Creager: I think I would frame it differently.

Fish: I want to get to the outcome, not the framing. How do we get to the outcome?

Creager: Multnomah county under wrote this project with that housing bureau and from the very inception, survivors of domestic violence was part of the program. They were selected on that basis and I would say that Multnomah county's underwriting was strongly influenced by that connectivity, the linkage that the housing authority had agreed to undertake with their domestic violence program. The units will exist for 99 years and they can be infused with service dollars as they become available through the county funding streams. That relationship exists, the units are going to be there. I'm not actually of the belief that we're missing an opportunity, I think we actually have a good confluence of interests that is coming at the right time. When the county has the money the housing authority will have the units and frankly, it's going to take a couple of years to build. This is going to be a late 2019 project. As your policy directive to me and mark jolin plays out the funding strategy will be in place before the units are completed.

Fish: Last comment.

Fritz: Commissioner can I just join this conversation? Cause it's within walking distance of the unity center. This project has a resident manager, is that correct?

Buonocore: Yes.

Fritz: So it would seem that that's got services very close at hand. One of the reasons for the unity center is to have that emergency room where people can get their medications

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adjusted and go back out into the community. It's not intended to have everybody going into long term care. So that might be one way to start addressing your concern which I share.

Fish: Well, I wasn't born yesterday. I understand the opportunistic funding sources. I understand capitalizing on an opportunity that arises because there's funding available. This is not a criticism. What I'm simply pointing out is that the city has committed to add 200 units of permanent supportive housing to address two-thirds of the people that are homeless. This is the first project of its kind that's come to us and there's not a single unit of psh identified consistent with the policy the city said would guide our investments going forward. We have got to figure out a way, mayor, to make this intentional and institutional because we're not going to get there if every project has a laudable other goal and it could be many things. The next one could be veteran's homelessness, the next project could be family friendly housing. They are all important. If I could be king for a day I would house everybody, but we have a policy saying we're going to hit 200 a year and we're going to miss an opportunity in this project to get one. What I want to make sure is that people are clear when we're doing our underwriting that this is not discretionary, that we're going to build these in because if not, we're going to be at the back of the line. I know that because I have watched over the years psh go to the back of the line and the reason we brought a resolution to council was to have council say this goes to the front of the line. So we're going to change and I'm satisfied that if the county money is taking victims of domestic violence who are at most risk when they are on the streets, we know that women at most risk, that this is sort of a kind of a psh. This is a first cousin, but this is not what the council has directed has to be set aside going forward. I can't support another project beyond this one, mayor, where we don't have someone present to us how we're going to capitalize on a permanent supportive housing unit within this.

Wheeler: Let me respond to that. I think you have clearly articulated a need and I agree with it and that's why I voted for the resolution around permanent supportive housing. The permanent supportive housing strategy is being ironed out as we speak per the resolution we all supported with inclusion from the Portland housing bureau. So I have heard nothing that suggests that this project cannot be included under the strategy being developed around permanent supportive housing. Is there anything here that prohibits us once we have that strategy.

Creager: The timing is propitious.

Wheeler: I don't hear that.

Creager: This will be ready.

Wheeler: I think we're in agreement.

Fish: In fairness the developer has said there's a different programming purpose that they are going to follow with the project based section 8 and they should be applauded for putting project they are the gold standards. They get pulled and pushed through all those things, so to put project based section 8 vouchers in this building is remarkable but they don't have the dollars to provide the services and we're not designing the building, mayor, with the idea that the services are blended in on so some floor for a particular population. So we are actually missing an opportunity and I will also say the directive to come up with a strategy was not intended to delay a year meeting our goals. We said in year one we would opportunistically meet the goals. The idea of a strategy is to have a clear strategy how to meet the ten-year goal but it did not prevent us from saying on each project we would ask for some contribution. It was my explicit statement at the time that we would do both.

Wheeler: As the director has said, we're not going to any groundbreaking this year or next year and it will probably be in 2019. We don't have the source of funding – excuse me.

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Please do not interrupt. Let me finish what I'm saying. We do not have the strategy completed yet. We do not have the source of funding identified, and I'm not hearing anything in this testimony that leads me to believe this therefore closes the door on permanent supportive housing in this project. I'm not hearing that. If I'm wrong tell me I'm wrong.

Creager: Spot on, sir.

Wheeler: Commissioner Eudaly.

Eudaly: Mayor, obviously I share commissioner Fish's concern and dedication to permanently supportive housing but I do want to speak to the unique need and vulnerability of domestic violence survivors when it comes to housing because we have no-cause evictions, a visit from the police to a rental unit, a d.v. visit, often results in a no-cause eviction. I spoke recently to a nonprofit that supports a small number of community members in-housing both finding their housing, working with them to remain in the housing, and giving rental support. There was one individual in a complex of six that included six residents supported by this organization who was a victim of domestic violence. The property management company tried to illegally evict this person and failed because she had this organization to advocate. So instead, they have chosen not to renew the six leases for all the residents in that building. So we also have an issue of gridlock with our d.v. support system with people coming into facilities and not having anywhere to be placed for permanent housing. I just want to say I agree, I would love to see a commitment to minimum number of psh units, but this is certainly a laudable endeavor to support d.v. survivors. I have a couple of questions. I think it's a wonderful project, we're getting 240 deeply affordable units for 99 years but I think the number one question is going to be the price tag. If anyone can speak to why that per dollar amount appears to be so much higher than for instance we're estimating on developments with our housing bond money, and I understand we have the units, we've got \$3 million for retail but it sounds like there will be space that's nonresidential and nonretail but it's the equation isn't as simple as \$74 million divided by 240. Can anyone speak to that? What's the real per unit cost?

Trutt: I can start taking a shot at it. If you take 240 units and divide \$74 million by 240 there's a couple of things that come to mind. One I would say that developments typically have a developer fee in it so what we have is a developer fee consistent with the risk we're taking. That number somewhere in the eight or \$9 million range, which is what's allowed by both state and local programs. We're donating that back into the building. So that money is not staying with us, it's going to pay for the building. So that's one piece. You know, what I think – I think a lot about this. I was in the affordable housing world before 12 years, a not for profit before I came to home forward and take seriously the idea that we have to be careful stewards of public dollars. When you look at the total, a whole bunch of financing costs that are in there, there's architecture costs and so what I like to do is look at what are we building for? What is the cost per unit in terms of hard cost. That number is closer to \$46 million. If you divide that by 240 what you get to either a cost per unit or cost per square foot is basically consistent with what I hear from private sector developers about what it's costing them to build these days and that's a reflected of the superheated market that we're in. I'd also say in the context of affordable housing, it's the right question, why is the cost what it cost? Kurt spoke to 99-year affordability and there are different incentives that I think whether it's us as a public agency or a not for profit has when compared to private sector developers when building part of our infrastructure and what I mean by that is that our incentive to build something durable and last for a really long time and you focus less exclusively or nonexclusively on what does it just cost to get the thing out of the ground but how do you make sensible investments such that you're operating a maintenance cost manageable over the course of the many decades that get you to

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permanent affordability. I could dive deep into the numbers happy to do that, but that's off the top of my head answer about that.

Creager: Just to reinforce Jonathan's point, housing bureau funds are not paying for the retail. That is totally on home forward's side of the ledger. If we just look at the hard and soft costs all in contingency reserves, all residential costs, it's about \$67,621,000 which is \$281,754 a unit. In the flagship location on the streetcar on a site we're at some \$4 million. That does not reflect the value of the land, it wouldn't be included in the tax credit basis anyway. We think for the next 100 years that's a good investment and we're willing to stand by those numbers.

Fish: So, mayor I want to offer an amendment if I could and I'm going to read it see if Kurt agrees with it based on the flavor of our conversation and see if I have a second. This would be an amendment to the ordinance it would be a new subsection c to the now therefore the council directs and read as follows: Within the next year, the Portland housing bureau and Lloyd housing limited partnership shall review the feasibility of including at least 20 units of permanent supportive housing in the development and shall report back to council.

Fritz: Second.

Wheeler: We have a motion and second. Any discussion? Call the roll.

Eudaly: Aye. **Fritz:** Aye.

Fish: Operative language is shall review the feasibility and any feasibility includes additional resources that you believe the city or other partners would have to bring to the table in order to achieve the goals. Its not an unfunded mandate. Aye.

Wheeler: I support this. We're already working on the supportive housing strategy with the county and the joint office. I think it's entirely appropriate to discuss it in the context of a specific project. It will give us a good operational look at this as well so I vote aye, the amendment is adopted.

Fritz: Are you done with your questions?

Wheeler: Any further questions on the main motion? Commissioner Fritz, then we'll go to testimony.

Fritz: This is a different kind of preference policy. This obviously is the connection center of the urban renewal district. Some of the money came from there. Is there going to be an attempt to prioritize the historic historically disadvantaged communities in the area as far as who gets the units like -- I forget what it's called -- preference policy.

Creager: At the present time, no, commissioner. The preference policy applies to the interstate corridor urban renewal area and not to the Oregon commission center urban renewal area. I realize there are some historic impacts in that neighborhood due to the urban renewal activities, but right now the city adopted policy for preference applies to the interstate corridor or commonly known as the Albina area.

Fritz: I would like you to consider that to see if there is a way to make reparations for the damage done to the communities who used to live there before the convention center was put in. We all know there's far more people who need housing than we have available so I hope that whether it's domestic violence shelter or permanent supported housing for different reasons that within all of that there could be a prioritization for folks whose families used to live in the area.

Wheeler: Very good, so I don't want to cut this off if nobody has a burning question I want to get to public testimony and again, I'm sorry we're limiting to two minutes because we have a lengthy agenda and we only have about an hour to get through the rest of it. How many do we have signed up? You can call the first three.

Moore-Love: I have one person signed up. Mary sipe.

Wheeler: Come on up Mary. Thank you for your patience.

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Mary Sipe: I'll try to be quick with this. Commissioner Fish, I really respect your concern about the permanent supportive housing. I just want to caution you don't throw out the baby with the bath water. Don't make this go away because of that focus. The way I see it

—

Fish: I'm not, Mary. My amendment satisfies me going forward. I appreciate the concern.

Sipe: Because I think we need to recognize that these different categories I call them of need have different solutions. This is the solution for those people who pretty much are either employed or living on social security and have limited income and I am excited to see this because I think there's great need for this, I love where it's located, I like the whole idea. I want to throw out a couple of cautionary things. Director Creager, I think it's great that we have added 77 more units by making this 100% affordable and not having any market rate however, a caution to that is it does not allow you to convert a unit into a market rate unit when the tenants' income exceeds the ami. So you need when you're establishing guidelines to address that and from some of the research I have done I have learned you can do that up front when you start establishing things. Also be careful about your requirements for eligibility. I just learned recently that in the building I live in we have a very nice two bedroom unit that's been vacant since July. Five months they have not been able to rent that affordable unit because they changed their criteria when bridge housing became the major partner and Ed McNamara sold his interest and now they can't find anyone to qualify for it because of the restrictions that they have put in. One much the things they put in is that anyone who has \$1,000 or more in delinquent debt is immediately disqualified. People who need affordable housing often have more than \$1,000 in delinquent debt and to exclude them from eligibility for that reason is unconscionable.

Wheeler: Thank you, Mary. Good morning.

Lightning: Good morning. My name is lightning I represent lightning super watchdog x. I think the overall project looks really good, the unit number. Again my opinion on these projects is quality always lasts longer than the overall price. You got to look at the quality of the property overall and long term. That's just my opinion, now a couple of issues I had again on the land itself I think that land is quite a bit more valuable than the \$5 million mark. You even have in the agreement the title company has put in a \$5,600,000 title insurance policy on the property so there must be quite a bit higher value there. Now, that's not a big concern to me. Where it comes to the land from my position is that I always like to try to recoup the land value back to the city by putting in a due on sale clause if this property is ever sold, even try to recoup the money back within 20 years, but I like to try to recoup the money back to the city in some form and I notice we're not doing that, basing this on the benefits to the public. So yeah, I have an issue with that. Then again on the retail space I understand you're going to do a condo type commercial sale on it so my understanding you would have to do a condo conversion if I'm incorrect on that, you're not planning on doing a condo conversion on the apartment units themselves also because you're putting a value of developing that retail space at \$3 million, you have an option to sell it back to phb at about \$4.8 million based on a legitimate appraisal. Again you're using the term condominium so I assume you'll do a condo conversion. My understanding you have to do that on the whole property, not just on the retail you're allowed to do that. Maybe I'm incorrect. Maybe that can be answered by one of the speakers or commissioner Saltzman. Thank you.

Wheeler: Good morning.

Wayne Wignes: Good morning. I'm wayne wignes. I was glancing through the document posted and I notice there's no standards as to like the kind of materials they build with. This is a problem because you know culture is inextricably from the habitat that it grows in. There's that part of it and we're producing a plastic culture. I mean that literally and

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metaphorically. On the economic side consider the things we build with material science has transformed it all. The tools we build with, the construction industry has been transformed. What used to take a lot longer and more energy to build now pops up lots quicker. That's time and energy that the worker used to benefit from but nowadays that's leverage that they lost. Leverage to say how their communities are developed and leverage to have job security. They used to have three, four years worth of work. The developer used to need the worker more. If any of you know about the construction industry, now it's become more a matter of who you know, concrete workers got beer bellies. What I'm saying is that the Davis bacon act, the premium wage or prevailing wage is a red herring from the real issue that leverage has been lost. For what? Doing more of the same? It doesn't produce different results. Things are getting worse, not better. Economists will tell you housing has been the leading cause of inequality over the last 50 to 100 years. Producing – the option that agencies like home forward are providing are increasingly smaller, cheaply made and yet still overpriced boxes and that's not going to change things and the metric that you're using, you use mixed family income, they used area median income. By that standard a bunch of Californians could come in and we're being judged by 30% of their income how convenient is that, the very definition of what's affordable keeps going up and they are just thriving off of this. On one end we have created a system where people, you know it emphasizes help over options and on one hand you have people intentionally making themselves helpless, on the other hand you're creating options that are extreme and it's not going to change anything.

Wheeler: Thank you these are good points, appreciate your testimony. Kurt, did you want to answer get about the condominium question?

Creager: Exactly. Thank you, mayor wheeler, members of council, Kurt Creager, housing director. This is a two-member condominium. So there will be one commercial member, one residential member. All the residential units will be encompassed into one and retained by the llp created by home forward. The commercial condominium as part of the record will be proffered for sale.

Wheeler: Thank you. Please call the roll.

Fritz: Thanks to everybody who has been involved in this and commissioner Fish, thank you for holding everybody's feet to the fire on a very shared value of being supportive to people once they get into this housing, aye.

Fish: I'm going to support this for a number of reasons. One is home forward is a superb development partner and some of the best development in our city has been done in partnership between the city and home forward. Anyone looking at the power point I think is struck by how humane and functional and frankly attractive the design is, which is a cornerstone of what home forward does. I want to address the question about cost because it comes up every time and we should always talk about cost, it's not a peripheral issue. I just want to at the risk of beating a dead horse I just want to reiterate my own personal values. I've sat through lots of discussions in public places where we have talked about building a library, a school, a public plaza, a park. I have never remembered someone getting up and saying I object to quality. I object to planning for the long term, I object to putting our values into action. Can't we go cheap? Can't we find some way of making it look crummy and after all we can save a buck? Never heard that with all of our public places but why is it when we build something that houses low income people all of a sudden cost becomes the big issue? We should always look at cost. I happen to think with the breakthroughs in modular housing we're going to get our housing down to costs where cost per unit and functionality and beauty and everything hits that sweet spot, but again, we don't usually have people come complain about costs when it's the broader public benefit. We do pay a little more. I want to compliment Dan Saltzman when he was housing

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commissioner for defending three values that housing bureau put forward intentionally. One was we build buildings to last and what's the point of having a 99-year covenant if it doesn't last? My friends, a lot of the crap being built in east Portland by private developers has a 15-year shelf life and then has to be rebuilt. So if you're going to build for 99 years let's make it last. Number 2, we build it green. We build it green. It costs a little extra on the front end but we save a fortune in utility costs in the long run and what did we hear from the panel? Cleaner air, healthier environment, nontoxic materials ok that's something we can all get behind. Here's the final one. Two, actually, we build to area standards, we do not accept the premise that the people building our buildings should live in poverty. So it's a prevailing wage project and that's a big question right now and there's a big fight about whether we should continue to pay prevailing wage. I think we should proudly pay prevailing wage if means people can go home and feed a family. Here's the final thing. Opportunity. We're building this in one of the most desirable new neighborhoods in our city. We're not building this out on the corner of some street in Gresham and outer east where there's no infrastructure, we're it in one of the most attractive places and we're going to catch hell from that hotel, mayor, because they put that rooftop restaurant that we blocked their view to the east, but it's a great location. Low income people should have the right to choose in a great location. It meets our values and that's worth investing in, in my opinion. Finally, I appreciate that the council adopting the amendment I proposed and I will make that every time something comes forward. There's nothing more important than providing housing for victims of domestic violence. We're all in agreement. That's not a debate but I can assure you cause I've been on the council long enough unless we keep our feet to the fire and seize an opportunity and each development to find permanent supportive housing units we'll never meet the goal we have set and I'm tired of setting goals and falling short so every project I'm going to ask how many units and how do we pay for it, but this is a happy day. Dan, congratulations for the super nofa and for shepherding this to this point. Mayor, I enthusiastically support the development team and I'm pleased to vote aye.

Saltzman: This is a fantastic project. I applaud all the partners involved, the Portland housing bureau, home forward and was it Lloyd development? The private developer as well? This certainly is a great project. When I took over the housing bureau as commissioner I think in 2013 and we were working on putting together the super nofa, I recall this property was slated to just be sold on the open market. So we could have maybe fetched one, two million dollars instead now we're looking at a project that's going to provide over 240 units of affordable housing, so I think we made the right decision to hold on to that property. Given all its attributes and as commissioner Fish said we talk about building affordable housing in important areas, not just on the outskirts of the city, but high opportunity areas. Good schools, good transit, good retail and this block 45 has it all and now it's going to be an outstanding home to hundreds of people. This is a great project, I'm very pleased to support it. Aye.

Eudaly: Sorry, I had to step out. I'm now in week 7 of my mystery illness and had to take some medication. So I think my colleagues have probably covered most of the bases. I just want to say this is an exciting and significant step forward in meeting our shortfall of affordable housing and I'm pleased to vote aye.

Wheeler: Good work, everybody. Aye. The ordinance is adopted as amended.

Fish: Mayor.

Wheeler: Commissioner Fish.

Fish: Just as a housekeeping matter because we have so much left our friends at the Portland utility board agreed to set over their report to next week. That's 1267 and Karla has found a time certain at 11:15 is that right Karla?

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Moore-Love: Yes.

Fish: So, without objection, mayor.

Wheeler: Without objection 1267 moved to next Wednesday at a time certain. Do we have a time certain?

Moore-Love: For 11:15.

Wheeler: 11:15 a.m. thank you. Similarly item 1259 pertaining to the central city 2035 plan I would like to move item 1259 to 4:00 p.m. this afternoon to be read along with the other central city 2035 plan issues. Unless there's any objection I don't see one that brings us to item 1260, please.

Item 1260.

Wheeler: I understand we have captain bob day and officer Daniels here today.

*****: Sir we're on 1261, I think officer Toby with 1261.

Wheeler: I apologize. Sorry, officer toby. Come on down. My notes weren't correct. My fault. You have been sitting there very patiently.

*****: I can support it though.

Wheeler: Good enough, I'm sure he can do just fine on his own. Thank you. Good morning.

Matt Toby, Portland Police Bureau: Good morning. I'm office matt toby with the police bureau, sunshine division. Would you like a history of the sunshine division? I'm hoping that what you hope to hear from me today.

Wheeler: Yes. That's fine.

Toby: So started sunshine division started really in 1917 with men in cap and circle, his officers came across as we often do people who need a little extra help and he started collecting spare change. He kept a dish on his desk and collected officers' changes and they used this money to help provide food for those who need it on the street and also clothing. 1923 is when the sunshine division officially became the sunshine division, it was actually part of the police bureau. It was commanded by a captain of the division. This mission was again to provide food and clothing to those who needed it most. Fast forward to now in 2017 and I'm actually assigned as the liaison and the coordinator with sunshine division and our mission still is to provide food and clothing to the people of the city of Portland. Officers are able to do that in three ways. We have two warehouses now. We have a warehouse in north Portland which is our original location and area and we feed roughly 200 families a month through that warehouse and also clothe them the best we can. Two weeks ago we opened a new facility on the east side of the city which was in desperate need. Many of our clients had to travel from east side to the north side to receive services from us. That's one way we help people. We are also able to officers each carry a pass along card and these cards allow an officer to put their name on it. They can give it to anyone in need and people are able to go to our warehouse and receive food and clothing from our warehouse as a free visit. They can further qualify if they receive social security, snap benefits, if they are veterans. Widows of veterans, they are able to receive up to six visits a yea to our warehouses. In addition to that each precinct and most of our contact officers and this is was makes us unique is we have emergency food boxes and these food boxes are roughly 35 to 40 pounds of food, nonperishable food. What is great is a citizen can call the nonemergency line had 24 hours a day, seven days a week and an officer will show up with a box of food to help them in a time of need. These boxes are also available to officers all the time at their discretion. So, they find someone who need it they can help them out, that's really our core mission in sunshine division.

Wheeler: If I may just state for the record, what we're actually voting on today is the contract that allows the commissioner in charge in this case that happens to be me as police commissioner to execute a contract with the sunshine division and the contract lays

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out who is responsible for what. That is actually the formal action that we're taking today. Commissioner Fritz.

Fritz: You just said people who call that nonemergency number. You mean 823-3333?

Toby: Yes.

Fritz: So I think mayor we should look into that. As we all know those calls are also handled by the 911 operators. So, perhaps as a way to have those calls go to the 4000 number. Rather than having people calling that line.

Wheeler: We would be happy to work with you on that. There's a lot of sense to that.

Fritz: Thank you for letting people know that they can request certainly at this point calling 823-4000 if folks are watching and going to need some help. Thank you for your work.

Wheeler: Very good, any other questions for officer toby?

Saltzman: Where is your new east side location?

Toby: Its 12436 SE Stark, right next to fabric depot and we're very, very busy there.

Saltzman: Very glad to hear that.

Wheeler: Thank you sir, public testimony?

Moore-Love: We have two people. Star Stauffer and Shedrick Wilkins.

Wheeler: Very good, two minutes each please name for the record. Thanks, officer. Good morning.

Lightning: My name is lightning, I represent lightning super watchdog x. Again, on the sunshine division great work. I have no issues in that area at all. Continue moving toward the mission that you're trying to accomplish. Now one of the issues I have on this overall agreement I just want to have a clear understanding there's that separation from the nonprofit to the police and to the city of Portland and that's my understanding where we're talking about today. One of the issues I had is that I don't mind, I might have a little bit of an issue on using city vehicles for the nonprofit. I would suggest that we one of two things, we donate the vehicles to the nonprofit and/or provide them adequate funding to buy vehicles for their nonprofit and do a complete separation for liability and financial risk purposes, which you have stated in this agreement. I have no issue on them being provided money and/or the vehicles in a donation manner. Issue number 2, I understand you have somebody on the staff of sunshine division who is a police officer. Again, just as long as we have a complete separation there on how they are being paid again, again and why I'm talking about this is I had an issue with how we were dealing with target on their security on having uniforms of Portland police being used as security for target but actually only representing target at the time. Again, it's just coming down to the equipment being used, complete separation and just keep it separated from the nonprofit to the city to the police, then I don't have a concern. Thank you.

Wheeler: That's actually a great idea. I'm going to follow up on that. That makes a lot of sense. Thank you.

Shedrick Wilkins: I tend of disagree with lightning. I think that the sunshine division is a good way for police officers to possibly in a friendly way go to people's homes, see how they are doing. Police officers can gauge whether there might be some economic problems in a general neighborhood. People are not feeding their kids. Not here to spy but to kind of feel, so I don't mind the police using police cars for this kind of thing. Also I think as a veteran it's interesting to note if the sunshine division was set up in 1917 it's possible that they were going into veterans who were fighting the war and seeing if the money that they get from the army or whatever, the military, is coming to their families and there thousands of miles away. So, I see the sunshine division as a way to kind of put your pulse on a neighborhood by giving food but also seeing the kind of people that you may have to use your law enforcement on.

Wheeler: Thank you. Good morning.

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Star Stauffer: Good morning, Star Stauffer. It's interesting that Shedrick ended his testimony with what he just said because that's actually my concern. The sunshine division in theory on paper seems like a really benevolent cause however in a city that seems to be confused about what sanctuary means, allowing officers to use police vehicles that to many people in the city are a show of force, a threat, to perform this supposedly benevolent gesture, it's not a good way to access communities at risk, access communities that have undocumented children or parents, access communities of color. Marginalized community members that are houseless, people with disabilities who all see these officers as dangerous to their status their lives, their children, their homes, everything. For them be showing up in uniform in these cars under what premise, how much are they being paid? What's the status as far as are they being paid overtime? Because if these officers that are being sent out are being paid all this money it's not really benevolent in theory or in fact. You can't have these officers showing up in neighborhoods to take the pulse of a neighborhood to find out do we need to send more cops to this neighborhood. That's not benevolence. That's a fishing expedition to target people and people don't want to see these things in their neighborhoods especially overpoliced neighborhoods. So this program needs to be changed so it's accessible for all. That's also going back to our sanctuary status as a city. So that children who really need this program feel free and safe to access it. Them and their families.

Wheeler: Thank you. Good morning.

Joe Walsh: Good morning. My name is Joe Walsh I represent individuals for justice. One of the things that occurred to me while I was listening to the argument was that last year we had dozens of people running around in their cars and their trucks delivering food, delivering emergency stuff like tents and all, and they were using Facebook to call for stuff that they needed, a stove, some outer wear, socks, some stuff for families. The thought occurred to me, you have two warehouses full of stuff and we have people running around delivering it. Can you get together? And have the people identified somehow where sunshine or police are comfortable with them like star. You know star has done it. You know Mimi has done it. On that level where the police are comfortable and somebody needs something that we don't have. That they could call somebody and say is it in the warehouse? Do you have one? A tent, something to eat, sleeping bags, blankets. Those type of items. It would be a first, mine you, little bitty, bitty, bitty step to bring the two groups together because right now one is here and one is there. Sunshine is doing good work, getting a great reputation all throughout the United States. Bring them together and say, okay, we need a tent. Who can we call? That's what they do on Facebook, but there's a delay on Facebook a lot of the times and sometimes it's so specialized that we can't find it. So this is another opportunity just think about that for a minute and I hope the police are hearing this and maybe they'll think about it.

Wheeler: Thank you, appreciate your testimony. Any further comments, questions? Please call the roll.

Eudaly: Thanks for the presentation, aye.

Fritz: Thank you for your work. Aye.

Fish: Aye.

Saltzman: Good work sunshine division and I definitely know how crowded your existing warehouse is in north Portland is. I'm really happy to hear about the new one in east Portland. Especially since it's near so many people that sunshine division serves. Keep up the good work. Aye.

Wheeler: Couple of good suggestions here during testimony. I appreciate it and I look forward to following up. Officer, thank you for being here today and thank you for your patience. Aye. The ordinance is adopted.

Item 1261.

Wheeler: Colleagues, this is a disposition item that Portland police bureau adopted, the use of a taser international cew model x26, back in 2005. Taser international ceased production of the x26 back in 2014. They are going to stop supporting this item, x26, at the end of the year 2019. As of 2016, the Portland police bureau transitioned to a newer, safer model, the x2 model, which is quickly becoming the standard. As of November 2016 the police bureau has 600 to 650 surplus x26 model tasers. About 60 to 70% of them are in usable condition and suitable for continued use. What that means is they are clean, fully functioning and they are undamaged. After transitioning to the new x2 model, several Oregon law enforcement agencies expressed interest in our surplus x26 models. Here to discuss more about transitioning the old tasers are captain bob day and officer Daniels of the Portland police bureau. Thank you gentlemen for being here.

Bob Day, Portland Police Bureau: Thank you, mayor, that's very succinct, covers really what we're here to discuss. I'm captain bob day with the Portland police training division., this is officer Eric Daniels he's our the lead in this program. In summary to go with the mayors comments we are faced with this additional surplus of merchandise and we have three choices. We can just have them destroyed out of the property room, which we probably have already done so with about 150 to 200 because they were inoperable, nonfunctioning. Another option would be to sell them as a private vendor that does that. We're not comfortable selling to a private vendor because once we release it to a private vendor we don't know what's going to happen to it next. So there is also some challenges there in the sense just because they say they give us for example \$200 a taser and we have 500, that doesn't mean that that's an automatic \$100,000 and they may say, we'll take 50 or we'll take 20 and we don't know exactly, but that is an option that council needs to be aware of, that there is an opportunity there but I do not support that at this time. The final one is to engage with your our law enforcement partners around the state. There are some smaller agencies that don't have a program all with this weapons system and I think it would be beneficial to support them, be good regional partners as well as agencies who are going to maintain the relationship with the x26 for the next year or two and are simply going to be in need of replacements and parts and so forth. It's not reliable for us, one because of our size and need, and two, the x2 that we adopted this past year is a safer, more effective model, more progressive along the lines of our force policy and our teaching, training, et cetera. It's pretty straightforward, is do we just keep them and send them to the evidence division and have them destroyed? Once again, the sale option, retail option which we don't support at this time but is an option as well as the preferred method would be to donate them to a handful of agencies that have stepped up and pursued us and asked if we would be willing to do that. That's the purpose for the ordinance.

Wheeler: Very good. Officer, anything to add?

Eric Daniels, Portland Police Bureau: No, sir.

Wheeler: Commissioner Fritz.

Fritz: Are the pieces of them are they recyclable?

Day: Are they recyclable?

Fritz: Yea, if you take it apart are there things that go in various waste streams?

Day: I don't know what the property evidence division has done with them. I would have to check with them to see if there's recyclable nature to it, I'm not sure. That's a good question.

Fritz: We'll check with the bureau of planning and sustainability their always coming up with new things.

Day: That's an excellent question.

Fritz: Thank you.

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Wheeler: Commissioner Eudaly.

Eudaly: So, if these tasers are unsupported what use or interest to other law enforcement agencies have in using them?

Day: Well, unsupported in a sense that you cannot receive replacement parts. You can't have them fixed for years we would if a taser broke we would have an agreement we would send it back, they would fix it, replace it, we could get holsters, cartridges and so forth. None of that is available any more. This is kind of like having an older model car where you can't get parts for it anymore so you try to go out and find other older model cars. The smaller agencies which only have a fixed number of tasers maybe 8 to 10 to 12 you know it's in their benefit to have five or six or eight or ten on the shelf so they can either replace immediately or use parts interchangeably. When we say not supported holistically the program's not supported and they know that. So, that's why they are approaching us saying, can we have what you have left over.

Eudaly: It's just a matter of age, not quality of the item?

Day: Correct. It's a business decision by the company. It's sort of like buying a new iPhone where they have a new cord out and you have to get this and this and this to go with it. Same thing when we went to the x2, we had to buy new batteries, holsters, new equipment to support it.

Eudaly: Little different than a, I know what kind of iPhone you're using. I'm kidding.

Saltzman: So, there's been no finding of a product defect in the x2, there's been no recall by the manufacturer of the x2? Anything like that?

Day: Not at this time. We purchased those x2s was it a year ago?

Daniels: 2014.

Day: 2014 My bad, so a little over two years ago now and you know continue to have the partnership that's working, no recalls, no issues like that.

Saltzman: Why does a company after only two years.

Day: oh, no it was the x26 the x26 they had since 2004 they stopped in 2014 supporting that. So, they have gone to the x2 a couple of years ago and that's when we transitioned.

Wheeler: Thank you, gentlemen. Public testimony?

Moore-Love: I have five people signed up.

Wheeler: Two minutes each, please.

Joe Walsh: Good morning for the record my name is I'm joe Walsh I represent individuals for justice. No, no, no, no, no. You have all seen the programs on tv where they get all these guns. The cops confiscate these guns and they pile up and then destroy them. One would ask why would they do that? That's valuable stuff. Each of those guns cost a couple hundred bucks and they destroy thousands of them. The reason that I was given was they don't want them on the streets. They want them destroyed and that's what I want you to do. I want you to destroy this stuff. Don't give it away. Don't sell it. Don't pass it on. Destroy it. That's our position. These are instruments of torture and police have gone up on charges for using them as instruments of torture. So we're saying to you burn them, crush them, put them someplace where nobody will ever even know what they were. Because it's our shame that we had them.

Wheeler: Thank you. Good morning.

Mimi German: Hi my name is Mimi German and I would like to say that it's a shame that today's agenda list was so long. I have a feeling that we were backed up because Chloe decided to go out for coffee two weeks ago and this is an issue. You know, I'm a citizen in the city and I am self-employed and I decided that in order to testify against this I had to wait this long because Chloe Eudaly decided to play hooky a few weeks ago, but getting to this subject I agree with joe. All of these tasers and everything else the entire list should be destroyed. I also am really upset that questions that are being asked today weren't asked

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when the cops came for more money for more bullets and more gear. These are the questions that need to be asked. Why do you need that? What did you do with the other ammunition that you had? How much is left? Let's do an audit on what you have which is why you're asking for money so we can actually be sure that we should be giving you money for the things that you're asking. Today we have this issue where they have gear that still even though it might be a little bit outdated still works and yet they have been given all new more money for new gear. Destroy this. It should not be passed on to anyone. It's dangerous. Can we just be done with this? Let's ask questions in the future before we get to this place again.

Wheeler: Thank you. Good morning.

Nancy Newell: Good morning, my name is Nancy newel. My right to speak for three minutes was removed from me without my knowledge. I signed up two months ago to testify on the Columbia generating station. I'm here to protest that right now. It was never indicated to me I had to sign any sheet or had to have documented from the auditor's office that I had signed up. I don't know what's happening to this council and this handling of public affairs. Public citizens are being shut out and we're in the middle of a nuclear power crisis with a plant that's melting down and in December that's what's going to happen with freezing weather because here's the chart. Last year and there was no reports on it for five months by 28 public utility owners. That's a form of a taser with us getting cancer the record numbers in women breast cancer. I want to put that on the record because you're not paying attention to critical safety issues as commissioners of this city nor did you pay attention to Enron and I was confused of being unknowledgeable and not knowing what I was talking about and you allowed them into this city. This commission that's supposed represent the people. So today I'm going to put that on record and say with these guns how dare you. How dare the police department have that choice, with the trump administration we don't know where these are going, we paid for it. Do you think that's not on our conscience? Do you think we want to live in a city that would make that kind of choice when we have all the recycling techniques you could possibly have? We're honored throughout the world practically in our efforts to try to recovery and use best ways for any of here's materials that are getting rarer and we're going to give away to unknowns through the police department? Who gave them that authority? You're the police commissioner. You should never allow that to happen. There's smart ways to do this and for some reason this city goes down the path wastes everybody's time. I have been here for hours just to get this public testimony in. Why does it continue? Why does this happen? Why don't you listen to the people that are making sense? It doesn't make any sense to me.

Wheeler: Thank you. There any further public testimony on this item? I'm sorry, sir.

Moore-Love: Star and Shedrick.

Wheeler: Thank you.

Star Stauffer: Good morning again, or rather afternoon at this point, star Stauffer. Destroy these things. First of all I'm not really sure why the police felt that they needed to upgrade to a new, smarter model of taser. I'm not even sure why any of you are comfortable with them carrying tasers considering they disproportionately overuse them on people with mental illness to the point at times resulting in the death of the person. Then when it comes to children of color, like quanice Hayes they're not even used they just go right for their guns. So it seems like either they don't know how to use them, overuse them or just flat out disregard them to the cost of \$1.8 million now to the taxpayer and people's lives. Literally. These tasers do not need to be given to any other city agencies. We don't need to be giving these to people with dps st certification so we can have more cronies for the police in parking garages and retail stores armed with these weapons that have been used

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to kill people that can be fatal, have been fatal, and not only that after five year shelf life can't be proven to be effective when used, in stun or firing mode or firing mode. Which is the justification that the police are using to want to upgrade. Not only that, because of the way that the firing happens, with the way they can deliver the waiting period in the taser, this new taser allows them to fire without having to reload the way they would with the x26. They are just up grading for a newer, smarter fun toy, a tool of torture so they can control people with mental illnesses rather than actually taking training to talk to these people, communicates with them and bring them down to a level of calm while they make them feel safe. Communicate with them. Instead they tase them and torture them sometimes to death. I'm just wondering at what point is it going to stop? \$1.8 million for tasers, \$4 million for practice bullets. What's next? Honestly. Wake up.

Wheeler: Thank you. Good morning.

Lightning: Good morning, my name is lightning I represent lightning super watchdog x. City of Portland a weapons dealer, not going to happen. Not going to happen. So that's plain and simple. We're not going to be a weapons dealer. Not going to happen. Now, the x26 has had some problems on the trigger. It's been stated numerous times that it has a touchy trigger the allows more time to go without really them thinking it's happening. With that in mind, that is a malfunction of taser and my recommendation again do not become a weapons dealer at any cost. The reason is if something does malfunction and you do happen to allow that to be donated to someone else and they do get hurt, there's no agreement that you can remove your liability at that point. No agreement in the world that you could have them sign. Do not become a weapons dealer at any cost where you're delivering that to someone else and a malfunction can happen. You are the weapons dealer at that time. Do not put yourself in that position. Go back to taser. Explain the malfunction that happened and ask them to give you a credit for a certain amount of dollars for the malfunctions that have taken place in the past and that's why you've upgraded to this new model. Do not become a weapons dealer. I'm sure taser will take good care of you when you take those back to them and they are weapons dealers and they can accept the liability. Thank you.

Wheeler: Thank you. Good morning.

Shedrick Wilkins: On this one I do not believe in tasing people at all. I think it's a form of public electroshock therapy like the police running their own mental hospital. It should not be done. I do believe this is a healthy suggestion that I was bitten by a dog one time that ran out and bit me and if I had a taser I would have zapped him. Just telling you. Again, when you I would hate to say people would say you can't shock a dog but you can shock a person. So why don't you give them to postal workers or animal control for Multnomah county. I would've tased that dog. It had no business running out in front of me, biting me on the rump. I would have tased it and like I say when you're dealing with a person you point a gun at somebody you're dealing with something intelligent. I'm not sure an animal understands that. Thank you.

Wheeler: Thank you, commissioner Fritz.

Fritz: I with have a question if captain Day wouldn't mind coming back, actually I have two questions. The first is do we test the ones that we give or sell to other police departments so we know the one we're giving them is somewhat functional?

Day: Oh, yes. We go through all of them before we pass them on to some else, yes.

Fritz: And so, presumably the ones that don't work at all they go to recycling or destroyed. Right?

Day: Correct.

Fritz: Is there a waiver of responsibility that is part of handing them over? Is there anything that requires the new police department to destroy them once they are not functional? I

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wouldn't want them to be passing it along down the line.

Day: Correct. We can certainly have an mou drafted. The next stage would be the next stage would be to have some type of agreement put in place so once we pass them on they would make sure they are destroyed and they're not utilized anywhere else.

Fritz: Thank you.

Wheeler: Any other questions? Please call the roll.

Eudaly: I do have a question.

Wheeler: I'm sorry, commissioner Eudaly.

Eudaly: I apologize if this was already addressed, but why did the bureau simply not use these tasers for their entire life span? Why replace them?

Day: Well because it was becoming too difficult to get the ones that we currently had, the x26 cause an agency our size we have 800 plus of them, so as they began to break down it became more difficult to get parts and more difficult to get service from taser on those. We just recognized number one that there's a business side that we can't keep up with because we couldn't get things replaced, so now we had officers who didn't have the system. Second, though, going to the x2 in 2014 there's been a few comments made in regards to that, it's actually allowed us to have more control over the application. For example these new x2s have a battery on them that shuts off after five seconds. We have always required an evaluation at five seconds, but this mandates it because the taser actually shuts off at five seconds and forces the officer to reevaluate and reassess, that's one of the advantages. One of the other things that one of the people who spoke commented on, yes, it does carry two cartridges so there's not the need to manually reload, but it's also limited to two cartridges where previously we carried three cartridges. So, we believe it also requires more thoughtful response, utilization of the resource. This is just a more efficient model, it's a safer, more effective model and that's why we went there.

Eudaly: Thank you.

Wheeler: Any further questions? Please call the roll.

Eudaly: So, I'm not comfortable or in support of the use of tasers in general. There's no way for an officer to look at an individual and assess whether they have one of many health risks that could put them in danger of serious injury or death. I think that these tasers should be used until they are not usable and then they should be recycled. I can't support reselling them to other agencies. I vote no.

Fritz: Move to remove the emergency clause.

Fish: Second.

Wheeler: We have a motion and second to remove the emergency clause for further discussion. Call the roll on the amendment.

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

Wheeler: Aye. The amendment passes. This becomes a first reading of a nonemergency ordinance and moves to second reading. Next item, please.

Item 1262.

Fish: Can we read this along with 1263?

Wheeler: Please call 1263 as well.

Item 1263.

Wheeler: Commissioner Fish.

Fish: Welcome Scott Gibson from the bureau of environment services and Larry Pelatt interim chief procurement officer who are going to present us with two bids for our consideration. Scott, take it away.

Scott Gibson, Bureau of Environmental Services: I'm going to turn this over to Larry and I'm here for questions.

Larry Pelatt, Procurement Services: Good morning, commissioners. I'm Larry Pelatt,

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interim chief procurement officer. I know we're behind. I'll go to the short version for 1262 is a bid from Moore ask vacation for the slab town sewer replacement. \$8,423,219 I'm going to skip the middle. It is 4.83% under the engineer's estimate. We had identified the traditional 20% goal. There's a total of \$806,000 or 9.5% dmwsb participation. Dbe, 5 firms, that's \$750,000 doing trucking, saw cutting and traffic control. Wbe, 2 firms, \$31,000 doing cctv and potholing. Esb 1 firm at \$29,000 doing rodent control. Moore excavation is located in Fairview, Oregon, they are not a state certified dmwsb contractor. They are in compliance with all city of Portland contracting requirements. The funds are available in the cost center e1063.c60. Council has any questions relative to the bidding process I can answer those or obviously there are bes personnel and I believe Gary Stevens from Moore excavation is in the audience if needed.

Fritz: Any questions, colleagues? I have one. I know that we do see Moore excavation quite a lot and I appreciate you being here again. The next time you come with one from their company I would like to see what their usage of disadvantaged emerging small businesses and women and minority businesses is over time because I understand they are doing their own a lot of their own work. I'm also interested in how well they are bringing people of color and women into their business. Then over time I would hope as they continue with their diligence and as you continue with theirs to work with them that there will be more participation to get to our goals.

Pelatt: Commissioner would you like that as a report delivered to you specifically or would you prefer that general report in council?

Fritz: I think everybody would probably and not specifically for this one.

Pelatt: Right. Just a chronological history kind of thing.

Fritz: The next time.

Pelatt: Sure.

Fritz: And indeed this is one that sticks in my mind because I appreciate you coming every single time that's very helpful. There are other firms that get a lot of contracts from the city and I think that would really help me to see are we making any progress at the time.

Pelatt: I can do that.

Fritz: Thank you.

Pelatt: Thank you.

Fish: Madame president why don't we also go to 1263, it's another bid report. Let's put that in the record, see if there's any testimony on either or both.

Moore-Love: Should I read the title?

Fritz: Yes please.

Item 1263.

Fritz: We welcome back Scott Gibson from the bureau of environmental serves and Larry Pelatt interim chief procurement officer. Gentlemen.

Larry Pelatt, Procurement Services: Good morning commissioners Larry Pelatt procurement services. You have before you the procurement report recommending contract award to Landis and Landis for the Concordia sewer project at \$4,876,431, which is just 1% over the engineer's estimate. We had identified the traditional 20% goal. There is a total of \$985,000 equates to 20.1%, dmwsb subcontractor participation as portioned as follows. Dbe, three firms doing \$735,000 trucking, traffic control and saw cutting. Esb, \$250,000 in trucking. Landis and Landis is located in Marylhurst Oregon. They are not a state certified contractor, they are in compliance with all of the city of Portland contracting requirements. So, if council has any questions about the process again, I can answer those or Scott is here.

Fritz: Questions? I think that's it. Does anyone want to testify on either of these items?

Fish: Madame president I move the report in 1262.

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Fritz: Is there a second?

Saltzman: Second.

Fritz: Call the roll, please.

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

Fish: Madame president I move the report in item 1263.

Saltzman: Second.

Fritz: Please call the roll.

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

Fritz: Aye. Thank you.

Pelatt: Thank you all very much.

Fritz: Thank you very much.

Fish: Gentlemen.

Fritz: 1264, please.

Item 1264.

Eric Johansen, City Debt Manager, Office of Management and Finance: Good morning mayor and council members Eric Johansen, city debt manager. This first ordinance today authorizes the issuance of short term urban renewal and redevelopment bonds to fund a portion of prosper Portland's annual capital projects in six of the city's urban renewal areas. You may recall short term indebtedness implements the pay as you go or cash finance portion of prosper' s capital program. Short-term debt or sometimes we refer to it as du jour financing allows the city to comply with constitutional requirements that tax increment revenues be spent only on indebtedness. This particular ordinance authorizes a maximum of \$98.8 million of short term bonds to be issued each year among the six districts. Each district is also subject to its own annual cap based upon how much revenues are expected to available for the cash financing. This authority provided in the ordinance will expire June 30 of 2020.

Wheeler: Did you also read 1265 with this item? No? Could you also read 1265, Eric? We'll get to that and I'll go ahead and give some introduction on that.

Item 1265

Wheeler: Colleagues I'm reading these together because they are directly related. This authorizes the city to refinance or refund any outstanding geo bonds, general obligation bonds to meet the debt service saving requirements embedded in the city council's adopted debt policies. This is an authority that expires June 31, 2019. The debt management group's requesting this authority in order to react more quickly to changes in interest rates that present debt service savings opportunity, something we want to take advantage of. Additionally due to provisions in the pending house and senate federal tax bills the ability to advance refund bonds may go away entirely either as of December 31st, 2017, as currently proposed, or in some later date might be included in the final bill, either way it's a detriment. If the later date is included in the federal tax bill approval of this ordinance may allow the city to go ahead and advance refund bonds within a narrow time window before the prohibition takes place and obviously Eric will be discussing this as well.

Eric Johansen, City Debt Manager, Office of Management and Finance: I think you captured pretty much the idea behind this ordinance. When we filed it initially we only wanted to get the additional flexibility to move quickly on these refunding opportunities. After we filed the tax bills dropped and we were shocked to find the prohibition on advance refunding in those bills they are in both bills. So we're not especially confident at the moment that we'll have that option going forward. We are hoping that maybe congress will have a different implementation date, something other than December 31st deadline that we have now which essentially says we can't issue bonds in that time frame. So we're waiting to see what comes out of the tax bill. If it passes in its current form we will lose one

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of our options for refinancing outstanding debt, all debt of the city.

Fish: Mr. Johansen I have a question for you. We have heard recently that the consumer price index maybe inching up north of 3%. We heard from the fed they may be considering a rate hike sometime end of the calendar year. There obviously we have unique circumstances locally in terms of inflationary housing prices, impact on housing prices among other things. What do you anticipate will be the interest rate on this debt?

Johansen: We actually have no sale currently scheduled at the moment, but all of the things that you mentioned do suggest we may see an increase in rates going forward. In addition, reduction in the marginal tax rate is a negative for interest rates on our debt.

Fish: I'm mostly familiar with the debt that utilities float. It's been understand 2% interest rate has been under 2% for a while. What's the range we could be looking at?

Johansen: Historically, and we're in a period of historically low rates, but for example when I started 30 years ago we were seeing rates around 12, 13%. We are telling bureaus to forecast for say a five-year horizon. We have usually advised around 5% as an estimate of taxes and upgrades. That rate has been very conservative given what's gone on in the market.

Fish: Very conservative. It's the reason why there's a big delta between the five-year forecast and the numbers that we plug in and the actual rate that the utilities adopt. One of the big factors is we forecast 5, 6% on the interest and it comes in at 1 to 2%. Are we on the verge of getting out of this sweet spot in your opinion in terms of favorable interest rates?

Johansen: I think the things on the horizon suggest that may be the case. A lot of things that come out of this tax bill marginal tax rate reductions mean that the value of tax exemption is less than it has been historically. That alone should be something that moves rates upward.

Fish: Thank you.

Fritz: I have a question, does our government relations team and our lobbyists in Washington know about this concern?

Johansen: Absolutely.

Fritz: And our entire delegation does too?

Johansen: Very much.

Fish: One member of the delegation is an enthusiastic supporter of these changes so we have a bit of a quandary.

Wheeler: I have actually reached out to our delegation and u.s. conference of mayors is very aggressively pursuing this. I'm also reaching out to that individual in our delegation who is on the other side of this to hopefully persuade that individual that this is actually a good thing for all municipalities regardless of political stripe. Any public testimony on either of these items?

Moore-Love: No one signed up.

Wheeler: Please call the roll on item 1264.

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

Wheeler: Aye. The ordinance is adopted. Please call the roll on 1265.

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

Wheeler: Aye. Please call item 1269.

Item 1269.

Wheeler: This is a second reading its already been presented, there's already been testimony. Please call the roll.

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

Wheeler: Aye, the ordinance is adopted. Please call 1270.

Item 1270.

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Wheeler: This is also a second reading. Please call the roll.

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

Wheeler: Aye, the ordinance is adopted. Please call item 1266.

Item 1266.

Wheeler: Colleagues in brief this action approves the funding the city council has already approved in the budget in the fall bump for the joint office of homeless services. It realigns the federal funding allocation and it incorporates the funding passed by the council in the fall bump. Kurt's here to answer any questions you have about this.

Kurt Creager, Director, Portland Housing Bureau: Thank you mayor, members of council I'll be very brief, Kurt Creager housing director. There is a variance I want to note its positive variance between what was adopted in the budget and what is now being finalized and as mentioned or inferred by the mayor, this \$650,000 add in the fall bump is now reflected here and because we had to project awards for the federal housing for people with aids and the emergency solutions grant we now have final project numbers and the federal funding actually went up a couple \$100,000 dollars.

Wheeler: Very good, any questions? Is there any public testimony on this item? Please call the roll.

Moore-Love: I believe they left.

Wheeler: Please call the roll.

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

Wheeler: Aye, the iga is approved. Please call item 1268, please.

Item 1268.

Wheeler: We have a representative of the bureau of transportation, good morning.

Marty Maloney, Portland Bureau of Transportation: Good morning, mayor, commissioners, my name is Marty Maloney with the pbot right-of-way. Agenda item 1268 is authorizing the domain authority as well as to give the city the ability to offer just compensation for needed permanent and temporary property rights associated with the St. John's truck strategy phase 2 project. The property rights in question are needed for construction of traffic calming features, pedestrian crossing improvements, sidewalk infill, bicycle safety improvements along the project parameters and the project will also realign certain intersections for safer turning movements. I would also like to add all affected property owners have been informed about the city's need for permanent and temporary property rights and are invited to attend the reading of this agenda item. If you have any other questions.

Wheeler: Commissioner Fritz.

Fritz: So I noticed in exhibit A that almost everyone in these is temporary construction easement but there is the one permanent right-of-way vegetation, could you talk a bit more about that please?

Maloney: Yes, so the permanent acquisition is actually needed for, to align the right-of-way. It actually juts out into about 10 feet past the other property owner's property lines. So by, we basically need to acquire that to have the sidewalk that would be, I apologize, the separated sidewalk feature.

Fritz: Are you the property owners at the back? You are the property owner? Great. So I will hold my questions and listen to your testimony, thank you.

Wheeler: Very good, any further questions? We'll take public testimony. Thank you for your patience today, we appreciate it.

Stefani Hayes: Thank you for your time. My name is Stefani Hayes and I am one of the owners of the property in question that goes 10 feet beyond the others. It's an old property in the 1909, and so my property goes from jersey back straight onto Lombard and my partner and I have owned the property since fall of 2013 and this is the -- we found out this

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weekend through certified mail about the possibility of this acquisition and this was the first time of us being informed of this. I think that that was simply due to the timing of our purchasing of the property since a lot of the St. John's truck strategy phase 2 was in development through 2011 through 2013, early 2013. I have tried to bring myself up to speed on the St. John's truck strategy phase 2, in the past few days, and over these past four years, my wife and I and our two kids have put a lot of love and hundreds of hours of work and thousands of dollars into our backyard, we have three outbuildings there that we have built, there is a garden shed, a chicken coop and a big playhouse for our daughters. We also replaced and extended the fence along Lombard and completed the mature tree border, between our property and Lombard, with the goal to minimize the noise and the pollution from Lombard. In reviewing the proposals, and I realize that there is a design for north of Reno, which is north of our property because there are some other properties that face Lombard and go directly to the street, and there is a wide right-of-way on Lombard, and my readings of it, it's about 60 feet and in that area there is the ability to go inward from the curb to create a sidewalk. My request and I believe that this is before you as an opportunity, is to do the same in my section, to go inward from the curb to the sidewalk. I believe in, in my understanding of the strategy that that would still allow for plenty of accommodation of the other goals of the St. John's truck strategy. It would continue the goal of traffic calming and lane narrowing as it goes into that S curve. I am told that the possible loss would be on parking on my side. In my reading of the largeness of the right-of-way, I am not certain that that would happen because there will not be a bike lane in my section, but if that were to be lost I do not find that as a loss. There are no houses that face Lombard from my section except one on the corner of Reno and we have had some issues with a lot of abandoned vehicles being in that area, not used commonly for parking by the locals because it is such a busy street. So my hope is that the committee would consider the opportunity to go inward from the street for a sidewalk rather than the expense and the detriment to my family of having to acquire our property for that purpose. Thank you for your time.

Fritz: Given you just found out about this over the weekend, colleagues, I know this is not an emergency ordinance. Certainly when we are talking people's properties, that's a hugely important thing so I am wondering if staff could meet with you on the site and have a discussion before we vote on it?

Hayes: That is planned, at least we are able to meet on this Friday with the, I believe, the director of the project, and potentially the project designer.

Wheeler: Great.

Fritz: If you could do that and send us all a written comment as to whether you are ok with it or not I would appreciate that. You could send it to Karla.

Wheeler: We are not voting today anyway so I am glad that you have arranged for this.

Fish: I think it's worth noting, colleagues, that however this comes out, you came to us today and you said you just got a notice, you did a crash course, you made one of the more cogent and thoughtful presentations on an issue, and we are not up – not the ones who currently can resolve this because staff has to look at it, and you have a million other things, you said you have kids so just can imagine, but I want to compliment you on the preparation because you've come in at the 11th hour and have given us something to look at that's important and you've done it in a thoughtful way, and I want to note that.

Hayes: I am grateful to the help, I reached out to the St. John's neighborhood association and members who have been involved in this truck strategy for many years since the public comment period in 2011 and beyond and they were able to educate me on a lot of the other possibilities that I believe will be in everybody's best interests.

Fritz: Since we're not voting today, I know for myself if we move it to the second reading

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next week if you were to say that you are not satisfied and would like more amendments I would certainly hope that we would entertain those next week. Would that be all right with you?

Hayes: Yes, thank you.

Fritz: Thank you.

Wheeler: Commissioner Eudaly?

Eudaly: I have a question for staff.

Wheeler: Thank you for your testimony, we appreciate you are being here and thanks for your patience. Come on up Marty.

Eudaly: Could you tell me what exhibit specifically refers A25 ok, sorry I didn't go far enough and will this bring traffic closer to the property owners' backyard?

Maloney: No. Basically we would be completing the sidewalks in front of the property. So the roadway would not be getting closer but a little farther away.

Eudaly: And whatever is discussed with the property owner, it would be helpful for me to have a visual of what she's proposing versus what we are proposing because I am not tracking the 100 feet from the sidewalk.

Maloney: Definitely yea, and this is something since Stefani brought this up, the project team has talked about it, and maybe potential alternatives, we don't have everybody onboard yet. So we're still trying to figure out some potential alternatives, but like Stefani had said that there would be loss of on-street parking if we were to bring the curb out and put the sidewalk farther out into the right-of-way, but that's something that we're looking into, and so.

Eudaly: I am sorry, I am not done. Of course eminent domain are not friendly sounding words that I think that any of us feel particularly comfortable with, but in the event that did happen, how is the property value determined?

Maloney: So in this case we would have an mai appraiser come out and value the property along with the improvements that are affected as well. The property owner would also get relocation benefits for the outbuildings that she was brought up as well.

Eudaly: And the fence?

Maloney: And the fence, provided that stuff would be valued in the appraisal. So they would be compensated for it.

Eudaly: Thank you.

Fish: The question, I have not gone through the fine print here but do you want us to hold this up and see if we can resolve this, or is this a discreet part that can be pulled out and the rest moved forward?

Maloney: It would be nice to have it move all the way forward together, and I am hoping we can.

Fish: Excuse me together? Do you want it to all go together?

Maloney: Yea, yea.

Fish: That's all I need to know, just curious because sometimes we pull something out and look at it, but if it's all of a whole, then we'll just set this over.

Maloney: Yea, I am hoping when we meet on Friday we can come up and also going back to the project team that we can find a common ground on this.

Wheeler: Very good, anything else? This is a first reading of a nonemergency ordinance it moves to second reading and just a reminder we are setting over 1267 to next

Wednesday, item 1259 will be read this afternoon at 4:00 p.m. we are adjourned until 2:00 p.m. this afternoon.

At 12:43 p.m. council recessed.

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

November 29, 2017 **2:00 PM**

Wheeler: Good afternoon everybody this is the Wednesday afternoon session. The first wednesday afternoon session Portland city council november 29, 2017. Karla, please call the roll. [roll call taken]

Wheeler: I read the full statement this morning. I'll just summarize it. Treat everyone with respect. Opinions will be stated that will not necessarily comport with your own opinion. That doesn't make it wrong. And everybody has a right to testify and to be heard and respected. So let's create a good, safe and environment for everyone. If for any reason someone can't handle that they will be asked to leave. If they are asked to leave and they don't they are subject to arrest for trespassing. Obviously we don't want that to happen. If anyone is here as a lobbyist, council rules require you to please disclose that. If you're here representing an organization that is certainly helpful as well. Traditionally we do not take testimony on reports. I have made an exception this afternoon. So we will be taking public testimony. Usually we give three minutes and I don't know -- how many people do we have signed up?

Moore-Love: We don't have a sign-up sheet.

Wheeler: If people would like to testify, find Karla. She's right there. We'll make a decision on how much testimony. I plan for two, maybe it will be three depending how many people have signed up. Thumbs up if you like something, thumbs down if you don't.

Item 1271.

Wheeler: Commissioner eudaly.

Eudaly: Thank you, mayor. It's a pleasure to bring forward the 2017 historic landmarks commission state of the city preservation report. This commission will be presenting their 9th annual report before council. This commission has actually been operating in the city of Portland since about 1975. Providing leadership and expertise on preservation and maintaining and enhancing Portland's historical and architectural heritage. This report comes to council as an important time for the city and its historic overlay district. With the residential construction and commercial building industry development appreciates increases in Portland's older neighborhoods and commercial corridors are under pressure. Our historic neighborhoods deserve the appropriate protection and development community deserve predictability that will enable us to meet density and housing production goals. The historic landmarks commission, sorry, I have a cold. Continues to advocate for protection of the city's older building stock and fair and predictable reviews. I look forward to hearing more today from the commission members and interested public and am committed to supporting the commission in all of its efforts. Chair kirk ranzetta and vice chair kristen minor are here to present the report. Welcome, commissioners.

Wheeler: Good afternoon.

Kirk Ranzetta, Chair Portland Historic Landmarks Commission: Good afternoon. I'm kirk ranzetta. I'm joined by --

Kristen Minor, Vice Chair, PHLC: Kristen minor. Also, most of the other landmarks commissioners are in the audience today.

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Wheeler: Thank you.

Ranzetta: If you would stand up -- [laughter] thank you. Karen Carlson this is her final I guess week or so of being on the commission after eight years of service. So I think it's fairly significant because she has been integral in preparation of these reports and made them a heck of a lot more readable and better to look at certainly since I have been on the commission. I really want to thank city council for the --

Fish: Can we suspend the rules.

Wheeler: Absolutely. Thank you. [applause]

Ranzetta: Thank you very much for the opportunity to come and talk to council today about the status report. In the introductory letter I wanted to highlight the folks of the city of Portland in their endeavors to conserve the built environment. Outside of what we do at the historic landmarks commission, outside what city council does and other organizations do dedicated to preservation, bottom line the folks of Portland individually often undertake efforts to conserve our heritage without the expectation of recompense sometimes. I think it was important to me as my final year as chair to make sure that message got sent across to our political decision makers too because I think we're at a critical time now where I think we need to kind of lift up the folks of Portland to take historic preservation to the next level. I think that's the primary message of our report this year. We're a commission of seven members with several new members who have come on the board fairly recently. We continue to change and evolve over time with a great number of folks with very specialized and high-level expertise in the field. I also wanted to have a shout out to our staff on the commission both Hilary Adam and Brandon Spencer-Hartle, who have provided us with very great guidance over the past couple of years, several years in their service to the commission. This is just a very quick and dirty map of Portland's designated historic resources to give you the impression of where they are located. These are the designated resources, they include districts as well as individual properties. They are largely centered on the west side as well as in some of the pockets of districts that we have, Irvington, Ladd's Edition and Mt. Tabor. There's also some fairly significant blank spots in the city where there are very few designated resources, more specifically to the east side of 82nd and then also south, largely of Division. When you look at the distribution of resources, they definitely peter out the further you go away from center city.

Fritz: There's another two miles of Portland below where it's being cut off. If we could possibly have the -- talking to staff, I would like to be able to look at the whole city rather than it getting chopped off at Vermont.

Ranzetta: Great. Definitely agree to that.

Minor: If I might add that doesn't mean there are not historic resources in those areas, it just means they have not been designated.

Ranzetta: Right. We'll be talking about the need for the update, the HRI. That's one of the reasons why we would like it updated is to get a better understanding of what's out there because it's largely not understood at this point. Over the past year we have had a number of different accomplishments. City Council's signature we have a new Chinatown, Japantown district guidelines. We have provided advocacy pieces to city council as well as to BDCs and BPS staff on the 2035 Comprehensive Plan, Dozo, residential infill project as well as several pieces of legislation and rulemaking including House Bill 207, Goal 5 rule changes, some ongoing legislative work. We have had quite a few public hearings. 26 public hearings that you'll see the breakdown in the slide. We have also had commission retreats with city staff and we were joined by Commissioner Eudaly's chief of staff to understand some of the range of issues that we have been experiencing over the past year. Staff should be commended for the number of different cases that they have been experiencing over the past year. Certainly an uptick over the past several years in terms of

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number of applications for type 1, type 1 x, and type 2 applications. We have also been reaching across the aisle to other commissions including the design commission as well as the planning and sustainability commission. We get together just to understand the broader issues that each of the commissions are facing within the development world. And we have also been fortunate enough to be working on the historic resource inventory plan which was fortunately funded this past year.

Minor: Now we're going to highlight a few issues, five of them to be specific, and we'll start with public perception. This is an interesting one because over the past year or maybe a little more it seems that there have been a lot of unfair accusations lobbied especially at historic districts but even preservation as a whole that it represented people who wanted to just pull up the ladder, that maybe it was keeping out the wrong kind of people, perhaps nimbys are blocking density, clipped out a few headlines as examples there on the bottom. The Portland historic landmarks commission is on record supporting added density in all of our historic districts. If that density is secondary to the historic pattern and the buildings. So it's really the zoning that prevents density, not any historic designation. Because of this, we do recommend that the 2035 comp plan should include some additional incentivizing tools to promote adaptive reuse. We also wish to remind council how important it is for an updated historic resources inventory so that we do -- we can even know what is historically significant, especially in areas that have never been surveyed. The last historic resources inventory was in the early '80s, a long time ago. Finally, cultural outreach and incentives so that we can get historic designation for more modestly scaled areas. It's important for us all to hear these stories. It's not just stories of the sort of more wealthy individuals in Portland that are important. Next issue is housing affordability. This is a very complex issue, but it does bleed into historic preservation primarily with the issue of demolitions, and there have been a continuing spate of demolitions, especially smaller, older housing across our entire east side of the city. Also just to point out that it is often the older buildings that are precisely those that are the more affordable buildings in the first place for rent. And we can learn from other municipalities. So i'm citing one from Chicago who developed a system of incentives and kind of preservation policies to ensure that all of their single-family housing could be rehabilitated and more density could be added but that specifically all of their what makes Chicago so important in terms of their close-in suburbs is all of these 100,000 bungalows as they called them. Our recommendation is we can learn from other municipalities, that we can take these lessons as well as our own observations that allowing unchecked demolition does not result in new affordable development.

Fish: I can just make a comment on this? I saw in your report there's a page 8, a little profile of the Brona apartments, 11 by 13. It's an excellent write-up but what's missing is how controversial that was when it was actually on our radar. Because it's an older building, there was some additional cost associated with preserving it.

Minor: Right.

Fish: We got into this quagmire of, well, you can drive down costs by doing housing somewhere else as if there was an infinite supply of replacement land, infinite supply of replacement dollars to build housing and there was actually an apples to apples. In spite of some vociferous critics that building was preserved and what I find particularly -- what I'm particularly proud of about that building is it houses the lowest income typically most disabled older adults in our community across from probably one of our premier parks. Juxtaposed in the heart of our city. To me that speaks volumes about our priorities as a city that we would preserve that building and help fund this beautiful park adjacent to it. But cost became a big -- some housing advocates were highly critical of the cost of preserving that and my view was compared to what? There isn't some replacement housing two blocks away and it would cost more to do new. It's a treasure. That building is an

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irreplaceable treasure in my opinion. I appreciate the write-up. I appreciate the context you're giving us about housing affordability.

Minor: Okay. Very good.

Ranzetta: I would definitely agree with you on that particular project. In looking at some of the records behind this and also it's an example of how public and private sector can engage in projects that increase the opportunity for affordable housing within the inner city of Portland. Why not put some of the most vulnerable folks in historic buildings that engender a tremendous amount of civic pride. So I think that it's a great point.

Fish: Thanks.

Minor: Before I move to the next slide I just wanted to make one more point, that Portland historic landmarks commission definitely has talked about and volunteered to be kind of part of our working group to really work on further incentives that prioritize retention of housing and these are complex issues. There's no question that sometimes it can be cost, sometimes it can be lead paint. There are issues. But we would like to volunteer to be part of a working group to continue to work on incentives. Next issue is really about development and compatibility. Compatibility is a critical component of historic resource reviews, which is what we do. Specifically in historic districts, everything within a certain boundary is meant to retain a visual coherency. So it's meant to be understood as a whole. That's why compatibility is so critical for most of the new projects that we review in an historic district. We have pointed out that height, massing and volume are a big part of compatibility. Providing maximum heights or fars that are way above those in the historic district tends to put us in a contentious situation because sometimes we have to say no at a fairly late stage in design where a developer might already be counting on achieving those maximums.

Fritz: How could that be addressed? How do you see that being better addressed?

Minor: The first recommendation is that we are asking you to consider lowering some of the heights, especially in central central city historic districts to be a little closer to those of the historic buildings. Also, just it's not only lowering them but making them more uniform within the district. Some of those districts such as the japantown chinatown are currently have wildly differential heights which have nothing to do with the historic district and the reason it is an historic district. We're looking for uniformity as well as somewhat lowered heights. We don't mind working through contentious issues but it's best to limit that.

Fritz: Set the playing field and set expectations. I hope you'll be coming back in the hearings on that and making your point again.

Minor: Yes, we will.

Fish: Can I make an observation about uniformity? There's a whole school of thought that we have been hearing from, mark edland is probably a good example but there are others, and i'm going back many years last time we took up the castirons district and zoning changes. Some very thoughtful people in our community have made the case that having different heights and shapes and uses even in an historic district helps enliven places that are otherwise at risk of their continued fate currently, which is too many vacant spaces that are for parking and others. I struggle with this myself because I completely understand what you're saying in terms of context and when you look at some of your early slides there's some buildings that are really an insult to the character of the neighborhood they have been built in. But i'm also thinking where the market has not been very helpful in generating activity within some of these districts do you create a little flexibility in height and in style to enliven and activate a district and at what point does that tip into actually potentially robbing us of the historic designation. And when he comes in and makes his case we pay attention, but i'm torn between these competing views.

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Ranzetta: I mean I think particularly in the chinatown historic district you're dealing with a district where the contributing noncontributing status is us roughly 50/50. As soon as it starts dipping below that 50% mark is when the integrity of the district gets called into question. But I would agree with you in terms of our consideration of height, we also kind of take into account context as well. So if there are taller buildings within a specific area close to where a proposed development is that is something that we do take into account. So while – but I think the idea behind uniformity helps to kind of establish expectations in terms of what the developer expects when they come through the door for a proposed development. We have been I think open to additional height when it's sensitive to context. It's when you see the real disproportionate relationship between buildings and there's nothing around it to kind of help it be more of a part of the neighborhood so to speak.

Fish: Thank you.

Minor: I think we're going to move on. So resiliency and sustainability. As we acknowledge and prepare for the potential of a big seismic event, I think it's worth just a reminder that historic buildings and resources are really valuable, and they are not only valuable now and some of the reasons for that are those places set the mood and the character in areas of our city. They encourage tourism and affordable housing in some cases. But they are also valuable later and I have never been through a big disaster myself but I have done some reading and there are many studies that after a disaster event those places are what help reorient people and reminds people kind of who they are and where they are and to want to rebuild. So we are really asking not only again for more funding so that the hri can really begin to be implemented in areas around our city, but also for better solutions and incentives for owners of urms. That's unreinforced masonry buildings. Those are a difficult question because it does take quite a bit of money to structurally support such buildings but many of those are historically important and we should put resources where we can. And then finally just that disaster planning in general across the city which we have done a lot of at the city and local level should include designated historic resources.

Wheeler: Could you be a little more specific on that? What do you mean by that? A few more talking points.

Minor: Historic resources get a special consideration from fema especially when in a post disaster event fema will come in and try to decide or hopefully the work is already done for them, which resources should really get their first attention. If we have our resources kind of hierarchically ordered, in other words if we have done some of this work to say, yes, look at our hri, we have surveyed a lot of these areas of the city, and here's where we should really focus on preserving buildings. Then fema will come in and say, great, I see that you've done this work. We can speed up funds to rebuild these specific buildings or areas.

Ranzetta: I was just going to add, typically whenever there is a disaster and fema does come in they do have contracts with a variety of different firms to actually come in and evaluate and assess the impact of a disaster on an historical research such as when hurricanes moved through the caribbean, currently in puerto rico, houston and florida because the historic resources are a vital component of their economy. They rely upon heritage tourism as a component of their economy. I think that fema's attention to historic preservation is not only related to section 106 of the national historic preservation act, which obligates them to consider the impacts of their funding on historic resources but, they are also obliged to get people up and running again and part of that economics is making sure that these resources survive so that people have a place to visit when they visit.

Wheeler: Thank you. I appreciate that clarification. That's helpful.

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Ranzetta: So the last component or issue we want to talk about today is the recent regulatory efforts through house bill 2007 and the goal 5 rural revisions. One of the things I think it just comes from a lack of experience in terms of trying to work with both city council and legislators on proposed legislation. One of the things we were I think somewhat frustrated by was wanting to be an advocate for the historical resources of the city and to provide city council with solid advice and recommendations concerning the legislation but we didn't have that connection with the legislature. I think there was recommendation from staff to definitely go through the office of government relations so that we don't I guess breach protocol in terms of providing our opinions in regards to a specific piece of legislation. On one hand I think we understand city council's desire to be able to provide kind of a united voice behind a legislation coming out of salem. On the other hand we also felt fairly strongly that there was some significant detrimental potential detrimental impacts from that bill on historical resources in the city. So one of the things we wanted to explore with city council was an opportunity to perhaps provide a bit more of an independent voice when it came to such legislation. That was certainly one of the things that we had talked about at the commission and wanted to kind of take your pulse on. There are other commissions obviously in the city that have a wide variety of opinions in regards to legislation coming out of the salem. How could we best convey our message to the legislature.

Fritz: So we all sign an agreement at the beginning of the session saying we're not going to advocate independently. What I have found is getting the values and principles into the city's legislative agenda then office of government relations is all your people down there. So we're coming up on the setting of the agenda for the short session. I do think it's unfortunate when particularly Portland delegation gets conflicting advice and doesn't know who is speaking for whom. It can be very confusing and detrimental to the whole package. I have certainly learned over nine years that while I may have some very strong opinions and I occasionally do as a private citizen contact my own legislators to tell them this is what I think, it has to be very carefully done so you're not speaking for a commission or council without coordination.

Ranzetta: We would certainly love I think to have a dialog with city council as to how best to work with the office of government relations so that we can better understand the pulse of what the city's priorities are when it comes to legislation affecting historic preservation. Because sometimes we spend a lot of time on letters we send them and we don't necessarily get a response or a dialogue. We know you're busy but it would benefit us to understand where folks sit although on that particular piece of legislation I don't think city council took a position. We understand that that's an option, that on occasion you may not want to enter into that fray.

Fritz: The other thing I would encourage you to do is call our chiefs of staff with your concerns so they can run it up the flagpole and make sure we know what you want to happen. Occasionally even quite often the office of government relations will organize community members to go do their lobbying and I found them extremely helpful.

Fish: Just to amplify that you really have three bites at the apple. You have the absolute right to lobby the council to put an item in our legislative agenda and prioritize it. You have the absolute right to work with statewide advocacy groups that already have lobbying presence. There's no shortage of folks down there with relationships. And as commissioner Fritz said you have the absolute right as a citizen to speak. The reality is we want to avoid as much as possible conflicting messages. What happens is leadership that contacts us and says we're not sure who is on first and so you may think that there's a benefit. We then get the blowback saying we're confused and we have to sort out the protocol stuff and that doesn't help your cause or our cause. Don't give up on trying to get

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alignment with us [laughter]. Let's see if we can get alignment or some pathway. Absent that, nothing prevents you from joining statewide organizations and making the case.

Ranzetta: I think that's a great start to kind of develop that better relationship so we appreciate those comments.

Fish: Can ask you a question about this funding mechanism for preserving unreinforced masonry buildings? That's one of your recommendations. Are we doing it?

Minor: No. We kind of covered it under the resiliency –

Fish: I have an idea where we might get some money.

Minor: Great.

Fish: I don't want to get sideways with the mayor in this setting. The question I want to ask you is what thoughts have you come up with? What are some ideas that you have as to where we could find some resources and set them aside? Because I actually think a fund to prevent the kinds of demolitions or demolition by neglect and things that we're likely to see is a good idea, plus if we have public funding we can put a string attached. So if it's a low cost affordable art space and someone wants some assistance, we might be able to get a covenant that says you'll continue to offer the space for 15 years or whatever. Have you thought about where we can get the resources?

Minor: We have only had general discussions about incentives, not necessarily targeted for urms at the commission level. I mean I think we would be very, very interested to be a part of a work group. But the discussions we have had with around incentives have of course touched on systems development charges and how those can be kind of targeted towards perhaps owners who keep an existing building and then add more, you know, especially if it's housing. I should add that bps and bds should really have a collaborative relationship to working on that on sdc charges. I know that's been a no man's land for them but I think that could be a very effective single incentive.

Ranzetta: I was also thinking we have discussed too kind of relaxation of some permitting fees as being a component. Something we haven't necessarily discussed but which just occurred to me is I have also seen low interest revolving loan programs for like certified rehabilitation programs within jurisdictions. So the idea would be able to provide a low interest loan to a developer to kind of do the right thing for the historic resource where you institute some level of seismic stability in exchange for retaining historic fabric. They obviously have a lot of safety issues associated with them in a seismic event and there's obviously big time costs. You have to chip away from it. I don't know if there's a silver bullet for it, though.

Fish: I appreciate the list you have given us. There are some incentives, deferrals. Pdc has a lot of experience with that revolving loan but that only covers 15% of the city. It's not broad enough. We have a related challenge which is of those 1500 buildings that are currently being looked at, there's a chunk of them that are affordable housing developments that need to be updated. The funding is not in their pro forma. I guess the question we have address at some point is at what point do we consider this a public asset for which public investment is called for. We have an ongoing conversation about potentially taking over street maintenance. Excuse me, street tree maintenance in the right of way. That's a big idea but I mean if we acknowledge that trees provide a public value and we're going to say we're going to do something what's the equivalent argument for preserving some of the historic buildings for the long term that might justify some investment of public resources. It's a question.

Ranzetta: I think that you can look at it from a number of different perspectives. Certainly there's some intangible things like a sense of place, sense of character, sense of identity that local citizens certainly attribute to historical areas. Then there's also some of the kind of more hard economic terms that when you rehabilitate a building you're typically creating

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more jobs for instance because you're putting less emphasis on new building materials. So you're exchanging higher costs if you were to do construction when you compare it to rehabilitation. You're spending more on jobs but less on materials. So there are ways I think of providing that economic just fix for historic preservation and in addition to heritage tourism being another component where there's a little more of an active, more public appreciation for a resource. Where people are coming to Portland specifically to see its unique historic neighborhoods like Ladd's Addition which is a nationally significant district and often paraded around by the National Park Service. Those are the types of things and places when people come to Portland they want to see a unique environment such as that. **Minor:** Then there's also the straight up sustainability goals of preserving older resources. As a city we have sustainability goals. And preservation should be a part of that. It should really be one of many menu options that will help us achieving those goals.

Ranzetta: We can certainly provide more information to city council to perhaps, you know, better illuminate the just fix of the expenditure of public funds in such an endeavor. If you would like to have more information we can certainly support you on that.

Fish: I'm interested in your ideas and I think the revolving loan fund idea is also interesting. It's not a deferral, not a grant, it's not a waiver of something but it's a renewable resource that people could take advantage of.

Ranzetta: Yes.

Eudaly: I have so many questions that I think I'm just going to come to one of your meetings.

Minor: That would be great.

Eudaly: Since I have special privileges. [laughter] I did have a couple. Of the 1442 demolitions between 2012 and 2017, do you know roughly how many of them were properties that were on that historic resource inventory? I'm sorry to put you on the spot.

Ranzetta: Brandon might know that answer. I think if you were to look at the -- I was trying to figure this out the other day. What would you expect to see in terms of the percentage of those resources? If they were older than 50 years old they would be prospective historical resources. My guess would be that probably over 1,000 are older than 50 years old so potential resources. The number of hri properties removed, though, I don't know. I would estimate a couple hundred maybe.

Minor: We can find that out.

Eudaly: I would love to know. Along the same lines I want to say that I'm definitely committed to exploring how to fund a new inventory and looking at that in the 2018-19 budget because it's been over 30 years and it's obviously a great concern among the community. I think I'm very, very interested in the conversation about how we balance preserving historic buildings and neighborhoods and how we balance that with the need for more density and more affordable housing and I find my thoughts and positions often don't satisfy either side. The nimbys don't like me and the yimbys don't like me. Yayyy. I will persevere and really look forward to getting to dig into that conversation with you guys. Thank you.

Ranzetta: Appreciate that. We just had a couple more slides.

Eudaly: Oh, I thought you were done.

Minor: We can go through them quickly.

Ranzetta: This is just to wrap up. In a lot of ways our primary priorities and goals are to advocate obviously to update the hir, I think you captured some of the reasons why there's planning reasons why, where you want to make planning decisions based upon the most up-to-date information that you can possibly get. But the hri also serves as an opportunity for the public to engage in a process that identifies resources that are important to them, not just a consultant, not just landmarks commission, not just city council. It offers an

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opportunity for them to engage with their own neighborhood to learn something that they previously had not known in the past and also put a new set of eyes on to see the places where they live in a new light. I have experienced that a number of different communities that I have worked in over the years. It's a pretty incredible experience to be a part of. We have talked about incentivizing historic preservation. Education is obviously a significant component in making sure that we can provide information to the public that will allow them to make truly informed decisions about the expenditure of public funds and also to provide leadership when it comes to historic preservation. We have a few more slides. I think we have covered all of them. Everything that we need to cover. I just wanted to open it up for a last series of questions or concerns that you may share.

Wheeler: I'll share a concern. Then we have a number of people signed up for public testimony. I want to make sure we hear from folks on that too. I'm involved in three separate processes that need to be collapsed into one conversation. Somebody up here, maybe commissioner eudaly, mentioned it. There are real tradeoffs here. I think it's naive for us to assume there are not real tradeoffs. The hard part here is making and drawing the lines. Where is the tradeoff? The three separate processes i'm currently engaged in is this process around protecting our historical assets and I agree with you I stipulate everything you said in terms of economic value, community value, a sense of center for the community, all of those things are true. When I think of our iconic assets those are our iconic assets, right? But i'm also involved in a conversation around housing emergency. There is often a competition between historical preservation and maintaining those assets. That is a very real tradeoff. You showed a slide of a building that was a victim of one of those tradeoffs. In this case the cost of preserving an asset versus the value of commercial space. The asset lost. Then there's this other very real concern around health and safety knowing that we are now in a fault zone and many of you were here and had the opportunity to hear the mayor of christchurch come in and talk about the experience of her community in the wake of a major earthquake and what happened with unreinforced masonry buildings and what that meant for life and safety. So at some point these three conversations have to come together. We have to work and help advise this body not to have three separate conversations with three separate out comes but one conversation where we work together to do the best job we can to draw the lines and make the right set of priorities. Not all unreinforced masonry should be protected. Some of it is junked and could probably be scraped and could be used to a better and higher use to the community value. Other assets are irreplaceable and should be preserved and protected. We should have the process in place to do that. I agree with commissioner eudaly, it's a shame we haven't bothered to update the resource inventory since I was in high school. Not recently, unfortunately: [laughter] so I appreciate your presentation. I think it's a great presentation and thought provoking and it's raised good issues. To be continued. I don't know if people have other questions before we get to public testimony.

Eudaly: I do want to mention that we have public testimony on the report which we haven't been taking recently, but I understand these individuals were invited by bds.

Wheeler: That's correct. That's why i'm making exception and allowing testimony on this.

Eudaly: I wanted to clarify that for the audience. Yeah. Just to kind of wrap up what we have already talked about I think we are input on issues around balancing historic districts, mitigating unintended consequences of historic districts with zoning with smart zoning, residential infill policy which i'm hearing wildly conflicting feedback on. I had hoped that it's a way for us to encourage preserving older homes while providing kind of a low impact way to increase density. Other people are convinced we're incentivizing people to just tear everything down. I want to make sure that's not the case. Or if it is that we change it and then of course the whole urm conversation, which is one of the I think -- parking and

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unreinforced masonry buildings may be the most controversial issues that I have faced in my first year here and I don't know – I was googling this while you were talking about financing and you may have already articulated, did you talk about our cpac program?

Minor: No.

Eudaly: We have the property assessed program in Multnomah county. It's for commercial buildings so it only applies to commercial and multi-family of five units or more. It's for green and energy efficiency but they added seismic retrofit. So that's a really useful tool for some property owners. That's it.

Fish: I want to respond to one thing the mayor said. You were in high school I think when this was last updated? [laughter] my parents were debating whether to have another child so it's a different time. [laughter]

Eudaly: I was in middle school.

Fish: Not. Not. I have been on council for nine years. I want to acknowledge another dynamic which is very powerful. Eight or nine years ago, the constant refrain in this building was we struck a deal on the urban growth boundary. And we said we're going to draw a boundary to protect what's on the outside but we're going to protect the integrity of historical neighborhoods on the inside. We were going to strike a balance. Actually, the most eloquent person that used to say that on a regular basis in my opinion was Randy Leonard. Whether you like Randy or not, Randy was an historian and he would go back over the discussion about the urban growth boundary. We said we're going to put this boundary protect some farmland but make accommodation to protect the integrity of our neighborhoods. That was pretty standard fare around here. Not saying – eight or nine years later we're talking about revisiting every assumption we ever made about neighborhoods and about what we allow and we're doing so under the context of an emergency which gives us more flexibility. My only point that I want to add to this is I don't want this to be too easy to reconcile these things. I think we have competing values that we have to reconcile, but I don't want personally one particular frame to carry the day. I think it's a healthy process to balance these things and to have this debate and then figure out where we go. That may not be shared by everybody but yes, we can get clarity and rationalize some of these roles but we're talking about harmonizing in some cases competing values or things that don't quite fit together. I find it has the effect of making our discussions richer because we're having to sort of balance and there's no right answer. But it was a very different conversation eight years ago. It was fundamentally different and the urban growth boundary discussion guided a little bit of our view. Now we have opened up just about everything and times change but I think that's also why we're hearing so much anxiety from the community because they are not sure about the rules any more. People are not sure where we're headed. There's a growing movement where if people had a choice they would put up a barrier to keep people from moving into our city. It reflects the frustration.

Minor: I would agree with everything you said, that there are really are no easy answers. I think what the historic landmarks commission would really like is to have a voice in these conversations and be able to contribute our opinions. That's something we have been until to do to some degree. But certainly I also agree with the mayor, not every building is worth preserving. There are no black and whites here. There is an affordable housing crisis. We recognize all these things.

Ranzetta: I think we would like to be a part of the solution. Because I think that I come from a social science background and so looking at quantifiable data so you can arrive at a general understanding of what the exact problems are because I think that's where really the rubber hits the road in terms of coming up with a solution is really getting down to the

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nitty-gritty, figuring out even on these complex problems such as housing, how the market, historic, preservation, all intersect and develop --

Minor: And parking.

Ranzetta: The whole cost benefit analysis from a public perspective. If you're expending public funds on historic preservation is that justified when we are in the midst of a housing crisis. That's not an insignificant question to ask in terms of when you're allocating funds for one program or another.

Fritz: It's supposed to be that way. We have 19 statewide planning goals. Each has to be considered. Citizen involvement is the first one. We very much appreciate your perspective. And it does allow for intelligent people, for earnest and caring people to have these conversations and figure out some solutions. I don't think it has to be one or the other. We can do internal conversions of older houses and have three families living there instead of one, for example. We can do accessory dwelling units in the the backyard. Things that don't destroy the fabric of the neighborhood. I say that with my british accent in a country that you can see new housing and accommodating lots of refugees and growth in the country and it still looks like england every time I go back there. It doesn't have skyscrapers in every city. In fact most of the multi-story apartments don't exist anymore because there's better ways of getting people to have a community rather than just a place to be sheltered. I think it's encouraging that we have -- that you have brought to us that yes this historic preservation is important. And if we don't preserve them we won't be able to say in 20 years' time, never mind 200 years time, this is what Portland is all about.

Minor: Thank you.

Ranzetta: Thank you very much. We have certainly appreciated the discussion and look forward to working with you all in the very near future.

Wheeler: Thank you. How many people for public testimony?

Moore-Love: We have 12.

Wheeler: Three minutes each, name for the record.

Wheeler: Good afternoon. Would you like to go ahead and start?

Heather Flint Chatto: Sure. I'm going to read a little bit what I have already written. I'm heather flint chatto, urban designer and urban planner and have been doing environmental green building work for 17 years. For the last four years we have been leading along with the coalition of four different neighborhood associations and business associations to foster more community engagement and education around design and empower our community to have a greater voice in the planning process as part of the division design initiative. Division sign initiative.org. We have been developing guidelines as part of that process, trying to have clearer clarification of our goals and priorities. So as we have been tracking this we have identified a lot of the critical issues beyond division but across the city as a whole, done surveys, walking tours, two years of open public committee meetings and things like that so this is very relevant because a lot of our streetcar era main streets are not necessarily designated as historic but provide a really important, rich fabric that is the identity and sense of place. I was very, very concerned and I think many are that we are losing our soul. We are losing what makes us the creative cultural hub that has been our legacy of really good planning. This has been our mecca of sustainability. That is one. Reasons I have loved the city. I have to say my love affair is wavering at times. I still feel it in many parts of the city, but I feel personally very impacted as I see many other people and if you were to go and look at our survey which we submitted to the city, 300 people responded, very deeply concerned about the character and lack of context that our new development is showing. So as we -- I want to really just appreciate the work that this preservation report has highlighted and request that you consider that there might need to be something different for our streetcar era historic main streets. This is something that's

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beyond southeast but we have belmont, hawthorne, division have their character to freeberg and matter and sellwood. I encourage you to look at the possibility of a different treatment, form-based code perhaps, a set of incentives. You had a great list. Perhaps incentivization may also need something different not only just for the main street but for the bigger streets like in our neighborhood for example powell is supposed to be one of our great civic corridors and in our neighborhood we would like to see potentially a shift to maybe pass on some of those bonuses of development there. I really support the update to the historic resource inventory on a fast track process because we're losing so much so quickly and also to give the opportunity to advocate more on behalf of preservation. I would be happy to talk to any of you more.

Wheeler: Thank you. Good afternoon.

William Willingham: I'm william willingham. I would like to speak to the issue of redoing the historic inventory. I come to you with special knowledge on that matter because I was the historian who did the original inventory 35 years ago. Alice daily, an architect, and myself did all of the work. He did the windshield surveys, I did the historical research. We submitted the information to virginia faraday who also saw city staff that collated it all and then we did the ranking process, 5,000 structures, and divided them into three sections, top 50, tier 1, then about 200 in tier 2 and the rest were in tier 3. Now, I think there are probably three good reasons why this work needs to be updated. One other special item that i'll touch on before I go to those three is we did the work in the pre-computer age so all by hand. That meant no laptops, no software, nothing to really make this usable into the future in the way that it could be used today. The three reasons why it neither to be updated is one is time. With the 50-year rule we didn't look at any since we did this in the early '80s anything after 1930. So that we didn't consider buildings that reflected the international style, modern style, mid century modern, all of those structures that were created after 1930. Secondly, a matter of geography. When we did that survey of course east county was still unincorporated so anything between gresham and 90th roughly was not looked at and of course that's a hot bed of mid century modern out there. It definitely needs to be inventoried to get the city structures and buildings treated as a whole. Then thirdly, there's a as a matter of fact of subject approach that we used. In the early '30s there wasn't a lot of research material available on women and ethnic and racial minorities. Now we have a lot more data to look at so we can associate buildings and structures with appropriate significant individuals in those categories. So that alone probably necessitates reevaluation to get the issue of significance. Once you have the inventory then you can look at what are the most important items within that inventory that need to be saved. You can't do that unless you know the size of the universe. So I would say those are basically the reasons that need to be updated. I can answer any questions you might have.

Wheeler: I appreciate that. Perfect timing as well. Great. Thank you. Good afternoon.

Linda Nettekoven: Good afternoon. I'm linda nettekoven. Thank you for letting me testify. I certainly second the comments of my previous testifiers and i'm very supportive and excited about the content of this report. Especially the strategies outlined. I also want to ask for a more comprehensive focus on historic fabric along the commercial corridors. It's rapidly disappearing. And as you know the hri update would help with that. That's hopefully in the works and the unreinforced masonry concerns. I am liaison to the hawthorne business association from hand and of course those folks have already identified 40 structures that would be likely to lose perhaps all value given the current situation. I was most -- many of the things I was going to say you have already discussed already which is very reassuring one being incentives. I certainly support the idea of continuing to house an arts group but i'm wondering if that same strategy couldn't be used

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to create or keep affordable housing in unreinforced masonry structures if a covenant couldn't be made in some cases where there would be a certain level of rent for x numbers of years in return for some subsidy or revolving loan for the seismic reinforcement because i'm obviously aware of the financial tradeoffs. I appreciate the comments on advocacy. I get concerned about the way things move through the legislature. Sometimes you don't realize a particular bill is going to have historic impacts so some way that again the expertise we have here can find a way to weigh in on those. My final plea is that you have just mentioned you have several tracks going. I have been doing the splits trying to straddle the rip discussions trying to get my neighborhood supplies with information from all sides. If there's some way that you can do some further kinds of convening -- I testified on the budget trying to preserve some maintenance for ladd's addition gardens. People were fine to me. The follow weeks they were booed and that's just not fair. There needs to be some way that we can do some bridge building, some better understanding of what's going on here between the need for affordable housing and the need for preservation. If there's anything I can do to help I will but somehow there needs to be some higher level of leadership convening this. I don't know the answer but we're so badly split, we're getting in our own way. Thank you.

Wheeler: Thanks. Appreciate it. Thanks to all three of you. Next three, please.

Wheeler: Good afternoon.

*****: Good afternoon.

Fish: Peggy, congratulations. I see the carrousel made the report.

Peggy Moretti: Yes. You know, it isn't all bad news out there. I'm peggy moretti, executive director of restore Oregon. I'm here to enthusiastically endorse the state of the city preservation report as submitted by the historic landmarks commission and today I want to just provide a little expansion on a couple of the issues noted in the report and add a couple of additional remarks of other thoughts for consideration. My points include the fact that we are Portland is in fact faced with a competing demand for accommodating growth through increased density while manage containing our character and historic fabric. It's for that reason that we really have never had a more critical need to take inventory of our historic assets. We cannot make good choices about what to keep and what to let go if we don't know what we've got. I'll say that again. Reiterating what others are noting. Brief point on the residential infill project, I think there's good stuff in there. It's not fully baked in my opinion. We would like to see better incentives, retain existing housing most of which is more affordable housing and we would like to see additional provisions that ensure compatibility of infill development and so forth. I would really like to ask the city to use its state lobbying muscle to address Oregon's profound lack of financial incentives for historic rehabilitation and reuse. As you may be aware right now in Washington the tax overhaul that's proposed would eliminate the federal historic tax credit. That would mean projects like the pnca, conversion of the old post office federal building, would never happen. The armory theater that we all love would never happen. The erickson Fritz, the bran 'apartments, the whitcom housing projects would never happen without that. That looming loss makes it even more important to Oregon to have a state historic tax credit which restore Oregon has been advocating for for some time. I want to make sure that remains on our legislative agenda. Perhaps a different iteration of that, an additional way to tackle the issues of seismic retrofitting I would like to suggest that we ought to have a state seismic tax credit. The city can't do this all by ourselves. This is a states issue, not just a city issue. If we make that a priority on the legislative agenda I think that would be an extremely part thing to do. With would benefit both preservation and public safety. A huge portion of preservation costs are seismic retrofitting and we really can't expect property taxes to carry the burden for everything we want to get done here. We have a small

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property tax proposal to offset costs. It's not going to do the job. I served on the seismic committee. I know what we're trying to accomplish there. Many other cities across the state would join with Portland on that kind of initiative and there would be a huge economic upside to doing that. I I we made some comments about preservation and affordability not being in conflict. We absolutely support additional density, the addition of middle housing older and historic districts, adus, conversion, there are answers and it's a false proposition that these good ideas don't need to be in conflict at all. There's one last thing, I know i'm over time but one thing would benefit Portland greatly that was not in the landmarks remarks, we need a demolition by neglect ordinance this this town. Many cities including salem use this to ensure public safety and prevent the loss of historic resources. If one had been in place in Portland we may not have experienced the outrageous loss of the workman temple building which could have been used for affordable housing despite the claim of the developer and we wouldn't have the laundry building in chinatown that would not be on the most endangered places list if we had had an ordinance. It seems to me there ought to be meaningful penalties on owners who claim they have no option but demolition after letting their properties deteriorate. I hope this time next week we are celebrating finding a new home for the carrousel. Thank you for your hard work. I know we're dealing with many conflicting challenges but we need to maintain our humor at get at it.

Fish: Can I make one comment? You've made an eloquent case for a new statewide tax credit. Can I offer a cautionary flag and something maybe you can raise with senator burdick, our experience is the legislature sets an amount of foregone revenue that they are willing to budget then they score all these things and it's almost like a zero sum game. You can get a little bit over here but it will come at the expense of the film or tax credit or something else. I think you and I would agree not all the tax credits are the same. They actually shouldn't be put into one basket and then scored. But the one cautionary flag is that's how the legislature views it and they set an amount of money, they compare them against each other and we may be works at cross purposes on some other tool that we need.

Moretti: Right. I would like to listen also to the mayors and city councils. We have a lot of folks, not just Portland, that would really appreciate this, the need for this.

Wheeler: Thank you. Good afternoon.

Wendy Rahm: Good afternoon. I'm wendy rahm, board member of the bosco milligan foundation and west end resident. First I would like to thank the council for adopting the robust historic preservation policies in the 2035 comp plan. Thank you very much. I'm happy to be here to support all the goals and policies and recommendations contained in this report. I'm particularly appreciative of the inclusion of the west end neighborhood in the Portland historic watch list. I agree that the west end and the other areas on this list merit extra efforts both to raise awareness and to give better ways to improve our stewardship of these irreplaceable resources that give Portland is character. Among the many solid recommendations would woo-woo like to highlight a few. I urge council to look for funding to support and update the 1984 hri, like a lot of other people in the room. The landmark commission I gather is requesting an additional bps staff member and seed funding. This is a critical first step in my view. Second I urge council to support the historic resource code project which will help us all make better decisions in the long run. Thirst, crafting solutions for property owners to undertake the necessary seismic upgrades and to encourage rehabilitation rather than demolition will be crucial to saving our heritage. One such solution is to support the state rehabilitation tax credits. I appreciate that comment from commissioner Fritz. As the report recommends targeting more modest resources and more modest neighborhoods can minimize displacement of vulnerable communities. One

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such area is the surprisingly the west end. Densely populated with affordable housing today. Affordable housing and historic preservation should proceed hand in hand. Finally the landmark commission is I gather hindered in accomplishing its mission by not being able to advocate on behalf of the city historic resources without some complications. Allowing the landmark commissioners this ability will not only empower them to educate the public more effectively about the value of these resources, it will also allow them to testify in a timely manner in support of Portland's policies and regulations. Timely advocating should not be impaired. I urge the council to adopt the report in its entirety and thank you for letting me speak.

Wheeler: Thank you. We appreciate it very much. Good afternoon.

Jackie Peterson: Good afternoon. I'm Jackie Peterson. I'm executive director of the Portland Chinatown History Foundation. I also want to thank all of you for the again preservation aspects in the 2035 plan. We appreciate it. I also, though, want to very much support all of the recommendations of the report today by landmarks and we really want to thank landmarks for all of the effort that it has made and continues to make on behalf the one historic district we have in the city that does represent the history and culture and the memories of one of Portland's major ethnic immigrant groups. I also want to say just a few words about the importance of updating the HRI. I have been listening to the commentary which there was very little I disagree with I want to return to submission commissioner Fish said about having lost our soul and how much has changed in ten years. I think it would be really unfortunate to use in any way maybe even consciously what happens to be an emergency as a way to junk or back away from policies that evolved over a very long time and very much what the signature of what Portland has been for more than 100 years and we need to think carefully about teasing out the very pieces of this emergency. I'm not sure that even pieces of it are incompatible but there are parts of it that are very volatile that seem to reside under the guise of language which isn't strictly speaks a housing emergency. I think that we one of the advantages to the HRI work seems to me to be renewing conversation on the part of all Portlanders about what do we mean when we say we want to preserve the past? Our neighborhoods. What does that mean? Does it mean, is it about architecture only? Is it about the person who lived in that house and we value that person even though we just learned of them and they represent a particular minority? Think about what is the context. What is the neighborhood. What is the fabric of that place that made that person's life worthwhile. What they gave back to the city. If we keep the house and destroy the neighborhood, what does that mean? I think we need that conversation, this larger conversation. I thank you which seems to have an extraordinary group of people serving and I hope you will give them greater voice with the state.

Wheeler: Thank you. Next three, please. Please. Good afternoon.

Steve Dotterer: Good afternoon. I'm Steve Dotterer, president of the board of the Architectural Heritage Center. Like many speakers I'm here to support the report and its recommendations. I want to call out a couple of them specifically. One is the update to the zoning code to reflect the new goal 5 administrative rules and court cases and the need to fix some administrative matters. And I think with the new state administrative rule that clarifies what owner consent means for historic district that we can go back and have local historic districts which we have not been able to have since 1995. If we have local districts they are created -- recommended by the landmarks commission and created by council. Council can consider all of the goals when you make a decision about what what to include. You establish the process, the local public involvement process by which we get there. The districts that have been under debate and recently have all been going for national register districts and you have he essentially nothing to say about them, have not looked at them from a comp plan perspective. I think you now have an opportunity to fix

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that and I would encourage you to keep focused on that into the future. Second I want to support the continued conversation about what kind of incentives are valuable and I think we should be looking at the zoning code but the financial incentives are particularly critical. Want to thank the mayor for his support of the federal tax credits and hope that that support is successful because it's pretty important as peggy pointed out. I also want to note that most of the state financial incentives will expire in 2020 unless the legislature acts. I suspect it's not appropriate to create them exactly the way they are today which again I will say the council has no role in applying them directly and I believe that it's appropriate for council to make the choices about the designation and whether a resource is worthy to get some of these tax abatements. You can consider whether you're achieving your urban goals and affordable housing goals as well as historic preservation goals when you give a tax abatement. The way it works now you don't get a chance to say anything about that. As we look to improving the legislation or trying to figure out new incentives for 2020 we should look at some way of doing that. Finally I want to support the hri inventory update. Bill gave a lot of good reasons and as a staff person who actually worked as a volunteer on the 1982 version it's time to update it at this point. Thank you.

Wheeler: Thank you for your testimony. Good afternoon.

Stephanie Whitlock: Good afternoon. I'm stephanie whitlock, executive director of architectural heritage center. I first want to start by thanking our volunteer committee on the historic landmarks commission for their time and dedication to protecting Portland's significant places. For their work in preparing this important and thoughtful report on preservation that we heard today. Our organization, architectural heritage center, is honored to be included as a presser vase spotlight for the project we administered this year to research and document african-american properties in Portland. To give credit where credit is due the project was carried out by a four-person team led by kathy galbraith, our founding director. Projects such as this one increase our knowledge and understanding of our community's built and cultural heritage and really essential and empowering first step to safeguarding these resources so echoing other voices heard today this is why the ahc strongly supports the commission for long standing called update Portland historic resources inventory. The inventory is an important tool and a public resource. It serves many purposes. We have heard about in the report from urban planning to environmental sustainability. It also uncovers rich diversity of our city. So like our team's work on african-american resources in Portland, the had, ri captures places of social, cultural and historical significance that may not otherwise be rec recognized as important and helps broaden public understanding beyond architecture. It helps us be more inclusive in our approach to cultural preservation. As mr. Willingham mentioned today we have powerful new technologies available to us not just to make the process more efficient and sophisticated, but as kirk said just more participatory and more community building. The city of los angeles completed its inventory and they did a terrific job with great new software. Encourage you to check that out. Bps is engaged in preliminary steps, great first steps, we encourage you to continue to build on this momentum. We're encouraged by what we heard today so that's really terrific. Finally as the year draws to a close we want to thank you for your service to the city and support of press preservation.

Wheeler: Appreciate it. Good afternoon.

Julie Garver Good afternoon. I'm julie garver, housing development director for innovative housing. I'm also a board member on restore Oregon. I'm here today to support the report and the work of the commission and staff. It was very nicely done and great work over the year. I want to be here to say historic preservation and affordable housing can go hand in hand. There's been a lot of discussion about that. I spent the last 13 years with innovative

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housing doing it so we have done seven historic building projects in Portland. Three utilized federal historic tax credits. These buildings provide 339 affordable apartments for people and several commercial spaces within our city. The scope of our rehabilitation work has ranged from finishes and ada work to gut rehabs and major seismic work. We have heard about the federal housing tax credits and that they are extremely vulnerable. In the tax plan discussions I wanted to express my appreciation for mayor wheeler making the protection of the federal htc a top priority for city government relations team. Thank you for doing that. Encourage everybody in the room to express our own individual support of that program too. I wanted to also mention the state historic tax credit. Peggy mentioned it a minute ago. We did a project called the rich building a few years ago. It was on a shoestring budget and we just pulled it off but it was a small building, 34 units. It was a nice building in old town but we couldn't use federal historic tax credits on it because it was too small. It didn't have the historic basis that attracted investors to it. We could have used a state historic tax credit for smaller properties especially that tool would be really effective. One other response I wanted to say that finding a source for funding seismic rehabilitations I think will be really important. I know it's unpopular but i'm going to make the pitch for some grants because of all the pro formas I worked on loans are really difficult, especially when an owner already has a loan on a building you just can't support more debt service oftentimes.

Fish: Let me add one point in some of the buildings you've done that are in historic properties or unreinforced masonry buildings, the city financed those projects knowing that the buildings had issues. If we're going to come along five, ten years later and set a mandate and we're talking about a community asset that is affordable housing, social housing that is serving our lowest income residents I think the city has to have some skin in the game. I'm not shy about calling it a grant. I think it should be a grant. I know about your pro formas. You can't get blood from a stone.

Garver: I think that's a great point, commissioner Fish. We looked at purchasing a privately own building. They ultimately decided no to sell but the rents were 500, \$600 a month and that was privately owned. It didn't have any city money in it. There are private owners that could really benefit from the grants because if they had to sell that building and do a big project and refinance it, guess what those rents would be after that project. They would be 1500 a month, not 500. So the use of a grant tool for that seismic work would be really valuable. The last thing I wanted to close with is supporting what others have said about the creation of adus. I like one or two adus property in a basement, a backyard effort and internal conversions. I have personally two adu properties. They are both basement conversions and they went for 895 a month. That's affordable housing. The demolition that's happening in our neighborhoods often what's replaced is I think I saw 148% more costly than the property that was there. So I would really encourage some incentives for that type of development and a carrot and stick approach. So carrot with the incentives, make the internal conversions and adus easy to do, also say before you demolish that property you have to decide whether it's eligible for the historic register. If it is eligible, then maybe you say that property can't be demolished.

Wheeler: Thank you.

Garver: Thank you very much.

Wheeler: I believe we have three more.

Moore-Love: Yes.

Ian Johnso: I'm ian johnson, associate deputy state historic preservation officer. We were invited here to speak so I would like to say a few comments. We're happy to speak on behalf of the plan as presented to you and to congratulate the city on all the good work it does in preserving some of the state's most important historic stories. The city of Portland

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is a participant in the certified local government program, a partnership between the national park service, our office and the local government being you in this case which really helps incentivize and enable local preservation efforts through technical and pass-through efforts. The city has taken a very proactive approach and how it's embodied in report specifically with the new goal 5 rule which now allows for property to be inventoried without necessarily being designated the city's effort with the historic resource inventory to look at historic properties, evaluate what's important and what's really a model on how it's been approached is to think about geographic diversity, thematic diversity, different types of resources but also I was able to be part of some of the early meetings talking about equity. How do we make sure this is a process that benefits everyone. I think that's a great approach the city its taking. We're highly supportive of it. It gets to that question how do we figure out what to preserve for what purpose and for whom. That's an excellent thing. You talked about the african-american studies being done. That's a great example of the work that comes out of that very thoughtful approach. The real strength of the report especially the report of the city is the social consciousness in which historic preservation is addressed specifically the question of unreinforced masonry buildings and affordable housing. It's appropriate to think about addressing them in that way but we all realize there are broader concerns. I think this report and the landmarks commission's approach is very thoughtful. Certainly wanted to be commended and one we can support. We're also very happy to see emphasis on education broadly not just history education but also why do this, why expend public funds, in is this something a city should do. Also the thoughtfulness put into city regulations. What makes sense, how do you do that. In total we finds this program to be a model for the state that it really integrates a lot of different things and the type approach that we certainly encourage.

Wheeler: Thank you. Good afternoon.

Jim Gardner: Good afternoon. I'm jim gardner. I'm the chairman of the land use committee for south Portland neighborhood association. I'm here to first of all to express strong support for the historic preservation report you received and especially grateful to the recent legislatures for giving you some better tools and better strategies for historic preservation. I'm here to take the occasion to alert you to a problem that has recently developed with the south Portland historic district which was actually one of Portland's first historic districts way back in the late '70s the neighborhood of laird hill particularly part of what we now call south Portland after being largely consumed by rampant urban renewal worked with the city to establish a conservation district which was a city created historic district, one of the very first. Within the few years working with the neighborhood the city adopted a set of design guidelines that would be used to evaluate new construction and remodeling that might go on within the district. In the late '90s we came to realize that we had only really preserved a portion of the historic south Portland. So the neighbors working with the city went through the application process and accomplished creation of the south Portland national historic district. At that time, we were told and everyone within the city assumed that those design guidelines created for the laird hill district would now apply to the larger, full south Portland district. That straddles naito parkway essentially. The newer portion brought into the national district on the west side. Just in the last couple of weeks bps told us that, no, those guidelines do not apply to the newer portion of the his tore historic district on the east side of naito. The reason is those original guidelines had a map and the map outlined the laird hill portion and so because of that we're now told that those guidelines no longer apply. Now over the intervening 20 years those have been used as approval criteria many times to evaluate projects on the east side of naito. Brief research that a planner did found 23 land use cases and 10 are used the guidelines as approval criteria. We desperately need a new set of guidelines that will apply to the entire historic

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district whether that's simply expanding the boundary of the laird hill guidelines or starting overreats way there needs to be some guidelines in place. Why the urgency? As you probably know, metro is deeply into planning for the southwest corridor light-rail project. Regardless of whether barbur or naito is chosen as the route it goes through south Portland and will stimulate a significant amount of redevelopment. Perhaps even far more if naito is chosen because there will be a lot of new land available when the bridge head spaghetti laps are removed. Before that gets into the pipeline we certainly need to have in place a set of design guidelines that everyone can recognize applies to the entire historic district. The reason for this alert is perhaps I hope in your budget deliberations or when you start putting together the budget there will be requests for staff help to accomplish this. I wanted you to know this will be coming into very much ask for your support.

Wheeler: Thank you, sir. Appreciate it very much. Last but not least.

Fred Leeson: Fred leeson, past president architectural center. Batting cleanup is foreign for me. This landmarks commission report is the latest in a long, long series of excellent, excellent reports and it's kind of unfortunate to look back at the earlier ones and see how little has been accomplished of the recommendations they have suggested. This report gives passing mention to the Portland coalition for historic resources and I thought I would talk about that a little bit. That was the brainchild of jim howor, who many of you remember who realized we need to get everybody in the preservation tent in an ad hoc group working together, heritage center, restore Oregon, united neighborhoods for reform, all sorts of neighbors that live in historic districts and anyone else who cared about the issue. Our big battle was at the legislature at house bill 2017 where speaker kotek builders association and thousand friends of Oregon tried to eviscerate historic districts and historic design review to her discredit representative kotek also designed a process that absolutely minimized our opportunities to testify. Nevertheless we took every opportunity we can, we met weekly, we talked to legislators individually, bombarded them with emails. We took trips to salem whenever the few two opportunities we could and in the end the legislature was quite stunned about this support for historic preservation not only from Portland but from astoria and from southern Oregon and from eastern Oregon and all the attacks on historic districts were flushed down the toilet. We fully expect that they will come back but they know I hope when they do come back they are in for a fight. I think there's a growing awareness in the city of Portland and around the state about the value of trying to protect our historic resources and the resources that give us a sense of place and make us different and we hope that the council will help us with that in the future. Thank you.

Wheeler: Thank you. Appreciate it. Thanks all three of you.

Fish: I move the report.

Fritz: Second.

Wheeler: We have a motion and second. Please call the roll.

Eudaly: Well, I think we have already lost a couple of our commissioners and I know that we already did a speedy recognition but I do want to take another moment to thank the dedicated volunteered who served on the commission. This commission meets at least twice a month often for many hours as they review land use cases and provide advice. They are a hard working group that include and if I call your name and you're in the room please stand. Kirk, chair, kristin minor, co-chair, stay standing. Matthew roman, wendy chung, an annie mahoney, maya foti, and karen carlson, who has already left and everyone was already mentioned is completing eight years of service tomorrow. Thank you for your service and if we could suspend the rules I think another round of applause is in order. [applause] and I would also like to recognize dedicated bds staff increasing in number due to the high volume of applications bds receives related to historic resources. I'm really looking forward to continuing this conversation and i'm happy to vote aye.

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Fritz: Thank you very much for your work. This is a great report. I was very happy to see the moving of the morris marks house came as an accomplishment. I thank rachel wiggins from mayor hale's office as well as everybody in mine who worked so hard to get that done. I also think fondly each time we get this report of art demiro and venerable properties and the amazing leadership he showed over the years which is now evident in places that we still love and cherish. I don't think it's an either or we can do it all. I was married in a church built in 1130. In fact there are trees that are a thousand years old. Their held together with wire but they are still there. So we can do this stuff. It's important to make that sense of place because america being a youngish country in terms of their current population and then the heritage that we inherit from the indigenous people here whose sacred and wonderful spaces were outside rather than being buildings, we can combine all that with looking after what we have been given and the stewardship required for it. Thank you very much for your work. Aye.

Fish: Well, I want to thank everybody that contributed to this report. I don't think there was a dissenting voice on updating the 1984 historic resources inventory and I was relieved to learn that the original one was done by a group of volunteers so it's not going to have a great budget impact, mayor.

Wheeler: They had the foresight to identify themselves publicly by name. I look forward to the same good deal. [laughter]

Fish: Really appreciate the volunteer members of the commission and the time they have taken to engage us. I thought this was an unusually thoughtful presentation, good dialogue. There's a recurring theme that some people feel that we have these forums, hearings and nothing happens. I hope that's not the case next year. You have clearly identified a number of things at the federal, state and local level that we can do. I also appreciate that in this time when it's increasingly hard to celebrate any of the wins it's just the times we live in, everybody thinks prevailing attitude is walking through the emergency room chronicling the carnage. We have taken the time to acknowledge the wins. There are some people in this room to whom we owe a great debt of gratitude for huge wins, unlikely wins everything from morris marks house to jantzen beach carrousel to other things identified here would not have happened without community members that really extended themselves. Very appreciative of that. I do think the history of the city through its structures and its buildings and other things is very important to preserve and I just want to close by saying that i'm not sure how we reconcile all the things that the mayor identified earlier but I don't think it was meant to be easy and I think the challenge is to make sure that every time we go through this exercise we bring all these values into the equation and balance them. I fear what we're going to do is start shorting cutting and bypassing things and that would be a shame. Thank you. Aye.

Wheeler: First of all I want to also take some time to thank the volunteer members of the commission. 26 meetings in one year for volunteers. That's significant in terms of the commitment. So thanks to all of you who are doing that. This is obviously a time of significant change around historic preservation. The staff of bps worked with many of you in this room to go to salem and lobby for i'll call it relaxation of administrative rules standing in the way of our historic preservation efforts and I know that we're working collectively to figure out how to use that new found flexibility to everybody's advantage. I certainly look forward to seeing the historic resources code project come back to city council in 2018 and I look forward to supporting that work as I support the work we're talking about today and I want to say again publicly that I do support the historic resource inventory. It's essential we update this document. It's been far too long since we last addressed it so I look forward to working with the bps leadership about how we can get the resources to work on that collectively. I want to thank all of you in advance for volunteering to help us do that

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important work in the days, months and years ahead. So thank you. I vote aye. Great report. We are recessed until 4:00 p.m. Thank you.

Recessed at 3:46 p.m.

Reconvened at 4:01 p.m.

Wheeler: Let's get started please. We are continuing the afternoon session of the Portland city council, this is november 29th. Colleagues today, session will be a continuation of the central city 2035 matter. The central city will be the first amendment to the new comprehensive plan. Before we get into all of that, there was one item that we deferred from this morning due to a lack of time that is directly related to this afternoon hearing, so we're going to treat it a little bit differently. I would ask Karla we read 1259, have staff present, take testimony on 1259 and pass that ordinance, I presume, i'll keep some suspense in the room for you, and then we'll go on to the rest of the agenda, if you could call the role first, please.

Eudaly: Here.

Wheeler: We don't need to do this because we just recessed. I know who's here. There we are on tv in all of our glory, read item 1259, please.

Item 1259.

Wheeler: Good afternoon.

Eric Engstrom, Bureau of Planning and Sustainability: Good afternoon. Many of you will recall in 2016 the council adopted probably the most significant update to the comprehensive plan in a generation. I should start by saying my name is eric engstrom. The plan was originally slated to take effect on january 1 of the coming year. This brief additional delay is necessary to resolve several objections to the plan at the state level. The dlcd has been working diligently to review the plan and we'll talk about a short delay, but it's consequences, objection being filed, not there. Not any delay in the state review process. The ordinance that we'll look at has the effect of delaying the implementation date a few months. We received this afternoon a request – or yesterday a request from BDS to further amend this ordinance to replace may 23, 2018 with may 24 at 1:00 p.m. on 2018. So that's one further amendment you'll have to consider today. Many of you will recall that the comp plan includes new land use goals and policies, new zoning designations a new public involvement plan and a major refresh of the city's capital facilities plans, including the transportation system plan, those are the things being delayed. The original effective date was designed for the state of Oregon to allow enough time for them to acknowledge the plan and under state land use law the state must periodically review and reacknowledge our comprehensive plan. This is referred to as periodic review. The state process allows an opportunity for people who participated in our local planning effort to object that plan. The state then reviews those objections and issues an order from dlcd. We expect that order this month on the plan. The state process gives a further opportunity for objectors to request a hearing before the state land conservation and development commission. Their next meeting where that would be considered is in march of 2018. And so this – this request allows enough time for that lcdd hearing that we anticipate to happen to play out. We expect some percentage of the objectors to the plan to ask for that hearing. The – this delay would have some impact on development activity at the pipeline. Projects waiting for the new zoning that will go into effect. We are recommending we do make this slight delay because it simplifies the development review process. Should we implement the plan prior to state acknowledgment, the state imposes some additional hurdles on the planning process that bds administers which would complicate development review. To keep things simple that short delay to allow the state process to reach its conclusion is

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what we recommend. We made this an emergency ordinance because it has to take effect before January. We changed the ordinance to allow the title iii amendments that create the new community involvement committee to take effect on January 1 so we can recruit and populate that committee and get it up and running before the plan actually takes effect so they're ready to run. And then we added language to disclose the possibility that we could come back to optimistically if we resolved those objection early, we could come back to and request to accelerate the effective date. We wanted folks to know that was still a possibility. Then the latest amendment is to select a more precise implementation time of may 24th at 1:00 p.m. That was driven by bds because the permit center will be closed on thursday afternoons. That just makes it simpler for them. On that same day, we'll be bringing back technical corrections to you to adopt to clarify how the things like the noise ordinance and sign code and tree code and the inclusionary housing code apply to the new zones that are going to take effect that day. We don't want to create an awkward situation where there's a time people can submit permits before those clarifications have taken effect. We wanted to take advantage of the day the permit centers already closed to have you consider those that have the effective date occur.

Fritz: Why don't you do it 5:00 on a friday so you'd have the whole weekend.

Engstrom: We need some time after it's effective when council is in session for you to consider those final clarifying amendments to it, and we can't have you do that until it's actually in effect for legal reasons.

Fritz: We would hear those at 2:00 on the 24th.

Engstrom: We have reserved time on the 24th to have you consider the final vote own those amendments, we would bring those to you in february or march for first reading.

Fritz: Thank you.

Wheeler: Very good.

Fritz: What happens -- what time does the bds close?

Engstrom: I believe they're closed the afternoon.

Fritz: They set up shop at 1:00. Do they have any kind of if you're in line, you get to be seen or not?

Engstrom: I would have to defer that to the bds staff.

Fritz: Well, i'm thinking about this because we won't -- my suggestion instead of having a deadline being at 5:00 on a friday, why not make it be 8:00 on a monday morning. Well, then somebody shows up at 3:00 a.m. asking on the monday morning, asking to be able to submit their comments, which obviously the security guard was there. I'm just getting an example of have you looked at all the possibilities to make sure it's as foolproof as most capable of preventing the problems that you're trying to avoid?

Engstrom: We haven't looked at that possibility, but we certainly can.

Fritz: Thanks.

Wheeler: You're offering up or proposing two amendments, the first this is may 24 at 1:00 p.m. and all of the parallel code and you're also requesting an amendment to make this an emergency action.

Lauren King, Senior Deputy City Attorney, Office of the City Attorney: There's a substitute ordinance. No. So first is the substitute ordinance in your packet. You would move and vote on the substitute.

Fish: I move the substitute.

Eudaly: Second.

Wheeler: We have a motion from commissioner Fish and a second from commissioner eudaly. Call the roll role.

Eudaly: Aye. **Fritz:** Aye. **Fish:** Aye.

Wheeler: Aye. Substitute is Adopted.

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King: Then there are amendments that we took today.

Fish: I have the package of amendments.

Eudaly: Second.

Wheeler: Motion from commissioner Fish and a second from commissioner eudaly. Any further discussion.

Engstrom: Just to clarify, the amendment is to substitute wherever it says may 23, 2018 to say may 24, 2018 at 1 p.m.

Wheeler: Correct. You've given us the language which we'll enter into the record. Call the role.

Eudaly: Aye. **Fritz:** Aye. **Fish:** Aye.

Wheeler: Aye. The substitute is amended. Any public testimony. Anybody want to testify on this. Seeing nothing, call the role on the main motion.

Eudaly: I want to thank you for adding the bit about early implementation if possible, because we are concerned about delays for development projects already in the pipeline. With that in mind, I vote aye.

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

Wheeler: Aye. The ordinance is adopted. Now that we've gotten that preliminary work out of the way, we just change the effective date, of course, for the comprehensive plan. We held several public hearings and took testimony on the central city 2035 plan on september 7, 14 and 20. And then on october 18 we began our deliberations in earnest. All of the items we moved and seconded that day are going to be in the amendments report that's going to be the subjects of the public hearings on january 18. Today we are going to continue to discuss the items of interest to council members and decide if we want to move and second additional amendments to include in the amendments report. There will not be any public testimony today on these items. Just as a reminder for those of you following the process, the public record is closed which means we are also not accepting written testimony at this point. However, for those of you keeping score. The record will open up again on january 5 in the preparation for the january 18 public hearings on the central 2035 amendments report. So sallie, you're going to walk us through today's agenda. Thank you for being here.

Sallie Edmunds, Bureau of Planning and Sustainability: Thank you very much.

Wheeler: Could you please read – we'll read them all, the bulk if you wouldn't mind. If you could read items 1273 73, 74 and 75 as a group, thank you.

Items 1272, 1273, 1274 and 1275.

Wheeler: Now that we've gotten that preliminary work out of the way, we just change the effective date, of course, for the comprehensive plan. We held several public hearings and took testimony on the central city 2035 plan on september 7, 14 and 20. And then on october 18 we began our deliberations in earnest. All of the items we moved and seconded that day are going to be in the amendments report that's going to be the subjects of the public hearings on january 18. Today we are going to continue to discuss the items of interest to council members and decide if we want to move and second additional amendments to include in the amendments report. There will not be any public testimony today on these items. Just as a reminder for those of you following the process, the public record is closed which means we are also not accepting written testimony at this point. However, for those of you keeping score. The record will open up again on january 5 in the preparation for the january 18 public hearings on the central 2035 amendments report. So sallie, you're going to walk us through today's agenda. Thank you for being here.

Sallie Edmunds, Bureau of Planning and Sustainability: Thank you very much.

Wheeler: Could you please read – we'll read them all, the bulk if you wouldn't mind. If you could read items 1272, 73, 74 and 75 as a group, thank you.

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Wheeler: Very good.

Edmunds: Thank you very much. So we have organized the agenda for today and into two parts, the first part includes items staff believes council will want to discuss and the second part is a package of amendments we believe are minor or technical amendments we believe that council could move and second as a package. So as you can see, the first group includes a short report on the west quadrant plan map, the scenic views, green buildings, river environmental and bonuses and transfers. Then we also have this set of minor and technical amendments. Mayor, I was thinking before we go further, I was wondering if you could ask council if they are interested in pulling any of the minor and technical amendments forward for discussion.

Wheeler: You have the list before you of the minor and technical amendments, are there any you'd like to pull out for discussion or are we prepared to move those as a group. I'll accept a motion if there are none that people would like to discuss.

Fritz: So moved.

Eudaly: Second.

Wheeler: We have a motion from commissioner Fritz, a second from commissioner eudaly.

Edmunds: Terrific. So those items will now be part of the amendments report that we will have a hearing on January 18. So today we plan to follow the same process we did on October 18, for each of the proposed amendments we'll have a staff presentation with some background and then whichever commissioner was most interested in that item they would begin the discussion. Most of the items on the agenda today are amendments, there's just a couple that are discussion only items at least at this time.

Fish: It is our intent today to go until when?

Edmunds: 5:30.

Fish: That's ambitious, can we get all this in between now and 5:30?

Edmunds: We hope so.

Fish: As long as you don't get more interruption from people like me, we'll have a fighting chance. I'll say if for you.

Edmunds: The first item is what quadrant plan sac ownership map. On October 18 we presented a map showing west quadrant plan member ownership, and at that meeting, commissioner Fritz asked if we could provide more explanation regarding how the view corridors go across the central city and why the heights are so different in different places. Just as a reminder, this map, the orange places are those places where height is increasing and blue is where the height is decreasing, gray is no change.

Mindy Brooks, Bureau of Planning and Sustainability: Good afternoon, Mindy Brooks, planning.

Wheeler: Afternoon.

Brooks: So this we're going to attempt to explain how the corridors work here, in the downtown area, we have no less than 12 views that cross this area and they're all from different elevation up in the hills. Using GIS, we modeled how tall buildings could get before intruding into any of those view corridors and this is just one piece of information that goes into building heights, we also consider other policies like historic districts and adjacent neighborhoods and parks and for example much of the area around the transit mall is to increase in height, except where there are view corridors that limit that. Just to take it down to the street level and show you how complex this is, this is a five-block area along southwest Taylor between 3rd and Park. The map on the left shows increases and decreases in orange and blue. The top map on the right is the existing height limits which divide all the blocks in half. The map on the bottom right shows the recommended heights which are based on the view corridor. Because the heights were split now and they won't

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be split in the future, half the block is increasing a little bit and half the block is decreasing a little bit. It is small increases and decreases, this is an example of how complicated it is to address views in the downtown area. I'll turn it over to commissioner Fritz.

Fritz: A very succinct and eloquent explanation mindy, thank you. This is a summary of literally hours in preparing this map and several hours in explaining to me to my satisfaction why each of the lots in this area were up or down. I asked to have this map made and the scenic overlays placed over it. I wasn't at all interested in who particularly owned any of the block. I wanted to be able to understand without any kind of bias why I think it's going up and down. I am absolutely satisfied that they -- there wasn't an influence of the committee members on the outcomes because there's no place in that area where it shows something that's incongruent. The only one we are concerned about has an amendment, is the morrison bridge head. That already has an amendment and we will be discussing it.

Wheeler: Great any further questions, if not, let's move on to c3 the views vista bridge. I understand, commissioner Fritz, you have an amendment, mindy, can you give us background on that.

Brooks: This is the view from jefferson and 14th, the vista bridge. And last time there was some request for additional information. The top two images you're looking at are the existing heights in the view and the bottom are the recommended heights for the view corridor. Top left shows existing heights of 30 to 45 feet and top right shows how that view would change with full buildout. The bottom left shows the recommended heights of 75 feet along the north side of Jefferson street. And the bottom right shows how that view would change with full buildout at 75 feet. The reason why they recommended 75 feet is because jefferson street is a commercial corridor along a light rail stop and 75 feet is more flexible and supports the redevelopment of sites such as the surface parking lot but 75 feet would cause intrusion into the view corridor. Because the view of the vista bridge can only be seen from 14th from the street and the view disappears from 18th street, part of the recommendation is to add a new viewpoint at 18th and improve Collins circle to celebrate the vista bridge. Commissioner Fritz, you asked at the last session that we look into retaining the existing heights. To maintain the existing view of the vista bridge. The map on the right, puts the existing heights back in place and the map on the left is the recommended height of 75 feet. I will turn it over to commissioner Fritz.

Fritz: I am moving to return the height limit to the existing height, keeping that second piece of the proposal with the circle to return the height so the iconic view remains.

Wheeler: Is there a second?

Eudaly: Second.

Wheeler: commissioner Fritz moves, commissioner eudaly second. Any further discussion on this item? Next up green buildings, a number of proposed amendments here, mindy, walk us through the amendments.

Brooks: We will start with eco roofs. A group of staff from BPS, BDS, BES as well as staff from commissioner eudaly and commissioner Fish's office have been working on this amendment. And the goal has been to really encourage as much ecoroof as we can while providing space for things that have to go on the roof like hvac systems, elevator enclosures and also to allow space for amenity uses up there like outdoor seating. We have kind of run into three issues that we've been trying to address. The -- one of them is a new fire code adopted in 2016 that limits the size of vegetated areas on a rooftop, some of the amendments are related to that. We need a standard to support architecturally diverse skyline, we don't want just flat roofs. Also we need to make sure there is adequate space for the things that have to be up there. You need a penthouse for the stairwell enclosure, and the elevators and so forth. We've been working through that. I want to give

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an example of how we have been working through that so you can see how this works. First I wanted to say that the code that you saw before, basically said first on a roof, you take out items like hvac and elevator enclosures and all those spaces and then on the remaining roof, 60 percent needs to be ecoroof. The way it's structured now is everything needs to be ecoroof. But you're allowed that 40 percent of the roof can be used for a mix of things that need to be up there. That's how this has been restructured. This is just an example, a generic full block, could be anywhere in the city. With the new code as we're proposing it these are the two ways it could play out. The top scenario is you have the mechanical and all that stuff in the middle and everything else goes to ecoroof. You can see how we have put fire breaks in there to address the fire code. You end up with a lot of ecoroof. It really is maximizing. The bottom scenario shows that the code actually allows for that flexibility in that tan space, that space could be used for mechanical and other things, it could be used for amenity space, it's a flexible area. At no point can you go below 60 percent ecoroof coverage total. I have another example of this on a half block, similar examples here on maximizing, trying to maximize that ecoroof area.

Wheeler: We had a lot of testimony on this particular item and we had some people advocating for even more stringent standards with regard to the ecoroofs. It's my understanding that this – I don't want to call it a compromise because I think it's still pretty substantial. Would this not be the most progressive ecoroof policy in the united states?

Brooks: Yeah it would. Other cities have ecoroof requirements or incentives, this is definitely a very progressive approach for sure. Karla handed out to you, I think or handing out now to you, another version of the code. We put in your packets code, but we have continued to work on it, Karla will give you a version that has yellow highlighted text which is also on the screen that is new. I'll quickly walk through what that is. We added to the purpose statement the three bullets, and these are to make it easier when an adjustment comes in through design review for there to be something to judge it against, helping to clarify how adjustments should be considered underneath this. We also added an exemption for slopes with a pitch that's greater than 25 percent. You would not have to put an ecoroof on something greater than 25 percent, although you could if you wanted to, you're not required to. Those are the two new amendments we are putting in.

Wheeler: Commissioner eudaly, would you like to move these as amendments?

Eudaly: Yes, I would to move them.

Fish: I'll second.

Eudaly: I'd like to say thank you to everyone that helped us fine tune this amendment. I definitely don't see it as a compromise. We just made it make more sense. And I think really balanced our two goals of maximizing the ecoroof space while allowing building owners and occupants and visitors to enjoy the outdoor areas, i'll list off some of the benefits of ecoroofs for anyone who is listening and remains unconvinced. They significantly decrease storm runoff and help preserve fish habitat and absorb carbon dioxide and other air pollutants, they cool urban heat centers and they enhance energy capacity of solar panels. I think that you've really gone over all the significant changes to this amendment. The only thing that I want to clarify, this only applies to new development that's over 20,000 square feet in net building area. It will result in a less than 1 percent increase to the overall cost and there is an existing list of exemptions, which would include patio equipment, fire aisles, all of that, if you've forgotten anything, and that list needs to be expanded, changes can be made to the annual regulatory improvement code amendment process.

Wheeler: Commissioner Fish.

Fish: I want to thank commissioner eudaly and her team for convening the various parties to get to this compromise. This is a long time coming, this is a requirement. But this seems

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like a reasonable compromise in balancing other required and competing uses and I think everybody that had a hand in working through to get to this point.

Wheeler: I want to share that same sentiment, I think this standard is very important to address our sustainability and our climate action goals, that includes clean water and clean air and includes heat island effects and affects habitat. Considering where we started with this conversation, I think it's come a long way, commissioner eudaly, I want to Thank you and thank your team and I want to thank the bureau staff for working hard to bring a lot of disparate voices to the table on what will be the most progressive green roof policy in the united states. It's a good, smart one. I want to say, i've shopped this around to a number of people that I just know personally who are developers and architects, and the feedback was very positive particularly based on the accommodations made for some of these other amenities on the rooftop, and one individual told me that this is where the market is actually going. I believe you even showed a couple of photos in your presentations of buildings where that is what the client wanted. So I think this is great timing and i'm very appreciative of your work, commissioner.

Eudaly: I would also like to acknowledge local advocates, GRIT for helping bring this to our attention and to my staff member, jamie duhamel, who really led this process from my office.

Wheeler: Very good. So moving along. We are covering a lot of interesting areas today. F2, light pollution commissioner Fish. Did you want to move a light pollution amendment?

Fish: Yes, this is one that commissioner Fritz and I both support. I'm going to be very clear mayor, this doesn't go as far as I'd like. But what we're doing is going from the discretionary rather vague consider the Project to actually initiating a project. I do have concern about the five-year time line and wonder if that's a function of resources and prioritization in the bureau. I'm seeing a nod.

Brooks: Yes.

Fish: Can you give us a sense of what would be required in terms of council action to move this up in terms of priority. Are we talking about funding and staff? Give us a sense if we thought five years was a bit – if we wanted to accelerate the process, susan, what would you need in order to meet that?

Susan Anderson, Director, BPS: Susan anderson director of the bureau of planning and sustainability. All these [inaudible] in the next five years. That doesn't mean it couldn't happen in year two, we wanted to give ourselves a little room when we put out our budget annually, you're able to look at all of the things that are out your list and decide which ones you want to put forward, we could put it forward in our next budget. A tradeoff with something else and see if that's something you want to put at the top of the list.

Fish: Mayor, you have a big say on this and without getting into the weeds here, there's a debate about how you create the standard, and the requirement. And bps has said they want to go through a process to get to that. There's some advocates who said the council should set a specific requirement. One way we can, I think, bridge that difference is prioritize a process to get to the standard and then have the council determine when we implement it. That would require a clear direction to bps either with resources or prioritization that this goes to – this does get done sooner rather than later, mayor.

Wheeler: I agree. It's very important and there's been a lot of literature on this in recent months, there's a number of studies that show the rapid global spread of light pollution and what the consequences are, often those are couched in terms of impacts to humans and to wildlife and it discusses things like disruptions of sleep patterns and destruction of habitat and the collapse of nocturnal animal populations, but it's also important for our energy goals. So I think it does require a thoughtful approach rather than us just picking a number and hoping we got it right. So I would support that I hear what you're saying with regard to

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both resources and man power to back that.

Fish: I would offer this compromise amendment with the understanding that we would through the budget process prioritize establishing the standard with some sense of urgency provide the resources to bps implement a standard.

Fritz: Second.

Wheeler: We have a motion and a second from commissioner Fritz. Very good. And then we're getting into f3, this is bird safe, like the other two green building items, this one implements the sustainability values, i'd like to move this but mindy, could you talk about this details.

Brooks: Sure. What we are doing with the amendment is just moving the details of it into an administrative role. The standard itself, what is required, the percentages and so forth, would stay in the zoning code, the administrative rule would handle the specifics about materials and glazing and frtiz spaces, material and so forth. We think this is important because this is a new field a new technology and it will change, an administrative rule is more flexible it allows for more change. And we can put more details in the administrative rule to help developers understand it. So go ahead. That's the amendment.

Wheeler: Is there a second.

Eudaly: Second.

Wheeler: Sounds like commissioner eudaly just beat out commissioner Fritz on that. They'll fight it out. Then we'll move on then to h2, redevelopment in the flood plain, commissioner Fish, I understand you would like to speak to this item and potentially offer up an amendment?

Fish: I'll let staff go first.

Brooks: So this a little bit of background, I want to remind everybody the williamette river hasn't flooded in a while. But it does flood about every 30 years. It flooded in '48, '64 and '96. This is a lovely picture of the pearl in '96. We do expect that flooding will intensify, frequency will change with climate change, the plan already has an increase in the width of the setback. It applies a new river environmental overlay zone to the river and to the riverbanks and it puts in place a bonus for property owners to choose to set back even further. But all of these requirements in bonus come into play at the time of redevelopment, when somebody redevelops the site, that's when they setback, that's when they can get this bonus. We have proposed with commissioner Fish a new action that directs BPS to partner with BES, OMF, the bureau of emergency management and bds to explore options to incent people to voluntarily move out of the flood plain ahead of redevelopment.

Fish: I think the theory here is -- it's one thing to say that typically these things are linked to development, given this is a flood plain and given the consequences, i'm not sure we can afford to wait. Why not consider an incentive plan to have these buildings removed ahead of any redevelopment. In some instances the removal done ahead of redevelopment may actually enhance the redevelopment and create greater options. So the amendment would be to explore options to -- around potential incentives to remove structures and flood plains. It seems to me that's a common sense approach. The question we have heard from a couple of advocates that want to go further, and expand this explicitly, the williamette river greenway and the central reach, there's been some concern from bps about this. Can you address that for me?

Brooks: Expand the setback to a wider setback?

Fish: Yes.

Brooks: Let me -- sorry. We can talk about that too. So the setback right now in the williamette river is 25 feet from the top of bank. It's been that way since 1988, and we all know 25 feet is not enough to protect natural resources, it needs to be wider, best available science says that.

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Fish: I may have misspoken, the amendment says -- the amendment talks about existing structures in the willamette river flood plain essentially and some have suggested we expand that to include the willamette river greenway in the central reach..

Brooks: Yes and that is included in here. It would be the flood plain or the setback is where we would consider these new incentives.

Fish: That's in my memo.

Brooks: Yes.

Fish: It's late in the day. I have to be clear what's in my amendment before I offer it.

Brooks: So yes. It's exploring the options to incent property owners to voluntarily move structures out of the flood plain or the river setback prior to any site redevelopment.

Fish: I offer this as an amendment.

Fritz: Second.

Wheeler: Commissioner Fish moves and commissioner Fritz seconds.

Brooks: As you were saying, commissioner Fish, there was some requests regarding the width of the setback itself. So you asked that we have another discussion about the setback, as I was saying, it was 25 feet and we proposed to expand it to 50 feet which really is an absolute minimum for setback of development from the river. For the central city, this is really about as wide as you can go because there's a lot of development that's already happened. We've got most of the greenway trail there so going wider just isn't reasonable in the central city so 50 feet is where we have stuck with the recommendation.

Wheeler: I understand this was just flagged as a discussion item, not necessarily an amendment.

Brooks: Yep, there's no amendment.

Wheeler: Any further questions on this one, colleagues, very good. Moving on to bonuses and transfers. Rachel and joe, you going to walk us through the proposed amendments.

Rachel Hoy, BPS: Good afternoon, commissioners, i'm going to be working from table g in your packets. G is the bonus and transfer table. So the first item, g1, we received testimony that indicated that the transfer areas that are in the recommended draft, which we call a transfer within subdistricts, those areas were not large enough and that we should consider making those transfer areas larger to increase the pool of available f.a.r. And simplify the system. So staff is proposing to, as you see, on the slide here, staff's proposing to combine several of the subdistricts in the downtown area into a single larger what we're calling a floor area, transfer sector. So this area would include the pearl, downtown, old town chinatown, west end and south downtown. We would keep goose hollow, south waterfront, central east side and lloyd would be combined with lower albina. Keep those areas separate. We do feel this new sector does increase the pool substantially in the downtown area and would certainly be responsive to some of the testimony that we have received. This simplifies the system and we also feel that it keeps the areas corresponding to some of the areas that we modeled for the transportation system and especially pays attention to the regional transportation system. Just to recap, in your table, table g, no. 1, you'll see that this would require zoning code updates that are in your table, then the map that's shown on your screen here shows the creation of this larger sector. So mayor, i'm going to turn it over to you if there's any discussion on this particular amendment.

Wheeler: Is there any further discussion? I'd like to move this as an amendment. I don't know if people have any further discussions before we get a second.

Eudaly: Second.

Wheeler: Commissioner eudaly seconds. Any further discussion?

Fritz: I have a question about 2a, it says the [inaudible] site must not be in a historic or conservation landmark, what's the reason for that?

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Hoy: Because we do have a historic resource transfer. In the new system of transfers, we've got the historic resource transfer. So if you're a historic resource, we want you to use that transfer.

Fritz: You can't get both?

Hoy: Right.

Wheeler: G2 increase bonus far for fee in lieu. Great.

Joe Zehnder, BPS: So this g2 has two components, the first is a request to increase the amount of floor area that a project earning central city and inclusionary housing bonus commercial project, office building can earn, in response to concerns that the cost per square foot in our current inclusionary housing program is high enough that it's going to discourage use of the bonus. And the result of that would be that -- whereas we would just get less resources in for affordable housing, through the bonus if the bonus isn't used and secondly, we run the risk of having central city buildings underbuilt. The inclusionary housing program put a fee of \$24 a square foot on it. It was determined for that, that fee was determined as part of the study we did to create inclusionary housing, which was an economic study looking at pro formas and the cost of development. We looked very closely at the costs of residential developments since that's the focus of the inclusionary housing program. Our look at commercial development was present but wasn't as in depth and we have had nagging concerns that cost may be too high and since we adopted -- since we did the study in 2016, to today, the cost of construction in general in Portland has gone up 5 percent a year. We think that this proposal that we are -- i'll explain next is sort of a good conservative hedge against this -- concern about the cost of that per square foot. The proposal would be this. Currently for \$24, you get one square foot of additional floor area, you can build on a commercial building through the bonus system up to a 3 to 1 bonus for the whole site. So you can earn it, you pay for it per square foot. You're capped at 3 to 1, the money raised by this goes into the affordable housing fund, we are proposing instead of 1 square foot \$24, we amend the zoning code for an interim period, 18 months is what we're proposing, to make it 1 1/2 square feet for \$24. The impact of that is the right to reduce the effective cost per square foot for a commercial building. We are limiting the amount of time we would do this provision so that we can sync it up with the ordinance that requires the inclusionary housing program to be reexamined and recalibrated in three years since its adoption, we can double-check as part of that analysis that this move that we have made here is still calibrated correctly. So.

Wheeler: This is good work and it addresses the problem that's been identified by commercial developers, it's an interim strategy, this is not a permanent fix, this is an interim solution. I will therefore move this.

Fritz: Second.

Fish: Can we have a conversation.

Wheeler: Please.

Fish: One of the things we were clear about when we adopted inclusionary zoning is that we wanted a fee in lieu process, but we wanted to structure the overall system to encourage units onsite. That's because for two fold, one is we wanted to capture the bird in the hand, we wanted to get the units while they were -- while the market was hot and we also thought that we were likely to get more units in high opportunity areas. So creating a fund for some later time, you know, was less certain. Less certain, less likely to be in a high opportunity area and so my recollection and my recollection on many things these days is compromised, so correct me. My recollection is we wanted to create a slight disincentive from people using fee-in-lieu because we thought that the actual on-site affordable housing component, especially in central city was preferable, could you respond?

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Zehnder: You are absolutely correct. That's why this particular proposal only applies to commercial buildings. So because to make the system that you just described, commissioner, work for residential or mixed use buildings that include a residential unit, we did a very close economic analysis to create that disincentive to create the incentive to build the units on site. A commercial building is not going to include units so we always just had a straight up fee in lieu for that additional space.

Fish: That's number one. Here's my second question, in a commercial building like this, to what extent can we attach other requirements that are sort of in keeping with Portland values, like how the building treats workers or any other thing the council considered, to what extent can we add that as a rider to this program?

Zehnder: It would be a major change in the inclusionary housing program.

Fish: Talking about on the commercial side?

Zehnder: Even on the commercial side. The premise that's at the heart of this whole discussion is that we think there's value in the additional floor area, and that we are trying to capture some of that value we are allowing as a bonus and use that for a public benefit. And so the cost – anything else we add as a rider has the same problem of it will have an additional cost.

Fish: In that case, opening up the old discussion and creating another cost so we have to treat it that way.

Zehnder: There's issues with the seiu proposal, which I think we talk about next time. Anything we want to add to this list of public benefits that we ask in return for a bonus, we should calibrate when we set the price, it's a game of setting how much value we can capture, what's the cost of that to deliver the price of the additional far.

Fish: When we later come back and talk about the seiu proposal, what i'm interested in better understanding from you, where's the strongest nexus between us weighing in on this for responsible contractors and some discretionary action someone would not otherwise have a right to?

Zehnder: That would be great.

Fish: And it -- it is somewhere anomalous to me that in most of our policies, we require prevailing wage, area standards, certain kinds of things, but on this back door stuff, we don't have a standard. There will be some who say it's none of our business and others who say it's precisely our business, where's the clearest nexus.

Zehnder: Glad to talk about that.

Wheeler: Any further Discussion on this item?

Zehnder: Great. Thank you. The second part of g2 is a request to increase the amount of bonus floor area you can earn in central city above a 3 to 1 cap. The 3 to 1 cap has been established since the original central city plan. And we did not propose changing it in the development of the central city 2035 plan, but in examining and researching this particular question, this issue that was put on the table, we believe that we could as a city choose to go above the 3 to 1 cap and there's some analysis we need to do in advance to get it right. Part of the reason of that -- we think it's worth exploring now, too, is more density in the central city as a baseline goal, right? More housing development in the central city supports our goal, we just have to make sure it aligns with the infrastructure capacity and some other things in the central city and secondly, remember our principal that we adopted with central city 2035 is there's value in this additional far if we were to create it and we want to capture that value for public benefit and need to do the economic analysis to see how much we should be charging for whatever additional far you want to put on the table that we think we can accommodate. Then there will be the question of where should we distribute it in the central city. So with that, we are proposing -- i'm supposed to turn it over to the mayor now, I think.

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Hoy: To summarize the action we are proposing, the action item for a near term legislative project in 2018. In your table has a description of the full action and the work that we would do from developing the options to the analysis joe described.

Wheeler: Just to give a little context here, i've had a number of conversations with people who are not comfortable moving this as part of the 2035 plan. They want this to be a data driven conversation and a thoughtful conversation. So effectively, this amendment pulls it out of that process, creates the legislative process, my view has not wavered. I believe the comp plan in the central city plan both call for increased density in the central city, that's the appropriate place for increased density, we are in a housing emergency. We know that we need that density, I want us to be thoughtful about how and where that density is located. So we are proposing this amendment to effectively pull it out and have a more thoughtful side conversation.

Fritz: And I second that.

Wheeler: And commissioner Fritz seconds it. I don't know if there's further conversation.

Fritz: I wanted to add the certainty is in the height. That's why we've had a lot of discussion on the maximum height. The bonuses can't go above the maximum height, is that correct?

Zehnder: Correct. The ultimate cap on what can be built on the height is the maximum height. Part of the proposal was to let buildings go up to the maximum height. We never designed a system to work that way. It's designed for a different purpose. More floor area in the central city could be accommodated and we are interested in going and finding it and putting it into the bonus system.

Wheeler: Great.

Hoy: We would like the transfer system to be continue to be used as a tool, between the bonus system and our transfer system.

Wheeler: Anything else we need to do today.

Fish: Since we have the 35 minutes that we have saved, joe, would you care to give us a longer treatise on 2035?

Zehnder: No.

Fish: My computer died. I think Karla is editorializing.

Edmunds: We are just not totally positive that you moved this last amendment. We heard the second, okay, great. Wanted to be sure.

Wheeler: I'm told i'm a very quiet person.

Edmunds: All right. So yeah, our next meeting is on december 6, time certain at 2 to 5, the schedule up on the screen so we have that outlined, there will be no public testimony there. We have penciled in a date in january just in case we need it, we are hoping we don't was that will be tight with the holidays, we will be publishing the amendments report january 5. The public hearing on the amendments report, january 18. And then we will be moving forward and have the final vote on may 24, right after the comprehensive plan vote that you will have on may 24.

Wheeler: I've heard from a number of people that by – through necessity and through law, this process is somewhat complicated, and it's a very confusing to people who are trying to figure out when they can chime in. I want to reiterate, january 18 is your next opportunity to chime in in person, I hope we'll do a good job of pushing that information out to the public.

Edmunds: We will, we'll be sending out a public notice about that hearing, I want to mention we have been trying to keep our website up-to-date with summaries of these meetings.

Wheeler: Where is the website.

Edmunds: Bureau of Planning and sustainability website.

Fritz: I thought we had more to do on open space and transportation system plan, when

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are those amendments.

Edmunds: No. Next -- so on december 6, we have a number of items, it's going to be a much longer afternoon, height and far, couple of items there. Some scenic pieces we are bringing back. Zoning code and use allowances. Bonuses and transfers and that includes allowing far transfer from open space, commissioner Fritz there's some master plans, some parking and a very variety of other things that's all on december 6.

Fritz: That's the 'd' amendments On the 6th as well.

Edmunds: Table d -- let me see here. That is just the -- that was part of the minor technical amendment package that you all voted on at the beginning of the meeting. The I-5 rose quarter - your addition. Yes, that was part of that package.

Fritz: Okay, all the other ones have -- okay. I'm good, thank you.

Edmunds: Okay.

Wheeler: Anything else for the good of the order?

Edmunds: That's it.

Wheeler: We are adjourned. Thank you.

At 4:58 p.m., Council recessed.

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

November 30, 2017 2pm

Wheeler: Good afternoon. This is the afternoon session of the Portland city council November 30, 2017. Karla, please call the roll.

[roll call taken]

Wheeler: We have one item today. We'll get to that in a moment. I won't read the whole statement. You know what it says. You will hear testimony you'll not agree with everything you hear and that's okay. So please just treat everybody with the same respect you would expect to be treated with if you were testifying. Let's not interrupt people's testimony or the council deliberations. If you're a lobbyist it is required by council rules that you state that for the record and if you're here representing an organization, that is very helpful too. We ask people not to verbally interrupt anybody's testimony. If you like something thumbs up, if you don't, thumbs down is okay. The watchword here is just respect. This is everybody's chamber and everybody has a right to be heard here. So, with that, Karla, please call the item.

Item 1276.

Wheeler: Colleagues and assembled folks, good afternoon everybody, it's great to see everybody here for this important discussion. I think it's obvious to everybody that we live in a region that's abundant with natural beauty and with resources, and currently we're also seeing that our economy is vibrant and continues to grow. One of the side effects of that good news is that we're also seeing significant growth in congestion on our roadways. These same factors make Portland such a wonderful place to live, work, and recreate, but they also attract new residents and that of course includes increased housing and increased pressure on our roadways. While I am mayor I want to be very clear we're not building any more freeways in the city of Portland. Congestion pricing not only funds and maintains our transportation system but also is a very effective tool for managing the traffic that will continue as Portland grows and changes. We also can't lose sight of the impact traffic emissions have on our public health and on our overall environment. Air quality has been and will continue to be a key issue for me as mayor and we can't deny that vehicles continue to be a major source of pollution in the air we breathe. Today's resolution is not only a statement of our values, advancing our community's public health, protecting our environment and achieving our equity goals, but it's also putting forward a specific path to better achieve these goals. So I'm delighted that we're taking up this resolution today and I would like to pass this over to transportation commissioner Saltzman.

Saltzman: Thank you, mayor and welcome, everybody. As the mayor said an we all know Portland is well known for its high quality of life and it's one of the factors that makes Portland such a wonderful city to live and work and we also know we're attracting more and more new residents and that is increasing congestion. So the question before us is what are we going to do? One thing we can do is to study and consider doing pricing the use of our transportation assets or congestion pricing. That is fundamentally the purpose of today's resolution. To direct the bureau of transportation, the bureau of planning and sustainability to explore a congestion pricing plan that works for Portland. Now let me address the large and dare I say elephant in the room. [shouting]

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Wheeler: Sorry is the closed captioning on?

Moore-Love: It was working a second ago.

Wheeler: We outsource this and sometimes there's a glitch and it's important that we see the closed captioning. One moment. Michelle once it goes back online can you do me a favor? Go upstairs and let them that it's really important that they keep the closed captioning operating today. Just by way of run of show we'll have two invited panels come up after the staff report. We're back in business. Commissioner Saltzman.

Saltzman: Just to pick up where I left off now let me address a large dare I say elephant in the room, that is the Oregon department of transportation's i-5 rose quarter project. There is no doubt that this project and the legislature's directive to odot to explore the idea of congestion pricing in this corridor prompted us to bring this forward today and let me be clear, in my opinion congestion pricing should happen in these corridors before any shovels break ground. But as staff and this council dug further into the project and ideas around congestion pricing it became clear that this is much larger than i-5 and i-i-205. This is about how Portland responds to our growth and success and does it in a uniquely Portland way. This means it needs to be a plan that not only achieves our congestion and environmental goals but also it's fair and equitable to all Portlanders. This means that everything needs to be on the table including our zoning code, our transportation plans, and our capital projects list. This means we need to begin a robust conversation with the community on how we help minimize congestion but also maximize livability. This means that conversation and work is informed by best practices that have been developed in other cities and that we continue to explore all approaches for pricing the transportation system. So again, thank you to the Oregon legislature for spurring us to this act of conversation over potential pricing on i-5 and i-i-205, but also the larger question of how Portland and Multnomah county create a more livable future for our residents. Now I would like to introduce transportation department director Leah Treat and bureau planning and sustainability director Susan Anderson to provide more background on this resolution and then we have a couple of invited panels to hear from and then testimony, open to public testimony.

Leah Treat, Director, Portland Bureau of Transportation: Thank you, mayor and commissioners. Susan and I are pleased to be here today to talk to you about how we can use pricing to bring relief to drivers on our roads and hopefully at the same time strengthen our transportation system over all by making it more efficient, more equitable and.

Wheeler: Is it, I'm sorry it stopped again?

Moore-Love: It takes a while when it switches over, it takes a moment to get up there.

Wheeler: Is it working?

Moore-Love: Its working.

Wheeler: And Leah if you could just speak a little more slowly. Thanks I appreciate it.

Treat: Thanks for the feedback. Across the cities, across the world and here in the united states this tool has been adopted and other cities have shown significant improvements in their levels of traffic congestion. So the resolution before you today is a major step forward to adopting the use of pricing to achieve less congested roads in Portland. As commissioner Saltzman mentioned, congestion is a growing problem for the Portland region. In fact congestion is growing faster than our population. According to the 2016 odot traffic performance report congestion grew over four times faster than Portland's population between 2013 and 2015. Unfortunately, the news doesn't get better from here. Our region is expected to add 500,000 new residents by 2040. By this time metro drivers are projected to spend twice as much time sitting in their cars on congested highways and streets so now is the time to explore our options to avoid this future. That's why odot is studying the feasibility of congestion pricing on i-5 and i-205 in the Portland area. So here

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in Portland we want to take advantage of what's happening at the state level and jump-start the policy discussion about using pricing to address congestion in Portland's transportation system. The current state level policy discussion about congestion pricing was started with the passage of house bill 2017 the statewide transportation bill that the legislature passed this summer. Now known as keep Oregon moving, the bill directed odot to develop congestion pricing on i-5 and i-205. This process formally started on November 20th when odot convened their advisory committee. The city of Portland is represented on this committee and as a member we will be advocating for congestion pricing system that adequately addresses the following issues. Demands management, diversion to local streets, equity concerns, climate impacts, and leveraging revenue to improve our transportation system for all users. The state conversation is only one side of the policy coin. The second is the use of congestion pricing on city streets. To better understand how we can use pricing tools on Portland roads pbot and bps have kicked off a joint effort to evaluate a range of possible strategies we could use here in Portland. The pricing mechanisms we'll be looking at include cordons and other geographically based pricing, parking demand management, automated shared and vehicular mobility pricing and bridge pricing. Importantly we won't investigate these in isolation. As part of our evaluation we will look to determine how each pricing strategy can be used to advance existing important policies on land use, housing, equity, climate and vision zero.

Fritz: What do you mean by bridge pricing?

Treat: So similar to a toll, we have ownership and jurisdiction on all the bridges that go over land so possibly tolling on a bridge.

Fritz: Thank you.

Treat: Congestion is not just frustrating, it brings with it a real set of costs. By 2025, metro estimates the regional cost of congestion will be \$844 million a year. Congestion also has very significant health costs, traffic emissions from congestion contribute to asthma, heart attacks and other health problems. Lower income communities often located near freeways are most impacted by these emissions. Long commutes are also associated with obesity, high blood pressure, heart disease and diabetes. Congestion is also a major contributor to climate change. Motor vehicles are responsible for nearly 40% of Oregon's greenhouse gas emissions. Emissions from freight vehicles are the fastest growing portion of our overall carbon footprint. When freight vehicles sit in stop and go traffic their emissions are growing that much faster. Buses are also negatively impacted by congestion and can discourage transit use leading to more drivers and more emissions. At its heart congestion is an economic problem. Road use is valuable and when roads are free, too many people use them resulting in shortage of road space and more congestion. We see pricing as a tool with such potential because it helps us raise the costs of inefficiency. As you can see from this slide different ways of getting around have different impacts on congestion. Driving alone has the largest impact. Carpools have a smaller impact and transit is the most efficient. With pricing we can send a clear signal to road users about preferred use of our limited street space. Pricing is also versatile. We can send signals about time of day, level of congestion and even about fuel efficiency. Our current intent is to integrate congestion pricing into our already existing suite of strategies to reduce congestion. These strategies include providing people with safe, convenient and efficient options besides traveling alone in their cars. Through our land use policies we encourage housing close to employment centers and is walkable, bikeable neighborhoods with good access to transit and we also work to influence demand for transportation in through what we call transportation demand management. In the is area for example we work with businesses to have them give their employees incentives to ride transit or bike to work.

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Fish: Leah can ask you a question off this slide? When the last time I took a lyft the driver had his phone on and I guess through google maps or something was evaluating the congestion on the various alternative routes to get from where I was picked up and where I was going to go. I have never quite understood how does an app actually measure congestion like that?

Treat: There's lots of cellphones have -- they are pulling the data from where the driver is, so you can agree to be a participant like wazes, so whenever your phone is on a gps data is being sent toto wazes and that's how they crowd source traffic congestion, so it's similar to google maps or any other application. So these strategies have been really effective. For example thanks to our commitment to building safe biking infrastructure we have one of the highest bike commuting rates in the united states but the fact of the matter is there will always be a significant portion of transportation users who do have to drive and for these users we have to have very road specific strategies. There are not many options. We can try to build our way out of the problem but this is very costly. We can encourage people to drive at different times but without real incentives this has very limited benefits. We can and we do implement intelligent transportation systems improvements like signal synchronization and these are often very low cost improvements that can help but they are ultimately very limited so we really need additional strategies and this is why we believe road charges are so important. Our key plans have actually already anticipated this policy discussion. The Portland plan calls for a shift in how we fund transportation. The climate action plan calls for road usage and fuel efficiency charges as long term replacement for declining gas tax revenue and the comprehensive plan calls for regional congestion management approach including a market based system to price or charge for auto trips and parking. As we consider congestion pricing on state highways and city streets we can build on the positive experience of other jurisdictions. In London congestion pricing reduced commute times by 14% and also contributed to fewer road deaths per year. In Singapore they used an advanced system of pricing and they have seen a 45% reduction in congestion. Stockholm provides another interesting example. When Stockholm implemented congestion pricing trips in and out of the city declined even as the overall population grew and this is exactly the kinds of result that we need here in Portland. So notice that when the congestion pricing was removed for two years trips went back up and the problem of excessive traffic returned. The previous slides showed international examples but there are also north American cities implementing and considering pricing policies. Variable bridge tolls are already being used in New York and in Seattle. A number of cities including san Francisco, los Angeles, New York and Vancouver are currently considering pricing policies and we're collaborating with these cities and looking forward to continuing to learn from their experiences and collectively advancing the best practices for congestion pricing in Portland. One of the most important lessons to learn from existing programs is that congestion pricing and transit improvements must go hand in hand. In Stockholm the pricing revenue directly funds new transit lines. In London they timed the introduction of the cordon with the opening of a new tube line and over 80% of the revenue goes to improving bus service. Here in Oregon one of the policy issues that we will be pursuing is how the revenues will be used to benefit transit and other modes. There are many ways that revenue can be used to improve transit access. We would be able to make investments to 82nd avenue, a high crash corridor that runs parallel to i-205 by making this corridor safer and improving access to transit on 82nd we can help provide viable transit alternatives to driving on i-205. For any pricing scheme to work we know that we will have to find solutions that actually work for our communities so we'll look at policies that help to advance equity, reduce climate impacts, move us towards vision zero and support our land use and housing goal. In addition we need to work to make sure any

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pricing policy will benefit our entire transportation system. As we move forward we are especially sensitive to the impact of congestion pricing on our ability to build an equitable transportation system. As the policy discussion has ramped up we heard some of the concerns that are listed on this slide. We are committed to working with our equity partners to understand these and other concerns and to find solutions that make Portland's transportation system work for all Portlanders. Per the resolution before you our next step is to support and actively engage in odot's current congestion pricing effort. As we engage with this effort we'll be focused on i-5 and i-205 solutions that can manage demand and also support our goals. Additionally, we also want odot's proposal to minimize the impact of diversion on local Portland streets and help make our system work better. In addition we'll be researching and evaluating a broader set of pricing best practices for use on our city streets. As I mentioned earlier, the potential strategies may include cordons and other area based pricing, bridge pricing, parking demand management strategies, automated electric and shared vehicle mobility pricing options. As we begin we're committed to engaging community stakeholders including those representing the needs of low income and other marginalized communities. First step that is we'll be inviting community partners to join us for a workshop on December 14th to begin to learn more about potential strategies and discuss how we can move forward together with this work. We're also planning to collaborate closely with other regional partners such as metro and national partners such as the national association of city transportation officials. We know that this kind of collaboration is critical to our success. Beyond these initial steps this is the timeline of the process as envisioned by the state and by us. As you can see, the odot advisory committee is working within a very tight time frame with a plan to have recommendations by July of next year and a proposal submitted to the federal highway administration by December 2018, which is required in the legislation passed by the state. Our best practice work is just beginning and it's going to take us longer so we'll return to the city council we expect within a year with our initial findings. So thank you and now I'll turn it over to Susan.

Susan Anderson, Director, Bureau of Planning and Sustainability: Good afternoon, mayor, council, Susan Anderson, director of the bureau of planning and sustainability. I'm happy to join with the bureau of transportation with Leah hand in hand on this issue. From my perspective when it comes to transportation the goal is always to create a really efficient, effective, low carbon system that everyone has access to. It's something that is very near and dear to my heart for a really long time I was thinking about this and realized back in the late '70s when I was a student both in environmental science and economics student I wrote a paper on congestion pricing. This isn't new, we've been talking about market based mechanism for a really long time about putting a price on externalities, but it is a tool that could be something that could be very useful to our transportation system. This transportation system as you know doesn't stand alone, we all know it's connected to land use and to housing and air quality, it's connected to water quality, to our personal health, and to housing and these things all work together. We all have talked about these connections probably some of you more than you even wanted to as we develop the Portland plan, the comprehensive plan, now the central city plan, and the climate action plan and all of those have recommended market based solutions like congestion pricing. I think Leah's presentation highlighted many of the issues that we are going to need to pay attention to. As I was talking to someone today they said an equitable answer to this is not just we do congestion pricing and then hand out a bunch of low cost bus passes and call it good for people who need that kind of assistance. It's got to be more than that, a system that looks at housing, its got to look at land use. We need to look at all of our equity goals and we need to make sure there are effective for example transit connections between where people of lower income are living and where they need to go for their housing – I

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mean for their jobs and we need to provide sufficient affordable housing close to job centers. These things are all connected if you just do congestion pricing without looking at how those things fit together it will not be successful. Finally, we need to make sure all of our equity stakeholders, this is something we have learned over the past ten years that they need to be at the table with us from the beginning and that we're altogether helping to define what the problems are that we're actually trying to solve and that we don't just try to look at each of these things in silence. I look forward to our partnership, we always work well together. The bureau of transportation and planning and sustainability and I look forward to bringing information to you as it unrolls in the next few months. Thank you.

Wheeler: Thank you both.

Saltzman: Now we'd like to bring up our first panel and that consists of Multnomah county commissioner Jessica Vega Peterson, port of Portland executive director Curtis Robinhold, who is also a member of the nature conservancy greenhouse gas task force and then Angela Crowley Koch with the Oregon environmental council. Thank you all. Commissioner Peterson.

Jessica Vega Peterson: Thank you so much. Thank you, mayor wheeler and commissioners for having me here today. My name is Jessica Vega Peterson, I am the Multnomah county commissioner for district 3. I also represent Multnomah county on the value pricing advisory committee that Leah was referring to earlier tasked with considering value pricing on the i-5 and i-205 state highways as a result of house bill 2017. I appreciate the city bringing this resolution forward and in particular commissioner Saltzman for sponsoring this initiative. Value pricing is a huge issue in our region with huge potential because while there's no shortage of highly congested traffic in the Portland region we don't have any successful congestion pricing on our roadways. With huge projects potentially on the drawing board reducing congestion at the i-5 bridge, fixing the bottlenecks on i-205 in Clackamas county, finding relief for the sunset highway and vista bridge tunnels, it's important that we get this right so we can use more equitable, efficient and advanced tools to head off the need for future highway expansion and find other ways to keep people and commerce moving in our region. One of those key tools is congestion pricing and the reasons we need it are obvious. Although the show Portlandia has come to an end the Portland area remains a very popular place for people to live. From 2013 to 2015 our population grew by 3% which may not sound a lot but that means over 60,000 residents. That influx has put a huge strain on housing prices as well as social services and roadways. In fact while the population rose by 3%, hours of congestion increased by 13.6% over that same time period. These delays translate into real world stress and frustration. People now need to plan for much longer worst case scenarios leaving earlier and earlier to hedge against 30, 45 or hour long commutes. You all know I live in east Portland. In order to arrive for a downtown meeting that starts at 7:30 a.m., which used to be outside the rush hour traffic time, I have to leave by 6:50 to make it on time. That's 40 minutes to drive less than 10 miles and I'm only one of so many people in that situation. The folks in my east Portland district face such lengthy travel times, they live farther from job centers in our region. The additional time in cars equates to less time with loved ones and more stress about being late for meetings, late to pick up a child, late to a family dinner or any other important event. With many streets lacking sidewalks and frequent or any bus services you see a patchwork of transportation usage in my region. Those along the max line or along division street are frequent transit users but those that are farther afield that have some of the lowest transit usage in our region and those are separated by just a few miles, but congestion pricing can have benefits for both people who drive and people who use transit. Most importantly for me it can have benefits for low income residents as well. While tolls could be regressive not all low-income people drive. Many

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low-income people don't own cars, so tolls may not hurt the most vulnerable. It may help them if reduced congestion lets buses travel faster, improves frequency and expands bus lines all of which should be objective of successful congestion pricing plan. For the many low-income people who do drive tolls may burden them yet tolls generate revenue we can use to offset costs for those low income drivers. This is how we help them afford other needs like health care, food, heating, gas, electricity and soon public transit. We identify people who can't afford the service and dedicate funding to help. What we don't want to do is assume the current system of free roads benefits everyone equally. It doesn't. Driving is expensive. It requires a car, gas, insurance, maintenance, registration fees, the list goes on. That's why the affluent drive much more than the poor and take more advantage of our current road system. We have the opportunity now to build a congestion pricing system that is right for all our community. We know that right now almost all driving translate into pollution. Our transportation system is a major source of greenhouse gas pollutants as well as harmful air particulate matter like diesel exhaust that disproportionately impact low income communities and communities of color. All of this makes the success of congestion pricing all the more significant. Congestion pricing could mean more reliable commute times for individuals, better connectivity and more transportation choices for everyone. Less pollution and more equitable use of public infrastructure. I know that we can do this right and I appreciate the thought that the city is giving this matter as we work together on this important topic. Thank you for giving me the opportunity to join you today and for the work that you're doing.

Wheeler: Thanks for being here.

Curtis Robinhold: Good afternoon mayor and council, thank you for having me here today. Especially thank you commissioner Saltzman and mayor wheeler for bringing the resolution forward. As you know our mission at the port of Portland is closely linked to moving people and goods throughout the region both safely and efficiently and to put it plainly it's getting harder as population growth is outpacing capacity of our roads and highways to do just that. It's incumbent on us to use all the resources we have to responsibly pay for our needs and mitigate our challenges and that's exactly what congestion pricing does. As noted, commissioner Saltzman, I serve on the board of the nature conservancy, I also happen to serve as a member of the board of the Oregon business council and the two organizations earlier this year got together to address issues of climate change and the greenhouse gas reduction task force. That task force made seven recommendations and one of the seven was exactly the nature of the resolution in front of you today. The task force made up of folks from around the region and the state thought that for the Portland metropolitan area it was a very smart way to address the challenges of congestion that you have already heard about. The value pricing task force mentioned by several people here is another fun board that I get to sit on. We started our work and I'm optimistic that we'll come to some really thoughtful approaches for the region addressing the multiple needs that we have talked about already, greenhouse gas reduction, but also efficient use of our roads and maximization of our existing infrastructure. Congestion pricing is without a doubt a complex topic. We can and should learn from other places but there's no playbook on the right approach. I say this as someone a six year resident of the city of London. It works in London but it works in a London way and we have to come up with a way that matches our own needs and our own requirements and I expect we'll do that. This resolution directs pbot and bps to engage in work that's truly complementary to the work that's going on in other parts of the state and I believe will ultimately help us land this in the right way. From the port of Portland we appreciate your efforts, we appreciate the leadership on this issue and look forward to engaging with you directly.

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Wheeler: Thanks for being here.

Angela Crowley Koch: Hi, Angela Crowley Koch I'm the legislative director at Oregon environmental council. We're a nonprofit nonpartisan member based organization and we advance innovative, collaborative.

Saltzman: Sorry we lost captioning.

Wheeler: And we've lost the clerk, she's had it with us. Karla we're keeping you busy today, thank you.

Crowley Koch: Again Angela Crowley Koch, Legislative director at Oregon Environmental Council. Oregon environment council advances innovative, collaborative and equitable solutions to Oregon's environmental challenges for today and future generations. Oregon environmental council supports the resolution that directs the Portland bureau of transportation and bureau of environmental services to work with odot to implement value pricing in the region as per the direction of the legislature. We see among the key advocates for incorporating congestion pricing into house bill 2017, the transportation package, and has long maintained that congestion pricing is the best and least cost method of improving transportation reliability in urban regions that experience heavy traffic. Rather than building more and wider roads, congestion pricing efficiently manages the road capacity we already have. Adding new capacity simply doesn't work over the long run because it results in what's called induced demand. That's where drivers who were taking transit or driving at a different time of day flock back to the freeway at rush hour because new lanes have been built and that fills up right away with more traffic and making it more congested than it was before. Road building is also associated with a host of environmental and social problems. Storm water runoff from roads contaminates water, increased driving pollutes our air and harms our climate, widened roads make it difficult for pedestrians and bicyclists to get from place to place safely and freeways tear neighborhoods apart. OEC is also serving on the Portland region value pricing policy advisory committee. We will be advocating for a well designed congestion pricing system that reduces climate pollution and air pollution, advances equity and affordability, improves access and the convenience for walking, biking and taking transit and does not disproportionately divert traffic to local streets. Finally reduces congestion to that people and goods get where they need to go with less hassle and more reliability. We thank you for drafting the resolution in front of you and support its adoption and we look forward to working with the city to make sure congestion pricing is implemented in a fair and effective manner. Thank you.

Saltzman: Thank you all. Our last panel is Noel Mickelberry of the Oregon walks and transportation justice alliance, Vivian Satterfield of opal and the transportation justice alliance, josh Alpert of c40, and john Tapogna. Sorry John, I always get it wrong. Eco-northwest. I don't see Vivian, so why don't we start with you.

Noel Mickelberry: Sure. Hi mayor and commissioners my name is noel Mickleberry I'm the executive director of Oregon walks and I am here today on behalf of the transportation justice alliance. Tja builds power with low income communities and communities of color to ensure affordable, equitable and environmentally sustainable transportation system. We believe transportation is a human right and a transportation system guided by environmental justice principles is essential to regional prosperity. We appreciate the opportunity to comment on the congestion pricing resolution today and have some specific questions and considerations that we would like council and the city to integrate into any policy developed in the next stages. As the resolution states, communities of color and low-income communities feel the burden of the environmental and health impacts of emissions from freeways. These communities are also those who have the fewest options to choose to travel at different times and using different modes. As you move forward with

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this resolution we encourage you to be looking at critical elements of any new policy through the following lenses. Mitigation of impact. What does mitigation for low income users look like and how will it be effective. We want to see specifics on how the city plans to ensure this strategy works for low income users so they are easily able to access any mitigation program and that's affective at reducing barriers to transportation reliability. One of the strongest mitigation strategies would be investment in expanding transit. We encourage the city to look at how to most effectively invest in expanding transportation options without any revenue generated from congestion pricing knowing it will take collaboration and innovation to spend funds on transit expansion or operation given the current restriction on the highway trust fund. Community engagement, the resolution kicks off a year of analysis and we want to ensure that community and voices particularly those from low income communities and communities of color are at the forefront of any communication and community engagement strategy. This is an opportunity to raise the bar on what community engagement looks like and we readily await the opportunity for our communities to participate. Finally smart investment an effective congestion pricing strategy should be used in advance of any investment in freeway projects like the i-5 rose quarter congestion relief project. We have the opportunity to set a standard for the region and utilize innovative tools for addressing congestion and save our limited transportation dollars to go toward the safety, accessibility and affordability issues on our transportation system that are often an afterthought. We're looking forward to working on these solutions with you and we appreciate the opportunity to engage on this issue early in the process and we look forward to working closely with the city to develop a truly equitable, effective strategy that benefits all communities in Portland. Thank you.

Wheeler: Thank you.

Josh Alpert: Hi. Mr. Mayor, commissioners, good afternoon. Josh Alpert, director of special projects with c40 cities climate leadership group. Very pleased to be here today and I'm just going to offer some facts from two other c40 cities, Stockholm and London, both of which director treat mentioned in her presentation. In Stockholm today congestion charging is a fundamental element of the Stockholm ability strategy. That strategy was designed to increase mobility not increase traffic and to promote efficient use of shared and limited resource, our street space. They quickly took up the motto of building a city with cars, not for cars. Intentionally transitioning away from car-based infrastructure creates more dedicated lanes for public transport, more cycle lanes, fewer parking places and enhanced street environment for pedestrians. Stockholm's end goal is to become a fossil fuel free city by 2040. The congestion tax therefor is essential in a modern growing city like Stockholm in order to realize those goals, in addition to increased accessibility, reduce environmental impact and finance infrastructure expansion. Stockholm began this adventure with the trial period in 2006. At the time they designed it to prioritize high value traffic over trips that could use other modes of transport as well as trips that could take place at a different time. After the trial period the city held a referendum and congestion pricing became permanent in 2007. Since then, it's resulted in an 18 to 20% decrease in traffic going to and from the inner city. It's resulted in 30 to 50% less time in queues and less traffic variability. 10 to 14% less emissions in the inner city leading to positive health effects and two to 3% less carbon emissions in the county. It's also equally if not more importantly resulted in 45% fewer asthma attacks in kids. The revenue that Stockholm generates through this congestion pricing is dedicated to transport infrastructure development, annual revenues are about \$100 million a year. The key that is local and national governments are able to raise money through things like congestion pricing. In London and I fervently agree with Mr. Robinhold's comment while there are models every city is doing this different but they have been looking at London as the exemplar and then

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basing their schemes to suit their local cities but London is often held up as the poster child. Congestion pricing has been in place for over a decade there and current mayor Kahn's transport strategy aims to continue the positive outcomes created by the charge and shift emphasis from vehicles to walking, cycling and public transport. The congestion charge in London was first implemented in 2003 under then mayor Ken Livingstone, the founder of c40. By 2006 the congestion charging zone had reduced congestion in central London by 26% from 2002 levels. There have been between 40 to 70% fewer accidents, crashes that resulted in personal injury within the zone. Greenhouse gas emissions were reduced by 16% between 2002 to 2003, in just one year, and NOx and PM10 and other air particulates within the congestion charging zone decreased by 18 and 22% respectively by 2004 so dramatic and very quick results. The revenue raised in London from the congestion charging zone in 2015-16 alone was \$225 million. London has raised since 2003 over \$2.3 billion from their congestion pricing scheme. Key to the public acceptability of the charges the revenues raised are sequestered for bus operation and walking and cycling investments solely. As in Stockholm the strategy is not anti-car, it's about creating mobility options. Mayor Kahn an adult onset asthma sufferer himself wants to make London streets healthier, safer and more welcoming as well as cleaning up London's air. Solutions to London's traffic and London's air are very similar and the benefits of congestion pricing are essential to both. If every Londoner walked or cycled for 20 minutes every day they would save the national health service \$1.7 billion in treatment costs over 25 years. Would reduce air and noise pollution, would improve behavioral health and bring economic benefits to local high streets. Congestion pricing therefore is key to the goal of zero emission transport in London by 2050. The scheme has recently led to implementation in London of their T-charge, which is an emission surcharge the mayor Kahn implemented with massive public support in October and is the cornerstone of what's leading to an ultralow emissions zone charge within the city of London by 2019, so London is taking what they built and moving far ahead so cities like Portland can study and figure out how to implement things in a very Portland specific way.

Fritz: What's the T-charge?

Alpert: Don't know the exact dollar amount. I'll find that out.

Fritz: What is it just a surcharge?

Alpert: It's a surcharge on emissions with the idea that higher emitting vehicles need to be priced out of the market as fast as possible.

Fritz: Thank you.

Alpert: Just to wrap up c40 mayors seek to set up a new longer term vision for cities one that mediates between the needs of the city as it grows. Congestion pricing not only reduces congestion and pollution it can also raise revenue to give nondrivers more mobility options. If that's not enough it will also contribute to improving health, support sustainable growth and make our city an even better place to live. I'm pleased to present positive evidence from these c40 cities in support of this and as always c40 stands ready to help with anything that we can do. Thank you.

Wheeler: Thanks, Josh. Appreciate it very much.

John Tapogna: Mayor, commissioners, I'm John Tapogna, president of eco-northwest, economic consulting firm that's been doing business in Oregon since 1974, not surprisingly running a firm of economists we are in favor of this resolution and are in fact doing some of the math on the value pricing work in Oregon. So I would say listening to the presentations up to this point, the city is off to a good start. The directors' presentations in particular lay out many of the issues that you're going to have to grapple with. We have been doing work on congestion pricing across the United States for the better part of the last couple of decades we've got eight different projects across the country now. I submitted for the

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record a detailed presentation on how to get some of these things right or all the complexities that the state and the city might run into as it attempts to proceed and implementation with congestion pricing and happy to come back at any point and talk about those in more detail. Right now I just want to keep it at a high level and brief and save some time for Joe Cortright if he comes up. He has a wonderful presentation as well, but I would say as you look out in Portland over the course of the next 40 or 50 years this is a region we have made allusions to it has natural amenities. It's not everybody's cup of tea but it is a lot of people's cup of tea, and when global and national economic winds at our back lots of people want to be here and hey are coming and it was like that in the '90s, we didn't have much expansion in the early 2000's but we're having another long, sustained run at the global and national level right now and people are piling in here and the congestion is a symptom of that as you said in your introductory remarks. That is going to happen over and over again and I would anticipate that climate change is going to make that even more so the case. The Portland plan and any other forecast of population, I would guess are on the low side and are not taking into account just how miserable much of the rest of the continental United States is going to become over the course of the next several decades. In any event more pressure coming in this region is not going to build its way out of this problem. It just can't. So congestion pricing is the answer to congestion, it's the answer at the back of the textbook. Whether we proceed on it now and start to ask and answer all these complicated questions, or wait five years to do it or ten years to do it, it doesn't matter. This is the ultimate answer to solving the congestion issues in this region. It's inevitable and it's absolutely critical, I would point you to research by Stanford economist Raj Chetty on economic mobility and the American dream. He looked at IRS data over the course of three decades and looked at which regions created economic mobility and those that didn't. What he found is where there was strong economic integration, where people of different income classes could mix, you found more economic opportunity and more mobility you saw a better American dream. The congestion that we are drifting into now is absolutely a move in the wrong direction. In fact in Chetty's findings you can go look it up the number one correlation in the regions where there was strong economic mobility were short commutes. So it is that together with housing policy, et cetera, that is absolutely critical if we want to have a strong, vibrant, inclusive economy in the future. Many references to equity and I'm pleased to hear them at the start here. I would remind people that our current methods of financing transportation through the gas tax are also regressive and so that's important, but I would encourage folks to look at a RAND study I think it's by Tom Light, a former Eco-Northwest employee who moved on to RAND, in an in-depth 40 page or so report on how to deal with equity as you move into congestion pricing regimes. So overall, delighted that Portland is having this conversation. I think it starts to put us toward the front of the pack in terms of thinking about a region that is going to grow and grow in an inclusive, prosperous way. So good work.

Wheeler: Commissioner Fish.

Fish: I want to take this opportunity to ask Josh a question cause he is usually flying around the world and welcome back. Josh, I was struck by something you said about the linkage between the congestion fee and the money going into essentially a lock box for bicycle infrastructure and public transportation. You and I are old enough to remember debate in this chamber where when the question came up of new revenue for transportation, the fall line was really around street maintenance, safety, then other issues. What does the London experience teach us because it sounds to me like it was fundamental to their package that it be linked to biking and public transportation? Given our history in Portland what lessons do you draw from that?

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Alpert: Thank you, commissioner. I draw a few lessons. One while no city is the same they all end up actually having quite the same issues and the decision in London at the time was very political one to put the money in a lock box for transit options. That was largely driven through the coalition that had been put together from the community groups saying that we never get our fair share and that's not to say that we don't want to invest in maintenance and other typical usages for transportation money, this was their ability to claim what they had considered in London to be a short shrift over multiple decades. My assumption is as the world moves, here in Portland we're going to end up in a very similar place of I think citizens throughout the city saying it's time to start dedicating more and more resources to creating those mobility options. That doesn't mean you get to take a pass on of course paving streets and pothole repair, certainly all know very well you won't ever get away with that so this becomes I think one of the many conversations you'll wrestle with over the course of this whole process of how much to dedicate to what. As Curtis said just because London did it one way doesn't in any way mean this is how it's going to have to happen in Portland, it just shows you the range of options you're going to be able to do with this kind of funding.

Wheeler: Thank you we appreciate your coming in and same goes for the prior panel. Thank you for being here today.

Saltzman: That completes the invited testimony.

Wheeler: Very good, so we'll go to public testimony. Karla, how many people do we have signed up?

Moore-Love: We have 12.

Wheeler: So, why don't we do this three minutes per person max. Please state your name for the record. We don't need your full address. 30 seconds before your time is up you'll see a yellow light flash when the red light goes off that means your time is up. When your chair becomes electric that means you have really overstayed your welcome. [laughter] be succinct. Call the first three up, please.

Moore-Love: Mr. Wolf has requested to go first.

Wheeler: Oh yes please, and historically by the way I should also add anyone with disabilities or small children we always encourage you to come up first.

Wheeler: Why don't you go first, sir.

Gerik Kransky: You bet. Mayor wheeler, commissioner Saltzman, members of the council my name is gerik kransky and I'm here with the street trust. We advocate for healthy thriving communities where it's safe and easy for people to bike, walk and ride public transit and I thank you for your work on congestion pricing and encourage you to support today's resolution, while making sure that Portland builds a successful new program. Congestion pricing or value pricing holds promise as a powerful tool to improve Portland's transportation system. We would like Portland to explore value pricing on our highways as well as on our city streets with some of the following goals in mind. First and foremost value pricing must be designed to manage automobile demand for the limited space on our streets. We encourage the city in its dealings with the state and while exploring its own program to maintain a focus on value pricing as a way to manage congestion. Additionally, we welcome pricing being implemented in advance of the upcoming project on i-5 at the rose quarter in order to reduce congestion there. The benefits and burdens of putting a price on driving during peak demand should clearly advance Portland's equity goals. Based on meaningful community engagement we encourage you and city staff to build a program that results in low income community members seeing an increase in their access to affordable transportation choices. We believe revenue raised from value pricing must be invested in projects and programs that increase transportation choices. Our region has under-invested in safe sidewalks in east Portland, in transit and protected bike lanes and

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this new program must make it easier and safer for people to travel without contributing to congestion and we encourage you to direct staff to firmly establish these goals for new revenue. Obviously a lot of this has already been discussed by the folks up here today and in the presentations you received so we're thrilled to see that approach and very hopeful that over the next year we can see a lot of innovation in Portland's approach to value pricing. We thank you for your opportunity to comment on this issue and look forward to working with the city during implementation of any new value pricing program.

Wheeler: Thank you. Good afternoon.

Douglas R Allen: Mayor wheeler, commissioners, my name is Doug Allen. I'm asking you today to put some more teeth into this resolution. A couple of weeks ago during legislative days I went down to Salem to talk with my senator Kathleen Taylor. I wanted to ask her about the i-5 rose quarter project relative to congestion pricing. Senator Taylor was on the joint committee that came up with hb 2017. She told me she was skeptical of odot's claims for this project and of course a lot of people have debunked the claim of benefits of that, done a lot better job than I ever could so I won't cover that. But I asked what if the city of Portland passed a resolution insisting that congestion pricing be implemented before any further work in planning and construction of the rose quarter project went ahead. Her reply was what would be wrong with that? She says that hb 2017 did a lot of good things like more money for transit and safety and sometimes you have to put in some bad things to achieve an overall good result. You have heard representative Susan McLain in Washington county telling you to move ahead with expanding i-5 as if you have no choice in the matter. Now, representative McLain does deserve credit for insisting that congestion pricing be in the bill, but I think she's wrong here. You do have a choice and you wouldn't be the only supporters of hb 2017 to ask for a change. The Oregon trucking association which made their support of hb 2017 contingent on the rose quarter project being in the bill is now suing to overturn a portion of hb 2017 that pays for electric vehicles. So I don't think there's anything wrong with you folks asking that hb 2017 be fine tuned to spend the money in a more intelligent fashion than for the i-5 rose quarter project. Final point I would like to make is while the bill directs congestion pricing to be studied, to be implemented on i-205 and i-5, it also permits congestion pricing to be implemented on any of the other freeways in the Portland area so in particular you need to include and I would like you to add this to the resolution i-84, i-405, 217 and highway 26. Thank you very much for your time.

Wheeler: Thank you for your testimony. Good afternoon, Philip. Thank you. You too.

Philip J. Wolfe: Hello Mayor and commissioners. Thank you for having me here today. My name is Philip J. Wolfe. You all look very lovely today! I would like to first thank you everybody for be willing to consider the congestion pricing in place before anything. I lived here in Portland for 8 years. I have rented a moving truck, car, car to go, bike, boat, and have travelled on max to every station in Portland, took bus everywhere, and worked as a Uber driver. I also took bikes, motorcycles, rollerblades, and my own feet everywhere in Portland. I can go anywhere with my blindfold on, I remember every crack, pot holes and all that in Portland. I have travelled to other countries. I keep seeing London as a possible model to look at. I would like you to take a look at Amsterdam, as it is the world famous bike city, and Portland as second. (sorry my hands are freezing) While other cities may be successful with their congestion pricing, and its infracturce it doesn't necessary means a solution for Portland because every city are different, however in Amsterdam, their pace is kinda slow, relaxed, where I saw everybody on bikes, walking, and all that with no cars in downtown. With new tallest building in Portland will bring more cars, meaning more congestion. Parking spaces and buildings for parking brings more car in downtown. I encourage you to focus on the inner city first and spread it city wide by adding other

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alternatives means of public transportation where it would reduce congestion. Bringing cars in city is a half billion dollars mistake. We need to strategize other alternatives means of transportation. I believe that Portland can raise bars if we address the possible of adding other transportations ... I have visited several meetings odot has hosted, listened, and I asked if they have looked at other possible means of transportation, they claimed they did, 70 different listings but offered no data or any listings. So .. I would like to support the congestion pricing with an understanding we shall make a bold move on adding other means of transportation. I just wanted to take this on record. Thank you.

Wheeler: Thank you. Appreciate it. Ta-dah: Thank you. Thanks all three of you. Next three, please, Karla.

Wheeler: Philip, my hands were getting tired just watching you do all that typing.

Doug Klotz: Hi. My name is Doug Klotz. First I want to thank Jessica Vega Peterson for laying out details of what equity would look like in congestion pricing. I support congestion pricing and she laid out a lot of details that we need to know. I also want to thank Noel Mickelberry for her testimony in which she said smart investments and congestion pricing should be used in advance of any freeway projects like the Rose Quarter expansion and I would second that. I would also note that the Oregon transportation department has been asked by different government agencies numerous times in the past two decades to study options for implementation of congestion pricing in the Portland region including most recently by the legislature in 2009. However they have at this point failed to implement congestion pricing despite its numerous obvious benefits to public health, transportation efficiency and carbon emission mitigation. Actually it's also hardly certain that odot's Portland region value pricing advisory committee will ultimately adopt a stance in support of congestion pricing that would adequately address the concerns expressed here for equity, sustainability and public health or the committee will recommend congestion pricing in I-5 or any freeway in Portland. Portland has an opportunity to be a regional leader in climate smart, cost effective and healthy transportation policy and set the standard that freeway expansion should only be considered after congestion pricing is implemented. So asking odot to ensure that this congestion pricing is implemented before entering discussions about freeway expansion is an appropriate move for the city to make. Thank you.

Wheeler: Thank you. Appreciate it. Good afternoon.

Joshua Hetrick: Josh Hetrick. I endorse congestion pricing over freeway expansion. The time it took me to say that represents the cost to implement congestion pricing. My full three minute time slot represents the cost to expand a freeway. There is no point using all the time when only a little would suffice. I could sit here and continue to talk for three minutes to make my point less sufficiently or I should continue talking well beyond my three minutes as is often the case with freeway expansion, but I would like to be a good steward of public time just as I implore you to be with the public's money. Don't move forward with planning, design or construction of any freeway expansion until after congestion pricing has been implemented and its effects evaluated. I would like to note that I've observed a successful congestion strategy in this very room. The last time I was here there was a much fuller list of people providing testimony and we were often given two minutes apiece. We managed that just fine without building a second council I think we can do this.

Wheeler: Thank you. Good afternoon.

Jim Howell: Good afternoon. Mayor Wheeler, Council, my name is Jim Howell I'm here representing Aorta, Association Oregon Rail and Transit Advocates. We support this resolution.

Wheeler: Could I get you to stop? Are we good up there? It's good. Okay.

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Howell: We also support the amendment proposed by no more freeway expansion that they sent to you in a letter I think yesterday. I won't read it, but we support that. I have been opposed to this rose quarter project for over five years. I gave testimony over five years ago against it and basically asked them to seriously look at public transit as an alternative. It's been over five years and no one has looked at that as an alternative. I want to spend the rest of my time talking about surface improvements that have been, I've heard several of you say that these are important and I want to point out that they are a mistake. They are causing -- will cause more problems and I have a little -- some slides here for you. Let's see. You see that one? Okay. We think surface improvements -- this is the plan that odot has come up with. It has two covers, two lids that have been expressed as being an advantage. We don't think they are. This is my neighborhood and this would create a lot of useless space that cannot be built on and probably would not be maintained as currently the case with odot's property right now. This intersection at Vancouver and Broadway is an example of the way it's maintained, so it's not going to improve the neighborhood by having these old pieces of land. Here's a shot of the area and what is being proposed is to demolish five existing structures built in the '60s when the freeway was put through and replace them with lids. Here's one lid that will replace three of those structures. It's not to benefit to have more land for development, it's just a cheaper way to cover them when you are rebuilding the freeway, but it's been kind of sold as a benefit. Here's the other lid and as you can see, it replaces one of the overpasses which is Vancouver avenue but the fifth overpass which is flint is not going to be replaced. It will be lost to the neighborhood and this has been one of, oh -- am I out of time? This is the major one of the major north-south routes through the neighborhood. It's been there since it was platted back when it was the city of Albina and that won't be replaced. This is going to be replaced with something that probably is going to cause more problems and not this does not solve a lot of the bicycle things. In other words the project is bad an any of you think it's a benefit have been conned.

Wheeler: Thank you. Appreciate your testimony. Thanks all three of you. Next three.

Wheeler: Come on up.

Joe Cortright: Mayor, members of the council, for the record joe Cortright and I'm with the no more freeway expansions, I also run city observatory, a think tank on your urban policy issues. As an economist this is an exciting time to be here, you have heard the sermon, its usually been economists who've only been talking about congestion pricing. In short congestion pricing is not only a way to deal with congestion it's effectively the only way that you will reduce congestion in an urban setting. So I strongly urge you to move forward with this, but as with the amendment submitted by no more freeway expansions we want to strongly encourage you to maximize your value by not spending any money on the rose quarter project until after you've implemented congestion pricing and see what effect it has on demand. You should follow the medical pre-script of first do no harm. There's no reason to spends that money if in a world where we have congestion pricing we'll have eliminated or at least greatly changed the traffic situation that we face. The entire project is predicated on world where we don't have congestion pricing so it makes no sense to spend half a billion dollars on a project that is designed for a world that we know by virtue of this resolution of the legislatures action we're not going to live in. What this project amounts to really effectively is essentially the ritual sacrifice of half a billion dollars to the freeway gods or the world's most expensive piece of performance art because we know it won't have a measurable effect on traffic congestion. We have seen this because in other cities around the united states where they have expanded capacity and then afterwards implemented tolls, they found out that they wasted their money on the capacity expansion. The city of Louisville, Kentucky, widened the interstate 65, a road very similar to i-5 in a lot of

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respects, they spent \$1 billion widening the bridge then after they built the bridge they imposed a toll to \$1 and \$2 to use the bridge and found it dropped traffic on that bridge by 40% from its pre-construction levels. So if you do tolling there's no reason to waste money on construction. I want to touch briefly on the issue of equity because I know people have appropriately said we ought to be thinking about the equity implications of what we do with road pricing. I want to submit to you that our current system of transportation finance is profoundly inequitable and doing anything in the way of congestion pricing is likely to almost automatically produce big gains in equity and I'll point out two key inequities in the current system. We talk about the gas tax but most road users pay more in car registration fees than they do in gas taxes. The typical owner of a Subaru, a used Subaru in Portland pays 20 times as much as the percentage of the value of her vehicle as someone with a new SUV. We have a highly inequitable system now. This puts the cost much more on higher income people, people that travel on peak hour on freeways earn incomes on the average double of what the rest of the population who is walking, cycling and traveling off peak. Finally I would say I have a sense of déjà vu about this because the legislature in 2009 directed the Oregon department of transportation to implement congestion pricing in Portland. They drag their bureaucratic feet for quite some time and as a result nothing happened and we shouldn't be in that situation again. We should move forward with this, take advantage of it by not wasting money on freeway expansion and reap the economic benefits of congestion pricing.

Wheeler: Thank you. Good afternoon.

Matt Ferris-Smith: Good afternoon, thank you council. My name is Matt Ferris Smith and I'm humbled by the wonderful testimony today and I really appreciate city council's thoughtful debate on this issue. I have taken time off work to encourage you to amend agenda item 1276 to demand that ODOT implement and evaluate congestion pricing before any further planning, design or construction of the I-5 Rose Quarter project or any freeway expansion in Portland. Congestion pricing works, freeway expansions don't. I think we all agree on these fundamental facts about what actually can reduce congestion. Therefore we should make it very clear that congestion pricing should be implemented prior to any freeway expansion. I realize that the Rose Quarter project promises to do more than widen the highway but the fact remains this project is fundamentally a highway funding project. Implementing congestion pricing prior to any work on I-5 and evaluating the impact will ensure that any subsequent work in the Rose Quarter is well spent. Thank you.

Wheeler: Thank you, good afternoon.

Brad Baker: Good afternoon. My name is Brad Baker, I would like to basically say I agree with most of the testimony and evidence put forth today. I think we should strengthen this resolution and say we would like to have congestion pricing implemented and evaluated before we expand the freeway. I live in the Elliott neighborhood, the neighborhood that the freeway currently cuts the neighborhood in half right now. We have some of the worst air quality in the city in the neighborhood because of the freeway and if we added a lane to this freeway in hopes of reducing congestion we're going to have more cars. We all know induced demand will happen, we'll have more cars driving through our neighborhood and we'll have worse air quality there. The neighborhood has already been beat up through its long history of being taken advantage of by the city and if we add more lanes to the freeway it continues that legacy. Also I went on the neighborhood walk through with PBOT to see the local street improvements and I 100% would agree with Jim from Aorta. If we think these local improvements are anything of an improvement to the city we're deceiving ourselves. The lids don't improve the livability of the neighborhood. Those streets are already fine, they are not great but fine for walking, for biking. The changes won't make them any better for walking or biking. There are so many other places we could spend this

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money to improve our infrastructure than putting these lids on the freeway. So yeah. Thank you.

Wheeler: Thank you. Commissioner Fish.

Fish: Joe, can I ask you a question. In your testimony you gave us an example about a Subaru and an SUV and the cost. I live in Goose Hollow neighborhood and so you have some streets there that are narrower than some of the other residential streets in the city. My impression is purely anecdotal, is that with greater congestion and safety concerns people are buying bigger vehicles compounding the problem. Literally the problem now is just actually two cars navigating the same roadway, parking, then if I look where people park in my building it seems like bigger cars. Do we have data to support that? Is one of the by-products of more congestion and safety issues people buying bigger cars and therefore exacerbating the problem?

Cortright: Mayor Wheeler, Commissioner Fish, I haven't seen data on that that tie it specifically to congestion. The big factor that we have seen is the decline of gasoline prices. That when gasoline prices started declining in about the third quarter of 2014, vehicle miles traveled and miles per gallon of new vehicles which had been getting better, that is we were traveling fewer miles and buying smaller, more efficient vehicles, both of those trends reversed. So, with cheap gasoline there are a lot more fuel hungry vehicles on the road. That's one of the unfortunate and perverse effects of the House Bill 2017 changes. They essentially raised a flat vehicle registration fee. You pay the same fee for a very heavily energy using, heavily polluting vehicle as for a less polluting one. They raised the registration fees for electric vehicles which pollute less. The final point is vehicle weight is the biggest factor in wear and tear on the road system and it's not linear, it's to the third power. So a vehicle that weighs twice as much as another vehicle causes eight times as much damage to the roadway. The SUVs pay the same dollar figure but cause much, much greater damage to the roadway.

Fish: Thank you.

Wheeler: Thank all three of you. Appreciate it. There are three more, Karla? Correct.

Moore-Love: We have two who did sign up and one request.

Fish: Chris, we should have called on you earlier as a commissioner, correct?

*******:** I wanted to bat cleanup.

Wheeler: Why don't you go ahead and start first sir?

Aaron Brown: Mayor Wheeler, city council, good afternoon my name is Aaron Brown and I'm officially with the no more freeway expansion coalition, a big, almighty organization. We already talked about how great congestion pricing is but I want to say it one more time. Our coalition is thoroughly in support of congestion pricing. I thank Commissioner Saltzman and Portland city council and for the folks in this room, we've got bureaucrats, we've got folks in the Oregon state legislature and folks who brought this to the table and made it happen. It's undeniably awesome, effective, urgent, important public policy. I just want to add I encourage the Portland city to listen closely and center the voices from Verde, Opal, community alliance of tenants and other folks sitting in on that ODOT committee to particularly make sure that the congestion pricing policies we design are centering the vulnerable communities and that we are achieving the best possible outcomes from it. I am here to once again reiterate that we're disappointed that the language in this resolution does not have specific wording saying we should try pricing before freeway expansion. The elephant in the room is congestion pricing about the notion that we're managing supply and demand better. This is the \$450 million dollar increase in the supply that totally throws off this entire notion of getting all the benefits congestion pricing bring. If you had a leaky sink in your house to use more dopey analogies because people seem to like that last time. If you had a leaky sink in your house and it can cost \$10 million to call the

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plumber or \$450 million for a new sink why wouldn't you call the plumber first? That is what's at hand with this congestion pricing vs. freeway expansion. That's why we have had 350 people contact you and sign our letter to bring this issue today to rain on the parade of what otherwise is a really awesome initiative moving forward with congestion pricing. Lord knows we have other infrastructural needs like affordable housing that we should be thinking about how we allocate money towards. Being here and patting ourselves on the back that we're supporting congestion pricing but still allowing the freeway expansion to happen is like patting ourselves on the back that we passed an energy consumption initiative while also voting for a \$450 million coal plant. It's like changing that we are supporting a new recidivism or second chance policies while also moving forward a \$450 million prison. At our fundamental core the point is to restructure our collective social behavior to retire these 20th century infrastructure projects that are counter to every one of our public health, economic, equity and other goals at great taxpayer expense. Maybe we need a redesigned freeway. It's fiscally irresponsible to not demand congestion pricing happen first so we have a fundamental understanding of how we can design that freeway to best meet the needs of the changing traffic. We know that if we put a price on that road it will fundamentally change how many cars are going through it. What we are suggesting is especially considering I sat in on the committee that met last week there's all sorts of technologies about what lanes we're using or how it's implemented. It will have significant impact on what the traffic would look like. It does not make sense to move forward with freeway expansion allowing odot to move forward without explicitly previously finding out how traffic patterns have changed. Thank you for your time and I encourage you to learn more about our coalition.

Wheeler: Thank you. Good afternoon.

Ron Buel: Hi I'm Ron Buel and congratulations to the mayor and commissioner Saltzman and the council for this excellent effort to push forward congestion pricing on i-5 and I hope i-205. Also congratulations to the council for having excellent open minded and responsive staff members in each of our offices. I gave my little pitch about the costs and benefits of the \$450 million rose quarter project and the amendment to this congestion pricing resolution we seek in order to do what Aaron just said, to get the evaluation and outcome. I spoke to Brendan Finn and to Michael Cox and Marshall Runkle and Chris Dunphy, a new person in Amanda's office and Jeanine Gates, your staff members were great and they said they agreed with my cost benefit analysis to summarize that the costs are substantial. \$450 million is a lot of money. This project will worsen air pollution in neighborhoods that are already hit hard by air pollution and air toxics and induce demand for freeway driving and it's totally antithetical to the climate action plan of the city of Portland. The benefits of this project are illusory. Odot and Pbot say the project will not reduce congestion on i-5. Vehicle caused fatalities which are going up dramatically across the city but your vision zero goals will not be advanced in this section of new freeway. It's not where fatalities occur. The bicycle and pedestrian use of the Broadway Weidler Couplet will not be improved by speeding up autos and trucks coming off i-5, taking out Flint altogether does not restore the street grid, does not serve Emmanuel Hospital, does not restore and does not, it takes out a heavily used bicycle street, Flint, I went to a vision zero meeting at the Billy Weir's Elks Temple and Zari Santner and Rikyah Adams and Ernie Herndan said in front of God and everyone that this project was not essential to their idealistic vision. While they want to build on the lids they won't be able to do so. You have no neighborhood support for this project either Elliott and Irvington neighborhoods did not approve it. They opposed it. Finally, I want to warn the mayor and the city council that this project will not finally be built. There's no money for it until 2022, and then Odot has to borrow to fund it and 30% of that agency's budget goes to pay debt already. No more freeway expansion is confident

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this project won't go forward. So you're about to fall into the Columbia river crossing crap, which is what I call it. The budget includes more than \$100 million for design, planning and engineering. If you make the mistake of kicking this planning can down the road I joyfully predict that there will be political consequences that the council won't like for spending all that money and wasting it on a project that's never built which is what happened with \$2 million on the crc.

Wheeler: Very good. I would ask you to please wrap it up.

Buel: Okay. The answer is simple. Stop the planning, using federal flexible funds and hold the \$450 million allocation until after you get the results from congestion pricing. Thank you.

Wheeler: Thank you, sir. Last but not least.

Chris Smith: Mayor, members of council I'm Chris Smith, I'm vice chair of the planning and sustainability commission, I'm not speaking for the commission today I'm also an authorized representative of the no more freeway expansion coalition. This is a smart resolution. That shouldn't surprise me since two of my favorite bureau directors are bringing it forward. There's good stuff in here. I want to call out the desire to balance what odot is looking at on the freeways with what we need to do to make the rest of the transportation system to make it work together as integrative whole. I think absent that we would be in big trouble, with it we have the opportunity to achieve a lot of our comp plan goals. There's also an important clause about seeking responsible use of revenue. I think that's something that odot will probably not do on their own. They would simply plow it back into the freeway system and that's not the highest and best use of those dollars so I encourage the city to be vigilant about making sure that money is spent well. I want to echo some of the equity concerns and opportunities addressed as other people have said the current transportation funding system is not particularly equitable. We have the opportunity to improve the equity of the system here but only if we are very focused on making sure how the outcomes do improve equity, so I ask all of you to watch that carefully. Of course I want to address what's not in the resolution. Commissioner Saltzman you said in your opening remarks that we should be open to looking at things like our zoning, transportation project list, but the resolution doesn't say that, the resolution doesn't say we should reevaluate our transportation projects list, I think it should and like my friends I believe part of that reevaluation should be to rethink the i-5 rose quarter project. A few reflections on that, I share the feeling of Jim Howell that the surface improvements don't add up too much. I'm a cyclist who rides through the so-called box on Broadway-Weidler couple times a week. I don't see that the freeway project is going to make significant difference to the quality of bike-ped travel through that area. Very skeptical about what it will do for land use and since I have a minute left I want to address a point that I heard a number of times in response to central city plan testimony about the freeway project which is it's not Portland's money to reprogram. Of course it's true that the dollars are programmed by the legislature and the Oregon transportation commission but they are raised from people in Portland who pay gas taxes and vehicle registration fees so in that sense they are very much Portland's money and they should be spent to our benefit. The i-5 project has been in the city's legislative agenda, I would urge you to change that. You have power over what the legislature and the otc do and I think it's incumbent on you to reevaluate this project at a time when the city is going to have its highest traffic fatalities in a decade and every segment of Powell and 82nd have higher crash rates than this freeway interchange does I think it's a massive misallocation of resources to put a half billion dollars into this area thank you.

Wheeler: Thank you, thanks all three of you. Very good do we want to bring director Treat for any further questions?

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Fitz: I just have one.

Wheeler: Come on up, I don't know Susan if you want to join her. You're certainly welcome too.

Fritz: I don't know if you have the answer to this or not, but I was wondering about the taking out of flint. What's the rush and all behind that?

Treat: I can't answer that I'm going to have to get back to you on that commissioner.

Moore-Love: Its not on, they're probably switching out the captioners.

Fritz: I'll ask the question again.

Moore-Love: Are you there? Okay. It looks like they are ready.

Fritz: I guess just I want to reflect this is an example of how difficult it is for people who have hearing difficulties when they are completely cut off from being able to follow conversations, so thank you for that, bringing that to our attention. My question director treat was whether or not you know what's the rationale for taking out flint.

Treat: I don't. I will get back to you and follow up -- I will follow up on that question.

Wheeler: Any further questions? Please call the roll.

Eudaly: Thank you for the presentation and for everyone who came to testify today. Aye.

Fritz: When I was discussing this with some of my staff today, I mentioned that when I first got involved with city discussions back in the early 1990s we were talking about congestion pricing and I was listening to it through the metropolitan advisory committee, and one of my staff said then why didn't you do it? So I would urge the advocates don't snatch defeat from the jaws of victory. We are actually going to do this now, and I think there is a lot more to be discussed than whether or not it will relieve congestion. There is a discussion of will it repair a neighborhood that was blasted upon by i-5 and memorial coliseum and how do we include more people who were affected by that in these discussions so that we all understand this. It's not just about the freeway here. Aye.

Fish: My only disappointment is john Topogna assured us we were going to get a joe Cortright PowerPoint and I feel like perhaps we can prevail upon you to e-mail it to us so we can review it. Thank you, mayor, and thank you, commissioner Saltzman, for bringing this matter forward. This I thought was an unusually thoughtful discussion. I appreciate the time people took to inform us and make a record and I have a lot of questions and concerns coming out of this, and that's the purpose of holding a hearing, so I am going to support this particular resolution, and in fact I have lived in cities across the country that have successfully implemented congestion pricing, and with some of the new technology it's actually not very burdensome. Its having a sticker or a little box on your windshield and you can adjust do some variable pricing off of that. I think it's long overdue. Thank you both for bringing this forward, thank you to the public for participating. Aye.

Saltzman: As the resolution states this begins the process of the city's bureau of planning sustainability and the bureau of transportation of closely examining how to implement congestion pricing in the city of Portland. It is all about pricing our transportation system but doing it in a way that's going to be equitable to all Portlanders and I believe that we are up for that challenge. I wanted to thank in particular matt grumm in my office for helping to put together this resolution and the hearing we've just completed today. Aye.

Wheeler: This is a good and necessary first step for the city to take, and therefore I support the resolution. Aye. The resolution is adopted. Thanks, everybody. We are adjourned.

At 3:44 p.m. council adjourned.