



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **9TH DAY OF MAY, 2018** AT 9:30 A.M.

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

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Lauren King, Deputy City Attorney; and Nicholas Livingston and Andy Bacon, Sergeants at Arms.

Item Nos. 439, 441, 442 were pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

PORTLAND CITY COUNCIL AGENDA City Hall - 1221 SW Fourth Avenue WEDNESDAY, 9:30 AM, MAY 9, 2018		Disposition:
THOSE PRESENT WERE: Mayor Wheeler, Presiding; Commissioners Eudaly, Fish, Fritz and Saltzman, 5.		
COMMUNICATIONS		
431	Request of Paul Rippey to address Council regarding proposed expansion of I-5 in the Rose Quarter (Communication)	PLACED ON FILE
432	Request of Alan Kessler to address Council regarding transit improvements (Communication)	PLACED ON FILE
433	Request of Paul Leitman to address Council regarding transit improvements (Communication)	PLACED ON FILE
434	Request of Bree Kemp to address Council regarding downtown safety from the perspective of a woman (Communication)	PLACED ON FILE
435	Request of Owen Christofferson to address Council regarding Transportation Network Company driver's board (Communication)	PLACED ON FILE
TIMES CERTAIN		
436	TIME CERTAIN: 9:45 AM – Proclaim May 7-11, 2018 to be Digital Inclusion Week in Portland (Proclamation introduced by Mayor Wheeler) 40 minutes requested	PLACED ON FILE

May 9-10, 2018

437	TIME CERTAIN: 10:25 AM – Proclaim May 2018 to be Older Americans Month (Proclamation introduced by Mayor Wheeler and Commissioner Fish) 20 minutes requested	PLACED ON FILE
438	TIME CERTAIN: 10:45 AM – Proclaim May 5-12, 2018 to be Girls Inc. Week (Proclamation introduced by Mayor Wheeler) 15 minutes requested	PLACED ON FILE
CONSENT AGENDA – NO DISCUSSION		
Bureau of Parks & Recreation		
*439	Amend Administrative Rule to reflect the 2007 update to City Code Chapter 20 regarding Non-Park Use Permit applicant's right to a review of the denial of a permit (Ordinance introduced by Mayor Wheeler and Commissioner Fritz; amend PRK-1.02) (Y-5)	188933
Bureau of Transportation		
440	Authorize a sole source contract with Go Lloyd to fund transportation projects and programs in Lloyd, not to exceed \$2,500,000 for the 5 year term (Ordinance introduced by Mayor Wheeler and Commissioner Saltzman)	PASSED TO SECOND READING MAY 16, 2018 AT 9:30 AM
Mayor Ted Wheeler		
441	Reappoint Maxine Fitzpatrick, Jennifer Marsicek and Justin Wood to the Development Review Advisory Committee for second 3-year terms (Report) Motion to accept report: Moved by Fish and seconded by Fritz. (Y-5)	CONFIRMED
Bureau of Environmental Services		
*442	Amend Intergovernmental Agreement with Oregon Department of Environmental Quality for funding of Portland Harbor Stormwater Source Control Coordination not to exceed \$90,000 (Ordinance; amend Contract No. 30004707) (Y-5)	188934
Bureau of Planning & Sustainability		
*443	Authorize grant agreement of \$50,000 with Global Philanthropy Partnership on behalf of Urban Sustainability Directors Network to support the Zero Cities program (Ordinance) (Y-5)	188924
Bureau of Transportation		
444	Authorize Intergovernmental Agreement with Prosper Portland to accept a grant in the amount of \$1,000,000 for the N Lombard Pedestrian Enhancement Project (Second Reading Agenda 416) (Y-5)	188925
Office of Management and Finance		
445	Create a new represented classification of Electronics Technician III - Communications and establish an interim compensation rate for this classification (Ordinance)	PASSED TO SECOND READING MAY 16, 2018 AT 9:30 AM

<p>446</p>	<p>Grant a franchise to Oregon Health and Sciences University for district utility services, for a period of ten years (Second Reading Agenda 317) (Y-5)</p>	<p>188926</p>
<p>REGULAR AGENDA</p> <p>Bureau of Transportation</p>		
<p>447</p>	<p>Vacate portions of SW Hall St, SW Lincoln St, SW Grant St and SW Sherman St at SW Naito Pkwy subject to certain conditions and reservations (Hearing; Ordinance introduced by Mayor Wheeler and Commissioner Saltzman; VAC-10089) 15 minutes requested</p>	<p>PASSED TO SECOND READING MAY 16, 2018 AT 9:30 AM</p>
<p>Mayor Ted Wheeler</p> <p>Bureau of Environmental Services</p>		
<p>448</p>	<p>Authorize a contract with Parametrix, Inc. for professional engineering services for the Lombard Pump Station Upgrade Project No. E10920 in the amount of \$959,746 (Second Reading Agenda 421) (Y-5)</p>	<p>188927</p>
<p>Bureau of Transportation</p>		
<p>449</p>	<p>Vacate a portion of SE Claybourne St east of SE 122nd Ave subject to certain conditions and reservations (Second Reading Agenda 423) (Y-5)</p>	<p>188928</p>
<p>Office of Management and Finance</p>		
<p>*450</p>	<p>Amend the City of Portland Employee Benefits Program and the City of Portland Health Reimbursement Account Plan Document to reflect necessary plan design changes as recommended by the Labor Management Benefits Committee and as administratively required by Bureau of Human Resources for the City self-insured and insured plan offerings beginning July 1, 2018 (Ordinance) 15 minutes requested (Y-5)</p>	<p>188929</p>
<p>*451</p>	<p>Authorize contract between WageWorks, Inc. and the Bureau of Human Resources for flexible spending account, self-pay plan participant direct billing and health reimbursement claims services and administration beginning June 1, 2018 (Ordinance) 15 minutes requested (Y-4; Eudaly absent)</p>	<p>188930</p>
<p>*452</p>	<p>Authorize a competitive solicitation and contract with the lowest responsible bidder and provide for payment for the 1900 Building Toilets project for an estimated \$1,325,792 (Ordinance) 15 minutes requested</p>	<p>RESCHEDULED TO MAY 16, 2018 AT 9:30 AM</p>

May 9-10, 2018

*453	Declare properties at the block surrounded by NW 3rd, NW Glisan, NW 4th & NW Flanders, commonly known as Block 25, as surplus real property and authorize the Deputy Chief Administrative Officer to convey the property to Prosper Portland for reuse and redevelopment purposes (Ordinance) 20 minutes requested (Y-5)	188931
454	Authorize limited tax revenue bonds in an amount not to exceed \$10.5 million to finance replacement of aging fueling system infrastructure at multiple locations across the City (Ordinance) 15 minutes requested	RESCHEDULED TO MAY 16, 2018 AT 9:30 AM
Portland Housing Bureau		
455	Verify income of subsequent homeowners receiving a property tax exemption under the Homebuyer Opportunity Limited Tax Exemption Program (Second Reading Agenda 420) (Y-5)	188932
Water Bureau		
456	Amend contract with Just Bucket Excavating, Inc in the amount of \$141,860 accept contract as complete, release retainage and authorize final payment (Ordinance; amend Contract No. 30005802)	PASSED TO SECOND READING MAY 16, 2018 AT 9:30 AM

At 12:18 p.m., Council recessed.

May 9-10, 2018

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **9TH DAY OF MAY, 2018** AT 2:00 P.M.

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

Commissioners Fish and Eudaly left at 6:00 p.m.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Lory Kraut, Senior Deputy City Attorney; and Nicholas Livingston and Andy Bacon, Sergeants at Arms.

At 2:02 p.m. Council convened as Prosper Portland Budget Committee and recessed at 2:56 p.m.

At 3:04 p.m. Council convened as Portland City Council.
At 7:00 p.m. Council recessed for this session.

457 TIME CERTAIN: 2:00 PM – Council to convene as Prosper Portland Budget Committee to receive the Proposed Budget for FY 2018-19 (Mayor convenes Council as Prosper Portland Budget Committee) 1 hour requested (No vote taken)	Disposition: PLACED ON FILE
458 TIME CERTAIN: 3:00 PM – Direct Bureau of Emergency Management, Bureau of Development Services, and Prosper Portland to develop Unreinforced Masonry Building Mandatory Retrofit Implementation Steps and return to Council for adoption within one year (Resolution introduced by Mayor Wheeler and Commissioner Eudaly) 3 hours requested Motions next page	CONTINUED TO JUNE 13, 2018 AT 10:15 AM TIME CERTAIN

Item 458 Motions:

1. Require the wall to floor connections in 15 years as was recommended by the Policy Committee:
Moved by Saltzman and seconded by Wheeler.

2. Add a final “WHEREAS” section that reads as follows: WHEREAS, the City of Portland is experiencing a housing crisis, and therefore has an interest in ensuring that all options to preserve affordability have been explored, especially in URM buildings where public dollars have been invested to guarantee long-term affordable housing: Moved by Fish and seconded by Eudaly.

3. Strike a portion of the second and the entirety of the third “BE IT FURTHER RESOLVED” section: BE IT FURTHER RESOLVED that the City Council directs staff to develop code language to strengthen triggers in the existing code related to seismic retrofitting of URM buildings, and to require mandator retrofits of Class 3 and Class 4 URM buildings as described in the Unreinforced Masonry Policy Committee Final Report, except not including wall floor ties; and

~~**BE IT FURTHER RESOLVED that Class 3 and Class 4 buildings owner shall have twenty years to perform the described retrofits; and**~~

Moved by Fish and seconded by Wheeler.

4. Add an additional “BE IT FURTHER RESOLVED” section: BE IT FURTHER RESOVLED that this working group shall be subject to the boards and commissions reforms adopted on November 8, 2017, via Resolution No. 37328, including mandatory conflict of interest disclosure; and

Moved by Fish and seconded by Wheeler.

5. ADD the following text:

BE IT FURTHER RESOLVED that the City Council will develop a financial plan to bring all City-owned unreinforced masonry buildings into compliance with the adopted mandatory seismic retrofitting standards based on the assessed costs to retrofit; and

Moved by Fritz and seconded by Eudaly.

6. Add the following:

BE IT FURTHER RESOLVED that the City Council directs City staff to develop code language for the adoption of a mandatory seismic retrofit program for Class 1 and Class 2 URM buildings as described in the Unreinforced Masonry Policy Committee Final Report and return to Council for adoption within a year; and

BE IT FURTHER RESOLVED that City Council directs staff to develop code language to strengthen triggers in the existing code related to seismic retrofitting of URM buildings, and to require mandatory retrofits of Class 3 and Class 4 URM buildings as described in the Unreinforced Masonry Policy Committee Final Report, except not including wall-floor ties; and

BE IT FURTHER RESOLVED that Class 3 and Class 4 buildings owner shall have twenty years to perform the described retrofits; and

BE IT FURTHER RESOLVED that the City Council directs City staff from the Bureau of Development Services, Prosper Portland, and Bureau of Emergency Management, to formulate a working group comprised of URM building owners, URM building tenants, and other subject matter experts, charged with further evaluating reasonable seismic retrofit requirements, support, incentives, and timelines, for Class 3 and Class 4 URM buildings, and return to Council within a year to report on their findings. This includes identifying specific strategies to achieve wall-floor ties including incentives, financing options, tax strategies, and hardship options. This also includes an evaluation of the impacts on insurances rates for seismically retrofitted buildings, including wall-floor ties.

Moved by Wheeler seconded by Fish.

May 9-10, 2018

OREGON WAS HELD THIS 10TH DAY OF MAY, 2018 AT 2:00 P.M.

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

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Linly Rees, Chief Deputy City Attorney; and Ovie Griggs and John Paolazzi, Sergeants at Arms.

<p>459 TIME CERTAIN: 2:00 PM – Appeal on behalf of the Pearl District Neighborhood Association against Design Commission’s decision of approval for design review with modifications and concurrent greenway review for the Fremont Apartments, a 17-story mixed-use building at 1650 NW Naito Pkwy (Previous Agenda 316; Report introduced by Mayor Wheeler and Commissioner Eudaly; LU 16-278621 DZM GW) 2 hours requested</p> <p>Motion to tentatively deny the appeal and uphold the decision of the Design Commission, as modified by the design revisions submitted by the applicant, removing conditions of approval H and K and with revised exhibit numbers and dates and ask the applicant and staff to return with revised findings: Moved by Fritz and seconded by Fish. (Y-4)</p>	<p>Disposition:</p> <p>TENTATIVELY DENY APPEAL AND UPHOLD DESIGN COMMISSION DECISION WITH MODIFICATIONS; PREPARE FINDINGS FOR MAY 31, 2018 AT 2:00 PM TIME CERTAIN</p>
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At 2:55 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.

May 9-10, 2018
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.

May 9, 2018 930am

This is the morning session of the Portland city council. Carla, please call the roll. [roll taken]

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

Mike Abbate, City Attorney: Good morning. Good morning and welcome to Portland city council. The city council represents all Portlanders and meets to do the city's business. The officer preserves the order during the city council meetings, so everyone can feel welcomed, comfortable, respect and had safe. To participate in council meetings, you may sign up in advance with the council clerk's office for communications to briefly speak about any subject. You may also sign up for public testimony and resolutions or the first reading of ordinances. Your testimony should address the matter being considered at the time. When testifying please state your name for the record and your address is not necessary, and please disclose if you are a lobbyist, if you are representing an organization, and please identify it. The presiding officer --

Eli Ritchey: Liars

Mike Abbate, City Attorney: The presiding officer determines the length of testimony. Individuals generally have three minutes to testify unless otherwise stated. When you have 30 seconds left a yellow light goes on, when your Time is done a red light goes on. If you are in the audience and would like to show your support for something said please feel free to do a thumb up. If you would like to express, you do not support something please feel free to do a thumb's down. Disruptive conduct such as shouting or interrupting testimony or council deliberations will not be allowed. If there are disruptions, a warning will be given that further disruption may result in the person being rejected for the remainder of the meeting. After being rejected a person who fails to leave the meeting is subject to arrest or trespass. Thank you for helping your fellow Portlanders feel welcome, comfortable, respected, and safe. First items are communications. Karla, could you please call the first individual up?

Item 431.

Paul Rippey: I live in St. John's and I wrote you a song. Induced demand, in the 60s we built the interstate, in the 70s and 80s they were working great. In the 90s they said let's do it again, but it should be clear the system adding more lanes is never done if we build them they will come and the thing we need to understand is induced demand. I wish comical were still alive, he tore down harbor drive and now Dennis Buchanan has gone away, and he blocked the Mt. hood expressway, but don't let us ever forget that these brave people took a lot of shit. People of courage, people of good will and I know we've got that kind of leader still. The thing they need to understand is induced demand oh, I know they will need more buses and max that's just the hard cold facts the way to get the highways off our backs is with a comprehensive Congestion text the thing we need to understand is induced demand in the 1960s we built the interstate let's stop this madness before it's too late the thing we need to understand is induced demand

Wheeler: Thank you sir. [applause]

Wheeler: I believe that the next two would like to come up together, is that correct? 432 and 433, please, Karla?

May 9-10, 2018

Item 432 and 433.

Paul Leitman: Good morning mayor wheeler and commissioners.

Wheeler: I am not sure the mic is on. Can you check and make sure it is on? It's good? Sorry. Good morning mayor wheeler and commissioners. I am Paul Leitman. I am a co-chair of the Portland bus line project. With the new funding, tri-met is receiving, it is positioned to make significant investments in transit service. By the middle of the next decade we can expect to receive 40 million of additional funding from hb2017

Karla: If you could back up from it. Thanks.

Leitman: By the middle of the next decade you can expect to receive 40 million in additional funding from hb2017 and \$43 million from the payroll tax annually. This is great news for the region but especially for Portland. Transit use in our city accounts for 7/10 of the ridership. We have the highest Concentration of the homes and jobs which makes transit viable. It is critical that we seize this opportunity to advance our goals. Although Portland will not directly spend these funds, our cooperation and leadership is essential to deploying them effectively. The city of Portland needs to commit to improving and critically reapportioning the streets to get buses out of car congestion. People who have a choice will only choose to take the bus if it is reliable, fast, and frequent. It has to be reliable and hassle-free. And that is why we are asking the city of Portland to prioritize the transit on our city streets. It should be as invisible to the end user as the water bureau services are to the residents. Tri-met provides the service for the region but it is up to the individual cities to make sure the roadwork is sufficient to operate quickly and reliably. If Portland is to reduce the greenhouse gas emissions, reduce congestion and reduce the cost of living and provide increased connectivity to jobs and services for all the residents, transit is a necessary. If buses are stuck in the same traffic caused by vehicles and not reliable and dependable, people will continue to drive cars. This will be true despite the expenditure of tens of millions of dollars. None of this is news to you. This council has already Identified transit as an integral part of the Portland transportation future. The 2035 transportation system plan has several policies that identify the portions of the transit. For example, policy 9.22 indicates the city will create conditions that make transit the preferred mode of travel for trips not made by walking or bicycling. Policy 9.24 says Portland should develop public transportation systems that conveniently and safely and comfortably serves the residents 24 hours a day, seven days a week. It also identifies as transit priority program that is meant to improve transit speed, reliability, safety and access. It is time to act on these statements and help Portland live up to its vision as a city that prioritizes people over vehicles. Please be bold. We are asking for four commitments. Bus lanes. Traffic signal improvements. Walkability and accessibility, and rebalancing. First focus on implementing bus lanes to provide a congestion-free bus trip. This would improve the speed of service, save tri-met money and increase ridership. The corridor's plan in case tri-met spends between 1 and 2 million extra each year to keep up with increased congestion. Travel times have increased by 7% over the past decade due to the congestion. Dedicated bus lanes are an inexpensive solution that can dramatically improve transit service.

Wheeler: State your name.

Alan Kessler: I am Alan Kessler.

Wheeler: Thanks, Alan.

Kessler: The second improvement we asked you to look at is traffic signal improvements. We should increase the number of signals that holds the green light for buses, traffic signals slow down buses and reduce reliability, holding the trips, the signal makes the trips faster and more dependable. And the director treat testified here that buses hold 100 times as many people as cars and that should be the goal. Allowing one bus to get through reduces travel times for many and to make full advantage of this investment, we think that the city should move all stops located on the near side of the signals with these

May 9-10, 2018

improvements to the far side. So, the buses, the bus can get through the end of the signal and then do its load and unload process. For walkability and accessibility, importantly east Portland does not have a connection network. There is not safe infrastructure to give people in east Portland, especially, a world class transit system. The gtc plan, the growing transit community plan, has identified this as a problem, and we encourage the city to use this across the city. It is fourth point is stop rebalancing. In my privileged neighborhood of Richmond, our stop serves are too frequent and we have plenty of sidewalks and plenty of connectivity and you should take away or move around the stops to Let buses get through that region faster. As soon as east Portland has the same level of connectivity you should do the same thing there. Likewise, the entire city. Buses are stopping every two blocks, we should extend that, and we should move the stops to the location so that we can improve the level of service. Improve the quality of transit service, rather. These are not novel suggestions. These are all part of the policy proposal that you already have. But in order to make sure these are happening, you have to take a more active role, this body needs to take a more active role in overcoming institutional inertia, especially at the department of transit. I want to talk about a recent opportunity. I mentioned this before, an opportunity the city missed to improve transit in the city. On the west end of the Hawthorne bridge, it's a mess. There is car, bus, bike congestion, there is a weave that goes on. And recently we spent half a million to fix the pavement there. I talked about this, and I talked to the director at the time, and when nothing was done, I followed up with a public records request to see the decision process. I have attached three emails that I encouraged you to look through that I got out of that, that I think that summarized that director treat is trying to work on the policies you are giving her, but engineers are conservative. Unless you give them things to measure, they will measure the vehicle trips and we will hear things like we need more public outreach. We need more traffic modeling. We need more capacity analysis meaning single occupancy vehicle capacity before we can do anything for bikes or buses or other modes. Those concerns never come up when we are making car improvements. Thank you.

Wheeler: Very good. Could you just clarify one point? I want to make sure that I understood it. Moving stops, through the stoplight? You would stop after you have gone through the stoplight?

Kessler: Yeah. So that, that location, 2nd and main is a great example of that. Years ago, right after 9/11 the federal government asked us to move that stop to the east side of 2nd, and because of that, the bus gets stuck behind it, they try to turn right, and it gets stuck behind the passengers, or the pedestrians trying to cross the street. And I watched three cycles go by before the bus moves. That could be fixed by moving the bus over in front of the courthouse.

Wheeler: Thank you. This is a great document. Appreciate it. Thank you. Next individual is 434.

Item 434.

Wheeler: Good morning.

Bree Kemp: Good morning. Thank you for allowing me the Opportunity to testify before you today. My name is Bree Kemp. I am 38 years old, and I moved to Portland from Chicago in 2010. I live downtown with my husband just four blocks from city hall. I am not fond of public speaking, but recent events have compelled me to come here today to share my experience as a woman living in downtown Portland. I no longer feel safe in our city, and I am no longer proud to be a Portlander because of the condition of our downtown streets and sidewalks. Two years ago, I was assaulted on my way to work at southwest 6th and clay street. Out of nowhere an unprovoked homeless man approached my car, reached into my window and grabbed me by my hair. Terrified, I had no other option than to step on the gas to get away from him, losing a handful of hair in the process. During my

May 9-10, 2018

wedding reception in 2016 a panhandler spit on one of our out of town guests because our friends wouldn't give this person money. They were terrified having just read about the fatal stabbing near Koin Tower by a transient a few weeks earlier. Walking downtown with girlfriends an aggressive woman, obviously on drugs, approached us and began making obscene gestures and statements. We said nothing and made no eye contact. But she continued to follow us for several blocks. This is just one of numerous experiences of general Harassment by street kids, sidewalk campers, and other unhinged individuals that seem to be everywhere downtown these days. It's a shame that as a taxpayer living in Portland I no longer feel like these streets and sidewalks I help to maintain are mine to use safely. Every time I walk downtown I literally am making tactical decisions about my walking paths to avoid sidewalk campers, shopping carts, piles of trash, human excrement, needles, and crazy screaming people. I applaud Mayor Wheeler's efforts to increase police staffing and am appalled and disappointed along with all my friends that there seems to be little support for this initiative from the rest of the council. It's clear that there are not enough police to enforce basic public safety. Portland street population seems to be growing unchecked. From the experience of my friends and I, they are becoming more aggressive, violent, and unpredictable. I am happy to support efforts to provide housing and social services for those who legitimately are in need. But compassion that is misdirected helps no one. As a city we need to distinguish between those who need help and those who abuse our goodwill. My parents taught me help those who help themselves. The first and foremost duty of elected officials is to provide safety and rule of law for citizens. I insist that our streets and Public spaces be restored as cleaned and lawful environments so that all residents can enjoy them without fear and without concern for their safety. I speak today on behalf of my female friends and family in Portland, please, I implore you, to support the mayor's office proposed budget that will allow for hiring of more police officers and give those officers the tools that they need to restore basic public safety.

Wheeler: Thank you for being here. Appreciate it.

Kemp: Thank you

Wheeler: 435 please.

Item 435.

Wheeler: Good morning. Thank you for being here.

Owen Christofferson: Good morning, thank you Mayor and Commissioners, I am Owen Christofferson. I am an Oregon native, a student at Portland State University, and I drive for both transportation network companies, Uber and Lyft. I have driven over 40,000 miles for them and worked through many snowstorms and holidays over the years. I am here before you today to say that although those of us who drive enjoy 21st century technology, we face 19th century working conditions. And we need a voice. We need a voice because we face a perilous work environment. Our earnings fall below minimum wage after driver expenses. We have no guarantee of protections from future rate cuts so at a moment's notice we could earn less. We serve the transportation needs of this city with the fear that our inadequate insurance protections could push us into Poverty or homelessness in the event of an accident. We need a voice because we have no recourse in the event of an unfair deactivation or other grievance we might have with the company. The tnc's, are judge, jury, and executioner and us drivers have no ability to hold them accountable for their actions. We need a voice because as drivers we fall under the classification of the independent contractors and not employees. This means that we are exempt from federal labor laws including minimum wage, worker's compensation, and unemployment insurance, and the right to collectively bargain. On May 23, there will be a hearing to begin the process of legislation to give us a driver's board here at the city. This board will give us that voice. It will allow us as drivers and other members of the community to truly have a

May 9-10, 2018

seat at the table when it comes to determining what policy will be best for all Portlanders. I strongly encourage you all to support the creation of that board. Thank you.

Fish: First thank you for the organizing and advocacy you and the coalition have done, and there will be a proposal before council on the 23rd so it's important that the community come out and support it.

Christofferson: Thank you.

Wheeler: Have any items been pulled from the consent agenda?

Karla: Yes. We have 439, 441, and 442.

Wheeler: Please call the roll on the remainder of the consent agenda.

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

Wheeler: The consent agenda is adopted. Time certain item 436.

Item 436.

Wheeler: We talked with community technology and partners about progress being made under the digital equity action plan. The DEAP, as it is referred to, or DEAP, is a collaboration of the city of Portland and the Multnomah county library that lays out strategies and actions to ensure all residents are digitally connected. We also heard about the collaborative energy and the momentum of the digital inclusion network participants who represent organizations from the nonprofit, public and private sectors, pursuing digital inclusion opportunities and implementing strategies to serve our most vulnerable residents. Despite our successes, however, many Portland residents still face a stark digital divide. They don't have the skills to search for and apply for a job, check their kids report cards, access critical health services, and much, much more. And increasingly economic and social opportunities and advantages are available mostly, most easily to those who have consistent, affordable, high-speed internet access. My vision for Portland is one where every resident has access to opportunity. It will take a community effort to move the needle. No organization or government entity can tackle this issue alone. That's why I commend the participants of the digital inclusion network for their commitment of time, resources, and passion to this important work. Digital inclusion week is an opportunity for us to emphasize Portland's digital equity commitment to our residents, recognize those who are getting involved, and foster new collaborations to make digital tools and services available to those in our community who need it the most. I am looking forward to hearing from the speakers this morning, but first I would like to call up Rebecca Gibbons from the Portland office for community technology and John Worona from the Multnomah county library. Thank you for being here today and welcome.

Rebecca Gibbons, Digital Equity Program Coordinator, Office for Community

Technology: I am Rebecca Gibbons, the coordinator with the office for community technology. In this role I am tasked along with the staff at Multnomah county library with overseeing the implementation of the digital equity action plan or as we call it the DEAP. That was adopted by the Portland city council, Multnomah county board of commissioners, and the county library board. A primary responsibility of ours is to foster and engage partnerships and community efforts that align with DEAP goals. With over a year of DEAP implementation under our belt, the momentum and commitment of our community partners to bridge the digital divide remains steadfast. I am excited to be here today on behalf of our local consortium called the digital inclusion network. With OCT and library staff support, the members continue to come together to leverage resources, share learning, and develop new services for residents with the focus on serving low income individuals and families, older adults, people of color, people with disabilities, and people with limited English language proficiency. Digital inclusion week is a nation-wide effort to raise awareness of our digital inequities and the strategies to close those gaps. It is sponsored by the national super bowl inclusion alliance, a professional association representing more than 300 affiliated organizations in 38 states that are working towards the digital equity. Throughout

May 9-10, 2018

the week, organizations across the country are hosting digital inclusion events, sharing stories, and highlighting the role of digital inclusion providers play in meeting those needs. Locally, our partners, nonprofit, business, and public sectors are promoting existing digital inclusion programs throughout the county. Using social media to spread awareness and collecting and sharing our own digital inclusion stories. Our community partners are working tirelessly to develop and provide digital inclusion services throughout the year. Digital inclusion week is our opportunity to highlight some of that work. In addition to being here today to share with you some of the exciting partnerships that have formed and events we have planned for the week, our partners have helped us to put together classes for residents and learning opportunities for digital inclusion providers. Our digital inclusion week calendar, which is available on oct's website, includes classes about online safety and privacy, classes for youth. Basic computer literacy and text support. These classes are offered in a multiple of languages including Spanish, Russian, and Chinese. The host organization includes the library, hacienda, cdc, Portland community college, outside the frame, to name a few. I will turn it over to john who will share more about our work.

John Worona, Director of Content Strategy for the Multnomah County Library: Thank you mayor wheeler and commissioner, good morning. I am John Worona, director of content strategy for the Multnomah county library. Incidentally you will find many of these weeks' activities on multco.org. It is this collaboration and the coalition building that we've been focusing on this year that we are here to highlight today. Rebecca and I and a small group of our colleagues at the city and county convene weekly in county offices as the de facto Digital inclusion network steering committee and share the work of implementing the DEAP where we are lead partners and supporting other organizations where they take the lead on strategic actions. Outlined in the plan that you mentioned. We plan the agenda for monthly network meetings, and we have appreciated the city as a venue host for the meetings. One of the 17 strategic actions identified into convene a digital inclusion summit to provide an update on DEAP implementation, share learning, network and recognize good work. The first digital inclusion summit in November of 2014 launched the creation of the nationally recognized digital equity action plan and tomorrow we will host the first digital inclusion summit since the city and county adopted the DEAP. Along with oct staff county staff are leading a small working group of din members to organize the 2018 digital inclusion summit. The summit theme is economic opportunity. The day is shaping up to include inspirational keynotes, panel discussions, and networking breaks to help advance our collective efforts to build the digitally connected prosperous community. We look forward to seeing you there tomorrow Mr. Mayor. The summit is a great example of our partnership in action, a diverse array of different organizations have come together to create a space for discussion, collaboration, and networking. The summit planning team itself is a model of what we hope to accomplish with the convening of practitioners and facilitation of conversations. With the help of open signal, nonprofit technology network, and the state of Oregon program for women and infants and children, wic, PNCA, Oregon citizens utility board, cub, and metro east community media, we will put on a full day program at PNCA for 150 participants from about 100 organizations. We have lined up a variety of facilitative panel discussions to spark conversations and that are inspired by the issues we worked on in the din. By reaching out to philanthropic organizations, the tech community, service providers, and technical education and career guidance organizations we will be bringing more areas of expertise in to the tent to add awareness and capacity the work ahead of us in this region. We know from our regular meetings and conversations among active participants in the din that connections lead to partnerships, that lead to inspiring outcomes for residents. For example, the library has an active earn a computer program ongoing now at hacienda CDC, to serve their impacted population in need of digital skills and devices. The partnership formed based on the key tenants, based on one

May 9-10, 2018

of the key tenants, and that is working with organizations embedded in the communities we want to serve. They have identified the needs in their community, but don't have the skills and resources to Meet them. Thanks to our partnership with free geek, the library can bring the training and computers to help grow the capacity in these organizations to build upon what we bring to them. The summit theme as I mentioned is economic opportunity. So, we value our relationship with the technology community because we believe that the digital inclusion can lead to employment and other opportunities to advance the society. Fittingly Mozilla is one of our sponsors. Tomorrow after the summit many of us will be at the technology association of Oregon awards night to continue to connect with technology companies to build diversity into the tech workforce pipeline. Many of these companies have signed the tech town pledge to quote, "advance workplace diversity and inclusion in order to grow industry while broadening prosperity. At TAO we will all be inspired by our director of libraries who will provide the keynote address on the issues of digital equity and inclusion that are essential to solve if the region is to grow and prosper. Today it is our partners who continue to inspire us. Next, I would like to introduce Sarah from free geek followed by Sam from Oregon cub.

Wheeler: Thank you, both of you. Good morning Sara and Sam If you would not mind repeating your Names for the record.

Sara Rasmussen, Digital Inclusion Manager, Free Geek: Good morning. I am Sarah Rasmussen and I am Representing free geek.

Sam Pastrick, Outreach Manager, Oregon Citizens Utility Board: You can go first.

Rasmussen: Sure. Thank you, council, for having me. Thank you to the office of community technology and Multnomah county library for the opportunity to be here. I am here to share a bit about how the technology that you use here today is creating an opportunity for the youth, families, and nonprofits tomorrow. So, I think that a lot of the folks here in the room today, recognize that the digital tools are as necessary as transportation, housing in the 21st century. I don't need to cover that any more. Since 2000, free geek has been committed to digital equity for all regardless of the socioeconomic status, race, gender, ability, age, or any other factor. Our programs are founded on a unique, circular model where we are taking about electronic waste, convening community members and technologists and actively creating access to those basic technologies as well as technical skills among vulnerable populations. What I think is neat about this approach is it allows us to use resources effectively to turn e-waste into opportunity and has created a vibrant model that's proved successful for almost 20 years now. It is a special part of what makes Portland. We literally couldn't do that work alone. Across every sector here in Portland, the cycle of reuse and the culture of reuse is an ongoing and collaborative effort. I just want to say thank you. The technology that free geek receives from the city and from the county significantly, positively impacts our community. So, we're so grateful for your support. We are grateful for the support of businesses like AWSL or first tech, federal credit union. Who provide the resource that is we need in order to protect the environment, refurbish and give away the computers and ultimately help people reach their goals with technology. So, every week organizations like impact northwest, street roots, Rose city rollers, are picking up technology from free geek, and saving resources allowing them to stretch their budgets farther, and every day we hear stories like Angela's who reach out to free geek on Facebook recently to say that I am so grateful to earn a computer through volunteering. I didn't have one to finish my degree. I definitely couldn't have afforded one at the time. Thanks to free geek I was able graduate. So, this is what it looks like to transform the technology into opportunity, so thank you for helping us include everyone in our digital future.

Wheeler: Appreciate it, Sara. Good morning.

May 9-10, 2018

Pastrick: Good morning. For the record I am Sam Pastrick, outreach manager at the Oregon citizen utility board or cub as you better know us as. At several points we have spoken for city council regarding work in the city either around digital equity inclusion or information and communications technology policy, more generally. The focus of my testimony today is how the digital equity action plan, or DEAP or the digital inclusion member participation has already driven and will continue to drive good and impactful public policy. For instance, goal number five of the DEAP reads build a policy framework that supports the digital equity and meaningful internet adoption, leading to better community outcomes. This goal is followed by a set of core objectives and strategic actions. For the purpose of this testimony, however, I do want to highlight two key objectives. The first is elected officials advocate for digital equity and suggest community centered and delivered solutions. Statewide legislation mandating transparency and clarity and contract language. The good news is that I can sit here today and report with confidence that elected officials, present company included, do in fact, advocate for digital equity and support community centered and delivered solutions. Probably a prime example I would say of this is advocacy on mayor wheeler's part around network neutrality. Indeed, if elected officials fail to advocate for digital equity and endorse a community approach I would not be here today. There would certainly be no Digital inclusion week proclamation or digital inclusion summit. Elected officials serving on the city of Portland, Multnomah county, and the state at large have come, I would say a long way since the 2014 digital inclusion summit and the passage of the city of Portland and Multnomah county DEAP resolutions. To be clear this quantifiable and qualifiable progress is due in no small part to the office for community technology. Especially irreplaceable staff like Julie Melchuck and Rebecca Gibbons as well as committed staff at Multnomah county library as well as a litany of other community groups of which there are too many to name. We still have a long way to go. Far too many residents live without a reasonable and reliable network connectivity. 15,000 people do not have access to 25 mega-bits per second wired broadband. 8,000 county residents do not have access to any wired broadband at all. 24,000 residents have access to one or fewer wired internet service providers. But we can get there. As a city, as a county, and as a state, yet the best way to get there is first and foremost to buoy and strengthen and acknowledge the structures and expertise on which we rely starting with the office for community technology. As regards the second objective I mentioned, statewide legislation, mandating transparency and clarity and broad band contract language, we and by we I mean the state of Oregon, in fact, accomplish this is goal earlier this year. Cub in partnership with aclu Oregon and majority leader Williamson and with the backing of several din members, passed house bill 4155, which is Oregon's answer to the federal appeal of the 2015 open internet order. First and foremost, the legislation requires public bodies like the city of Portland, only to enter into the contract with the internet service providers, attesting to uphold the network neutrality. A lesser discussed provision of this required station ensures that the internet access service providers shall publicly disclose information regarding the provider's network management practice and performance characteristics and the commercial terms of that provider's broadband internet access service. My point here outside of highlighting Oregon's continued leadership with regard to network neutrality, the advocacy efforts around issues like net neutrality or data protection or right to repair is in no small part a direct outcome of the digital inclusion network forming in 2014. And then creating a space at the table for organizations like cub or free geek or any number of other groups. In short, the digital inclusion network and the equity action plan directly inform good public policy. This policy improves the digital equity outcomes to Oregon communities because advocacy Groups with lobbying clout can better tap into a network of ally organizations. I will close my remarks by commending the very, very, very good work of the office for community

May 9-10, 2018

technology, because without staff like Julie and Rebecca and Mary Beth Henry before them as well as an expert group of regulatory commissioners, there would be no digital inclusion network. There would be no equity action plan, and there certainly would be no digital inclusion at week proclamation. Thank you for your time and of course, am happy to answer any questions.

Wheeler: Thank you very much, both of you.

Pastrick: Thank you.

Gibbons: We would like to invite up Betty and Ronnie.

Wheeler: Very good. Come on up. Good morning.

Betty Dominguez, Director of East County Relations, Home Forward: Good morning Mayor Wheeler and counselors. I just welcomed our guest. Betty Dominguez, a director at Home Forward. Nearly a year ago I was here before you, Home Forward being a dinner member. We were celebrating the first anniversary of the DEAP, the digital equity action plan, and I was sharing with you the work that we've been doing at Home Forward around promoting digital equity with our residents. At the time I had one of our residents with us, and if you recall, she, which you probably won't, but she was so pleased to have received a computer through Free Geek and have learned how to use it and how to access the Internet and have an email address which enabled her to look for work and apply for jobs which she was very limited at doing prior to that. And she went on to become a teacher in one of our classes. Today I am here with a different narrative, when Home Forward began the work we were aware of an initiative out of then President Barack Obama's administration and partnership with HUD called Connect Home.

> HUD in collaboration with an organization called Everyone On and other stakeholders began to build partnerships and gather commitments that would increase access to the internet for low income Americans, especially students and children, who are living in public and assisted housing across the country. By bringing broadband access, technical assistance, and digital literacy training to them. It started in 28 pilot communities in 2015 and in 2017 the initiative was expanded to include 27 more communities, and at that time Home Forward in partnership with the city applied and was accepted into this new cohort, so it's my pleasure now to introduce you to Ronya, the regional director in Northern California for Everyone On who flew up from San Francisco yesterday to be here. She's going to tell you more about the program and our partnership and she has an announcement to make.

Wheeler: Very good. Thank you.

Rania Ahmed, Regional Director, Northern California, EveryoneOn: Hi. Good morning. Happy spring, it's my first time in Portland and everything and everyone is in full bloom. On behalf of Everyone On I would like to thank the city of Portland and Home Forward and Betty for having me here. My name is Rania, and I am the California and Northwest regional director of Everyone On. So, what is Everyone On? The name, it is a namesake situation that should make it obvious, but we are a national nonprofit that creates social and economic opportunity by connecting everyone to the internet. We aim to leverage the democratic power of the internet to provide opportunity to all people in the United States, regardless of age, race, geography, income, or education. We have connected over 500,000 people across America since 2012, and we aim to reach 1 million people by 2020. As we know the internet is, is transformed the way that we engage with the world around us, from jobs to education to healthcare, more resources are being made available on the education superhighway, and those who are unconnected are being left behind. We know that 90% of people in the United States have looked for a job in the last two years, used the internet to research jobs, and 84% have applied to a job online. And education, nearly all students say that they are required to use the internet to complete homework assignments outside of school. 96.5%. And in terms of wellness, a Pew Internet report revealed caregivers with

May 9-10, 2018

internet access say online resources have increased their ability to provide care and support for the person in their care. A wife and mother of three children wrote us to say having internet at home will help my husband excel at work, and he's required to complete an online food preparation training and on the same day we subscribe to the adoption event he completed his online training. Additionally, my son is in high school and he has access to the internet and a computer to complete his homework. We are so happy to have the opportunity and receive a donated computer. She also shared as a neighborhood ambassador she will be able to connect with her neighbors and other community leaders online. Let's switch topics and talk about connect home usa. We have talked about how technology has transformed the way that we live creating new ways to access education, healthcare, jobs, and connect with friends and family, and at 62 million people are isolated from the digital world. Connect home usa is an effort to bridge this digital divide in a hud assisted communities around the country. Under leadership of the national nonprofit every on, that's us, and with support from hud, connect home usa aims to assist the communities to bring affordable resources to their residents so they can connect to the internet at home and enjoy access to digital Literacy, affordable devices, as well as educational content, connect home usa will scale throughout the nation and connect 350,000 hud assisted housing residents in 100 communities. The program creates a platform for community leaders, local government, and nonprofit organizations, and private industries to join together to produce locally tailored solutions for narrowing the divide, since the launch as betty mentioned as a pilot in 2015 connect home usa has helped to connect 36,000 households across 28 pilot sites. Provided over 10,000 commuting devices and held over 350 trainings. Now on behalf of everyone on we welcome Portland to the connect home usa cohort and we thank you for being such an incredible example for other members betty is always on the phone with other members in the cohort explaining how to do things and being an example that we had no idea that we were bringing in so I hope that we can help you as much as you have helped us. Portland's commitment to a connection, connection and commitment, two words I am struggling with, through the digital inclusion network and equity access plan are setting an incredible example for other counties across America. And the commitment to bridge the divide for the community's citizens is remarkable. Ndia recognized the digital equity access plan as a digital inclusion trail blazer, and DEAP has also won the telecommunication officer and advisory community broadband community plan of the year award. It's not easy to create an inclusive plan to connect the community. We would like to thank ted wheeler, the digital inclusion network, home forward, and the city of Portland for leading us to a brighter and more connected future.

Wheeler: Thank you. We really appreciate you being here today. Are there any questions? Commissioner eudaly?

Eudaly: First I want to give a shout out to outside the frame who is sitting in the back of the room here. [applause] One of my favorite nonprofits. They provide homeless use with a creative outlet and technological training, and they learn how to make movies from start to finish, and they are here to support or to celebrate this proclamation. Thank you to the Portland digital inclusion network for all you have done here in Portland. I am sending multiple staffers tomorrow I am sure that they will come back with enthusiasm and ideas around, new ideas around this initiative. So, thank you for the invitation. The national digital inclusion alliance rates cities on eight key indicators of digital inclusion leaderships, and I am proud to say that Portland has six of those eight indicators. I am going to skip the ones that we are doing because I want to keep my remarks short and just say that the two areas that we are lacking are supporting a community wireless network for residential areas and providing discount internet service for low income households so I am hopeful that we can achieve those last two areas of digital inclusion as soon as possible. And the

May 9-10, 2018

digital equity will remain a top priority as we work to develop our smart cities' framework. So, I want to encourage everyone interested in contributing to this project to attend a digital inclusion. you do have to say that a lot.

Ahmed: It's hard.

Eudaly: You say a word too many times and it begins to lose its meaning.

Ahmed: I have tried to find new words for it.

Eudaly: Attend a digital inclusion network meeting, they may meet, they meet on the fourth Wednesday of the month and you can join their google group through the website for digital updates. Also take a look at the digital equity action plan strategic actions, and you can become a din/DEAP partner by submitting your own project description, so congratulations and thank you to all of our DEAP partners.

Wheeler: Thank you. Commissioner Fritz?

Fritz: Thank you very much for being here, both of you, thank you for making the trip from California. Thank you to my metro counselors. I hope you continue to be, Commissioner Saltzman I was trying to think, you've been here for 20 years and this is my tenth, and this is one of the projects that you and I work together in partnership on, and I think we both feel a lot of pride of ownership that this plan is doing everything that it promised to do, and will continue to be used as the foundation for how to do an inclusive internet outreach program, and we do in partnership with our providers, have to recognize comcast provided \$10,000 to do the outreach to communities of color that helped to inform this plan, and, and have been partners if giving computers and lower cost services, not quite sure what that is now because I am no longer in charge of what used to be the office of cable communications and franchise management. And now the office of community technology. I do know that it will be a public, private partnership because the commissioner Saltzman did do an exhaustive look into can we provide the broadband, and we were not able to do that. And it means that people need to find other ways to get that. So, I know we'll be a partner on that. They go to the regulatory commission for nature work ongoing, and Judy from your staff and David Olsen and Mary Beth, the former leaders of the office, for the vision, and insistence that this needed to happen and now your community is grasping the documents and implementing and looking at Implementing every step of it. So, it's a true public and private community partnership, and I am very happy to be having been a part of it.

Dominguez: And commissioner Fritz, comcast is not out of the picture. We are home forward right now. We are in the process with comcast of being one of their national research partners. So they are going to be working with us, we are working with the PSU research lab right now and designing a survey and for our 6,500 units, very complex project, and we will be able to pull a lot of data out of that, which I think this help, and in the work going forward and will help comcast and they are looking at things like how the internet impacts people from a health perspective and employment and education and social media and political awareness and all those kinds of things that we take for granted when we are on the internet. So more to come on that.

Fritz: Are they and other providers looking at, providing or looking to provide super low-cost, basic services?

Dominguez: Yes, they are one of the providers that can offer services to low income residents at just under \$10 a month.

Fritz: And how would people find out how to get onto that plan. How would people find out about that plan and sign up for it?

Dominguez: That's part of our outreach with our residents through the classes that we've been doing and through comcast, we'll be sending letters out to all our households about the Research project and letting them know. They will divide it up and be cohorts and a

May 9-10, 2018

control group, not a control group, so like I said it's complicated but more information to come, I hope.

Fritz: I am assuming that's on the office of the community technology's website? I am getting a nod, so you can go to that website.

Dominguez: It's not there yet. We are still pricing the cost of the survey work and you know, working out the non-disclosure agreements and those things.

Fritz: Coming soon. Thank you.

Dominguez: Thank you.

Wheeler: Very good. All right. So, one more item. And that is to read the proclamation. Best part about being the mayor. It has the word digital in it, about 45 times. So, let's see how I do. Whereas digital equity means everyone has adequate access and understanding of information and communications technologies regardless of socioeconomic status, physical ability, language, race, gender, or any other characteristics linked with unequal treatment. And whereas digital inclusion is the activities and supports necessary to ensure all Portlanders have opportunities to obtain digital equity and to fully participate in the education, the economy, healthcare, and civic and cultural life of our community. And whereas through the city's digital equity action plan, DEAP, we learned digital equity For our residents means access to relevant technology training and tech support, affordable, or free high-speed internet at home and affordable computing devices, and whereas the digital inclusion network, a consortium of community-based organizations leading the collective effort to provide programs and activities aligned with DEAP's strategic actions and focused on serving our most digitally marginalized residents such as seniors, those with disabilities, and low income families, and whereas this collective community effort has led to new and unique collaborations and partnerships such as Multnomah county library, free geek, home forward, and the metro east community media collaborating on a computer program with the city and home forward to gain nation membership, and whereas the digital inclusion network's demonstrated ongoing commitment to digital equity has elevated the city of Portland as a national leader in digital inclusion efforts, keeping our residents economically and culturally healthy in a rapidly changing communications technology landscape, and whereas by participating in digital inclusion week, the city creates a unified national voice for digital inclusion and shows support for our local organizations, public institutions, and businesses on the front lines offering digital inclusion programs. Now therefore I, Ted Wheeler, mayor of the city of Portland, Oregon, the city of roses do hereby proclaim May 7-11, 2018, to be digital inclusion week in Portland and encourage all residents to observe this week. Thank you. Appreciate it. [applause]

Wheeler: We have a tradition, and we would love the people who presented and maybe the people who had the signs in the back of the room, come up here and we will have a photograph.

Wheeler: Next item, 437, please.

Item 437.

Wheeler: Commissioner Fish.

Fish: I think you are setting it up. I hope. Hold on a second.

Wheeler: No, I have no -- but I can.

Fish: You are teeing it up.

Wheeler: We are proclaiming may of 2018 to be older Americans month in the city of Portland. As everybody is well aware Portland takes great pride in being an age friendly city, and I want to be very clear that is an aspirational goal, while we do many things right today there is a ton of work ahead in order to truly be an age friendly community for all. Many people here including commissioner Fish who is going to take over in just a minute in this tag team effort have been involved for many years on the vital aging process that was started back in 2007 at the Multnomah county level, and I had the privilege of

May 9-10, 2018

participating in that effort, the city of Portland became officially designated as an age friendly community. We seek to find opportunities where generations can mix, Mingle, and benefit socially and culturally and economically from each other. And as we noted when we were out the other day, and I met with some of the folks who are here in the room who are going to be speaking today. In many regards we are trying through policy to get back to a community value which used to be innate in our culture. It was older adults and young people would live and work and share in immediate proximity, young people could benefit from the wisdom of older adults and older adults could benefit from being participants in helping to shape a young person's life and help them to grow to be successful adults and so that's the spirit in which we are all gathered here today with many of our partners who have worked with us tirelessly on the age friendly community and we are delighted to honor that this month. Commissioner Fish?

Fish: What we will do is ask you to read the proclamation and then we have two invited guests to come forward, and they are going to say a few things, but I want to put in the record that the reason that Ted and I have co-sponsored this is we've been getting the most solicitations from AARP. So, we just thought it was --

Eudaly: I've been getting them since I was 40 years old. I have two years to go.

Wheeler: I am going to read this proclamation. It probably does not have the word digital in, and I am reading it as a proud member of the AARP. Whereas the city, the Portland city council and our partners at Multnomah county, age friendly Portland, elders in action, Portland state university, sage, AARP Oregon are committed to a shared vision of a Portland that is welcoming and inclusive to people of all ages and abilities and whereas Portland is proud to be one of the nine original cities accepted into the world health organization's age friendly global network, the only city from the united states, and whereas the city of Portland supports livable communities for people of all ages and continues to support the work of implementing the age friendly Portland action plan. And whereas as Portland's population grows older, and the cost of living rises, the city of Portland is committed to supporting efforts that ensure older adults are able to continue to afford to live here and age in place. And whereas older adults play a respected and invaluable role in our community by contributing their time and energy to help redefine what it means to age by providing mentorships, starting businesses. Getting actively involved in their neighborhoods. Volunteering their time at schools and on causes. Pushing us to challenge our concepts of getting older. And whereas communities flourish when people of all ages contribute their experiences, their time, and their respect, and their service, and now therefore I ted wheeler, mayor of the city of Portland, Oregon, the city of roses, do hereby Proclaim May 2018 to be older Americans month in Portland and encourage all residents to observe this day.

Fish: Alan and jerry, would you come forward and get settled? I want to say a few other remarks. As the mayor noted, this month, excuse me, this year's theme is engaging at every level, and focuses on the importance of civic involvement, volunteerism, or some refer to it as returns. Did I get that right? And playing an active role in your community. We coordinated our proclamation with our colleagues at the county who will be doing their proclamation tomorrow because they are on a different schedule. With us this morning is Dr. Alan Delatorre from Portland state university and the age council, and Jerry Cohen, state director for AARP. Gentlemen welcome.

Dr. Alan Delatorre, Age Council Portland State University: Thank you. Mayor Wheeler, Commissioners, it's great to be here today. Even though I am not quite 40 I hit that mark in July, I've been an appointed volunteer.

Wheeler: You are dismissed.

Delatorre: I know. As of July, I will be covered by the age discrimination and employment act so watch out, but I really quickly want to highlight the importance, or important aspects

May 9-10, 2018

of the older Americans act which was passed in 1965. It allows for essential services to be delivered to older adults to age in place in a healthy and independent manner and it's important to note in 1965, the average of birth in the United States was 70, since that's risen to 79. This is important for a couple of reasons. I want to point out this intersection between age disability and race ethnicity which I will get to. So of those aged 65 to 74, only about 26% have one or more disabilities. When you get to that next cohort, the 75 to 84, approximately 45% of the population has one or more disabilities, and when you go to 85 and older, which is the fastest growing cohort here in Portland and across the country, 73% of all of those older adults 85 and older have at least one disability with multiple disabilities being common. And older, blacks and Hispanics with a disability had higher rates of poverty. Older blacks and whites with a disability had higher rates of living alone. Moving forward it is critically important that we continue to look at quality of life in later stages. It is going to become prevalent as the boomers change our age structures and as the disability rates among older adults continue to rise. And I think that this is important because we have a community of haves and have notes, and this is happening here in Portland and nationally, and whether you are able bodied Or not, whether you have the income to live where you choose to live or whether you have the ability to find the services that keep you independent and healthy are really important. And I would like to say that it's important that we support the older Americans act, moving forward, that the community of Portland understands older adults are an assets and that engagement of older adults, is important as we continue to move forward as we continue to build a community for all ages and where Portland is a place that we can grow up or grow old and I will turn it over to my colleague Jerry Cohen. Thank you very much.

Jerry Cohen, State Director of AARP: Jerry Cohen, state director of AARP, Oregon, and in the past life, my first job out of law school, 41 years ago was working under older Americans act, legal services for the state of Missouri. As a quick aside, I did want to let commissioner Eudaly know you can join at any age, as I found out when my bride, 41 years ago joined AARP because the digital internet had not been invented, and she wanted the publications. So look forward to those letters coming.

Eudaly: I am going to save that for my 50th birthday.

Cohen: I would like to add a few things. As we know mayor Wheeler just pointed out, building communities for all ages and ability takes tremendous leadership, and here in Portland we've been blessed with such leadership, and it's been reflected globally, nationally, at the state and community levels, and when the World Health Organization was formulating the concept of age friendly, some years ago, and identifying cities that would meet that criteria of age friendly, it was Dr. Margaret Beth Neil who was at the forefront of that work. She helped assure that Oregon was the first U.S. City, sorry New York City, they were number two, that was so recognized. That led to AARP's work and working with W.H.O. to create AARP's age friendly network which here in Oregon includes Portland, Multnomah County, City of Springfield, and others showing expressed interest as well. Salem joined us recently. We are among 170 plus cities and growing that embraced the aspirational goal. Dr. Neil's work on this, the creation and the relaunch of what AARP's public policy institute calls the livability index, which is a practical tool for any community and neighborhood to look at what are the goals, and where can we go to. It was her work that's helped the public policy institute to create that nationally for all cities and communities. And most significantly she's combined her skills of research with educating, disciplines for students, and inter-disciplinary work for students, public and private sector policy, and across generations, all of us to build the community for all ages and ability. So I have had the privilege of knowing and working with Dr. Neil for 21 plus years as we first created the AARP state Office 21 years ago. So I am proud to call her a great leader and a friend.

May 9-10, 2018

Fish: Jerry, this is a big surprise that you mentioned Margaret, so since she's here, major, would you please come forward and take a seat at the table with your two colleagues? We did not want to miss this opportunity Margaret neil to thank you for all that you have done for our city, and we want to surprise you with something and we are also pleased today that we are joined by dean, the dean of the college of urban and public affairs, and Cora Potter, who is a fan, and who is our go to person and other folks here, who are here to cheer you on. It's my great honor to read a proclamation which the mayor is issuing today in your honor. Whereas June 30, 2018 marks the retirement of Dr. Margaret Beth Neil from Portland state university. Whereas 2018 marks more than 40 years of service to Portland state university and as an extension, 40 years of Dr. Neil's knowledge serving the city of Portland, and whereas the Portland city council recognizes over a decade of international, state, and local leadership of dr. Neil to the age friendly initiative which has seen Portland be the first u.s. City included in the world health organization and aarp. Age friendly community's network, and whereas the city of Portland can take pride in her civic leadership as she explores, "what's next" and continues to define retirement to retirement, and Whereas dr. Neil embodies the spirit of building communities for all ages and abilities as we age. Now therefore I, ted wheeler, mayor of the city of Portland, Oregon, the city of roses, do hereby proclaim that the city of Portland honors the service and contributions of dr. Margaret Beth neil and encourages all residents to honor her service to our community. [applause] would you care to share a few remarks with us before we take pictures?

Dr. Margaret Beth Neil: I would say that I am speechless. I didn't see this coming. It's been an honor to work with all of you, with the city of Portland, with Multnomah county, and it's been the highlight of my career to work on the age friendly community's effort, and it takes knowledge and puts it into practice, and it has been a joy with all of our community partners and our government partners, so thank you all very much for everything you have done.

Fish: Perhaps we could ask jay bloom and dr. Percy and dee and Cora and all our friends to join us for a picture as we hand out both proclamations.

Wheeler: That would be great. Wonderful.

Wheeler: Could you read 438?

Item 438.

Wheeler: In a moment I will invite up the executive director of girls, Inc., Elizabeth to speak. Is she here? Come on up, and I am going to king and read this Proclamation. Please come on up, all of you, girls today face a barrage range of mental, social, and emotional health challenges stemming from the pressure to please and succeed the effects of media, prejudices, and inequality, and violence, and whereas many girls, particularly those in underserved communities do not receive the services that they need. Girls with unaddressed mental health problems may withdraw from classes or activities and lose access to critical development opportunities. Whereas promoting girls mental and physical health in a safe, supportive environment leads to positive outcomes for girls. And whereas the girls, Inc. Experience takes an approach to inspiring strong girls by addressing their mental and physical health and a comprehensive and interconnected way. And whereas girls, Inc. Advocates for policies and practices that help girls get the physical, mental, and reproductive health services that they need the most. And whereas girls, Inc. Provides girls with the sister hood of support, long lasting mentoring relationships, and programs and experiences that help girls foster positive mental health. Now therefore I, ted wheeler, mayor of the city of Portland, Oregon, the city of roses, do hereby proclaim May 5 through May 12, 2018, to be girls, Inc. Week across the city of Portland, Oregon, and encourage all residents to observe this week. Thank you for being with us. Good morning, Elizabeth. How are you today?

May 9-10, 2018

Elizabeth Nye, Executive Director of Girls, Inc.: I am well, thank you very much, mayor wheeler. Thank you very much, also, for proclaiming this week girls, Inc. Week. 2018. Our goal for this week across the country, of course all affiliates, is to focus on issues related to girls and mental health. So thank you for agreeing this important need in our community. My name is Elizabeth Nye, the executive director of girls, Inc. For the pacific northwest. I will be brief in my comments. I feel like our highest honor at girls, Inc. Is the ability to lift up girls' voices, and we have girls here today who will speak on our behalf. As you mentioned girls today face a broad range of mental, social, and emotional challenges stemming from the pressure to please and succeed, prejudice and equality and violence. We also know that today in the united states girls, before they reach the age of 18, one in four girls will experience sexual violence in their lives. We also know that girls who experience this violence are at higher risk for depression, anxiety, alcohol and drug use and risky behavior. It's also important to note that girls who live in high poverty neighborhoods experience sexual violence at a higher rate and are at more risk for these subsequent effects. Mental health is an important stage of life, and is critical for young persons, short and Long-term success, and one in five teens report suffering from a mental illness and many don't feel comfortable asking for help. Unaddressed mental health issues do have dangerous consequences. We know right now that the rate of girls committing suicide has tripled. Our goal is to help girls grow up to be healthy, educated, and independent, and we also through our policies and our practices, advocate for girls getting the health services that they need, and we work actively with our school partners and community partners to ensure that the girls are supported. The past few months have seen an increased awareness of sexual violence and harassment towards women, we know this, we have seen it through the #metoo movement. We are committed to making sure that the community remembers that it's a #girlstoo, this they are affected by the same things happening to women, whether it's at school, on the street, it's in their inter-personal relationships, and we also are advocating for disciplinary practices that take into account and address the underlying causes of girl's behavior at school. Right now, in Oregon, 78% of girls in the juvenile justice system have experienced sexual abuse, so when we think about the person at the school, we are wanting to make sure that everybody that is involved in girls lives have the tools and the knowledge to work with them effectively. Mental health has a huge impact on young people, and nature ability to lead healthy, fulfilling lives, and it's critical to the health of our nation as a whole, and this next generation is counting on us, and we believe that all of our girls will succeed. At this time, I want to introduce onie. Onie and hazel are both girls, onie has been a part of our national girl's action network and has been working with a group of girls across the united states in Washington d.c., to, to highlight the importance of mental health and girls, and this week. I would like to turn it over to onie.

Wheeler: Welcome.

Onie: Dear all girls, we need your help. We need your help in erasing the stigma surrounding mental health, depression, stress, and anxiety. With your assistance, we can create a world where nobody walks alone. We can create an atmosphere where people feel safe enough and comfortable enough to seek help. Sometimes when we feel our worst we choose to go through it alone. It is our responsibility to clear the air about mental illness. We need to change the shame because talking to a therapist is not weird. It is normal. It is natural even to want somebody objective to talk to. To advise you. To be there for you. We need to change the stigma because too many are battling on their own and because for many suicide is still an option. With proper education and services, we can help those who can't help themselves and we can help each other. We need you to join us and our cause of eradicating the stigma of mental illness and bringing hope for our fellow girls into light. You are not alone. According to mental health America, the rate of youth

May 9-10, 2018

with severe depression increased from 5.9% in 2012 to 8.2% in 2015. Even with severe depression, 76% of youth are left with insufficient treatment. Over 1.7 million youth are facing major depression and are not receiving treatment. That is enough to fill every major baseball stadium on the east coast twice. According to the telegraph, one in ten girls are being referred for specialist mental health, just know you are not alone. Mental health issues exist everywhere. We know you deal with a lot on a day-to-day basis. We know that sometimes you feel like you can't fight, or you can't love yourself. Always remember, you are enough. We are writing this letter to remind you, you are strong and more than capable to fight through your battles. We understand that everything hurts. Everything can heal with time. We are also here to tell you that it's okay to feel sad. It's okay to feel emotions. Because that shows that you are Human with the ability to feel things. You are loved. You are valued. Just like you are worth living, you are and will always be glorious. You are strong, smart, and bold. You can absolutely overcome anything that you are going through. Don't think about checking out of the battle. You are strong enough to get through this. You have support from your girl's staff members and community, and we love you dearly. You're brave, powerful soul is inspiring. This world can be too dark to dream in color; however, you can bring that color back. You are one in a billion girls who is not sorry for burning too brightly. Sincerely, girls, Inc., girls action network.

Wheeler: Thank you. That's wonderful. Appreciate it. Hazel, do you want to add anything?

Nye: She brought a gift for all of you.

Eudaly: Thank you.

Fritz: Thank you.

Fish: I appreciate it. Thank you.

Saltzman: Thank you.

Wheeler: Colleagues? Commissioner eudaly?

Eudaly: Yes. I want to read the girls, inc. Bill of rights into the record. Number one, girls have the right to be themselves and to resist gender stereo stereotypes. Girls have the right to express themselves with originality and Enthusiasm. Three, girls have the right to take risks to strive freely and to take pride and success. Four, girls have the right to accept and appreciate their bodies. Five, girls have the right to have confidence in themselves and be safe in the world. Six, girls have the right to prepare for interesting work and economic independence, and I want to thank you for your work. I would have greatly benefited from an organization like girls, inc. As a teenager. I turned out okay. But it was a really long, difficult path, and I think that you are doing amazing work. Thank you. And thank you for being here today.

Nye: Thank you.

Fish: What's the age range in your organization?

Nye: Nationally we serve girls beginning at age 6-18, and here we focus on 8-18. With some schools asking us to start at younger ages because the issues that are affecting girls increasingly are working their way at earlier ages.

Fish: That's terrific.

Wheeler: Would you mind if we had a photograph?

Nye: We would love that, thank you.

Wheeler: Thank you very much for being here.

Wheeler: All right, to the regular agenda, item 447, please.

Item 447.

Wheeler: Commissioner Saltzman.

Saltzman: I'll turn it over to staff for a presentation.

Karl Arruda, Right of Way Agent PBOT: Thank you. Good morning, Mr. Mayor, commissioners. I'm Karl, right of way agent with the bureau of transportation. This is a street vacation ordinance currently before you, which was initiated by PBOT in cooperation

May 9-10, 2018

with the Oregon department of transportation. PBOT and ODOT own several parcels along southwest Naito Parkway in downtown just north of I-405. This land was previously used as a portion of harbor drive highway, which is also highway 99, and as you may recall or know, the highway that was removed to allow for the creation of waterfront park and other redevelopment, so this is part of the route of where that highway previously traveled. Several years ago, PBOT determined that these portions of hall, Lincoln, grant and Sherman streets had not been vacated as previously was thought, so they are still public rights of way. PBOT and ODOT own the land in between the street areas, and they are no longer needed for street purposes, so vacation of these streets will allow for future development projects.

Fritz: It looks like on the Lincoln street one it's over the street. Is that not correct?

Arruda: Yes, that is actually the orange line light-rail, so on most of that Lincoln street area for vacation there's already an agreement with TriMet to transfer most of that piece of Lincoln street and a little piece of the area north to TriMet. That was an agreement between the city and TriMet back when everyone thought that had already been vacated. So that piece will be deeded to TriMet and TriMet wanted to own that land underneath their structure there.

Fritz: Thank you.

Arruda: Then the piece of hall street will revert wholly to ODOT because they own the land immediately north and south of that little piece of hall street. Then the pieces of grant and Sherman will revert to joint ownership of ODOT and PBOT. PBOT has no specific plans for grant and Sherman right now. As I said, most of that Lincoln street area will go to TriMet. As part of the process in addition to working with ODOT we contacted the usual city bureaus and outside agencies and utilities for comments. PBOT development review folks asked for walkway easements along Lincoln and grant street and those have already been reserved, so those will maintain pedestrian connectivity in case the land is ever sold or transferred. There are sewer lines along grant and Sherman, so they asked for sewer reservations in those areas and those have been reserved. As part of this process those documents were already negotiated, signed and recorded jointly between the city and ODOT with input from the city attorney and attorney general's office. Since ODOT was involved, everyone thought it was better to get those documents negotiated and completed in advance. The one last little thing is that after this is done, PBOT will issue a permit to TriMet for a storm drain under the orange line structure that they constructed to facilitate storm water drainage and after that is transferred some of it will still be on city owned land, so they will get a permit. So, a few photos here. This is the hall street area. There's not much street access through there right now. It's made a little valley sort of between naito parkway and Harrison street. Lincoln street most of it is the orange line structure there. Then grant street down here, the piece that we're vacating is the undeveloped grassy dirt area. The street vacation ends before you get to the paved street and the cul-de-sac. That will remain as public street. Then Sherman street piece again is a grassy, gravelly area that is no longer having any transportation uses. I'll be happy to take any questions.

Fish: I have a couple questions. I think I was on council when we passed 184517. Are you going to can you remind me, was the proposed transfer of property in consideration for the city's local match?

Arruda: Yes. I believe that's correct.

Karla: You need to put the photo up there.

Fish: Or turn it off so we can see you.

Arruda: Close out this, Karla?

Fish: It's back to you now.

Karla: It's a slide you're trying to see?

May 9-10, 2018

Fish: No, the screen was dark. So was the intent here to serve these properties were to serve as the city's partially to service the city's match for that --

Arruda: Yes. The value of the deeded land was I think included in the city's contribution to the orange line project.

Fish: So that much I get. To what extent did we reserve any continuing role in terms of how the land is developed?

Arruda: Outside of the orange line?

Fish: The in-kind portion I'm guessing is as much a formality as it is an artifact. We have done that, but the land if it's to be developed, how do we ensure that any future development is consistent with what the city jointly with ODOT believes is in the best interests for that neighborhood?

Arruda: Well, before anything happens with the land it would go through the city's administrative surplus process rules of whether it be transferred to another city bureau or ODOT or private owner. I don't think... there are no specific plans for any of the land right now.

Fish: I don't see any ordinance which suggest jets it goes to our surplus property, it seems we're vacating property, in a sense transferring some of this property to ODOT.

Arruda: Well, the Lincoln street piece will be going to TriMet. The other pieces of land are land that we thought had been vacated and has not been vacated. So the hall piece is the one piece that will be going, to our understanding, solely to ODOT because they happen to own the land immediately north and south of hall street up there. The other pieces will be jointly own so anything that happens with the remnants of grant and Sherman street will be a conversation between the city and ODOT, and their surplus processes.

Fish: I see. Have any of our partners stated their intent for how they may develop or dispose of any of these properties?

Arruda: No. The only interest that we have had relating to that is from the international school, which I think they submitted some written testimony. They may be here to offer public comments also, but they have mentioned to PBOT several times that they would be interested in purchasing some of the vacant land next to their school property. Other than that, I don't know of any current interests from other bureaus or agencies.

Fish: Thank you.

Wheeler: Very good. Is there any public testimony on this item?

Karla: Yes, we have had two people sign up.

Veronica Vernier: Good morning, campers. It's about time for the Rose Festival to launch again

Wheeler: Would you state your name for the record, please?

Vernier: Hi. I'm veronica vernier from Portland state university public health and safety graduate 2005. Dedicated nurse retired but not shy. Into the inclusionary body of the whole Portland even as we speak. I want to bring up to you something interesting. When I came on here was former mayor Vera Katz, save the trees said this about that. We need to save the trees number one Dan Saltzman says call before you cut. I said because I like hanging out at starbucks call before you cut but also let's keep the west end soft as it comes to mind soft in the approach soft in traffic and a little less concrete and steel. Because of that I know the roads, how people come in, we watched traffic 6th avenue suites hotel in the distance there we watch that traffic pattern all the time but I wanted to show you this. This is a bingo. Bingo's got it. This is from the house's response to all that we're talking about. They put the bingo on the map. Bingo means friendly house will be there watching too. I'm speaking as a person from friendly house. We need to stay friendly, keep our borders open and affirming. I think we need to really, really, really slow down on progress here. Help the people that are homeless. That's our biggest issue. We're pro building but we cannot stop. The last thing I have to say is St. Mary's. The lady brought me a note. She's from a

May 9-10, 2018

catholic church. The catholic church is pro-growth. They are also very pro girls. At a cyo dinner they all voted to respect our mayor and his progress and commissioner Saltzman has given kudos and commissioner Fish for supporting the girl scouts. Amanda Fritz is given kudos. They couldn't remember how to spell Chloe's name. I can't either. I'm kidding, Chloe. You're over there. Not smiling. I know how to spell it, I just need glasses to see. I can spell pretty well. I think it's an interesting name and I support that too. This is a filibuster. Keep those gates open and safe for democracy. We're still pitching it as red cross dats. If something happens we'll be there before you get there. Thank you.

Wheeler: Thank you.

Katherine Simons: Good morning. My name is Katherine Simons. I speak to you on behalf of the international school as both a senior administrator and as a parent of three students. Joining me is our head of school Robert woods.

Wheeler: Good morning.

Simons: The international school is indent whose campus is located completely within the affected area boundary between southwest Carruthers, southwest grant and naito streets. You can see exhibit a. We have a current enrollment of approximately 420 preschool and elementary students ages 3 through 11. Our mission is to foster global citizens. We offer international back lariat approach and full immersion programs in Chinese, Spanish and Japanese. We were founded in 1990 and our campus has been in the current location for 26 years, since 1992. As a result of our time in this area, we have the distinction of being the owner of the largest assemblage of privately owned parcels of land between southwest Carruthers and southwest grant. We as a school are not opposed to this proposed street vacation to consolidate city and ODOT property. However, we do request that we are part of the conversation moving forward. Any change in land use will have a direct impact upon our school community. On daily basis 420 students travel both to and from campus for morning drop-off and afternoon dismissal periods. Our young students are outside daily as they move between buildings and play on playgrounds directly adjacent to the consolidation areas. Keeping the safety, traffic impacts and over all well-being of our school children in mind, we therefore request to have a voice in land use planning and decisions that are adjacent to our campus. We would also like to publicly express our interest in having the right to purchase surplus land within the affected area boundary, especially adjacent to our school's property. We have long taken stewardship over those parcels. In 2009 we obtained a permit to occupy and perform operations on a state highway on the ODOT parcels. In 2016 we entered into a partnership with friends of river place in accordance with the PBOT adopted landscape agreement that includes the entire affected area and beyond. As well as an ODOT adopt a highway agreement in 2017. We perform landscaping, clean up and reporting multiple times a week. We have been active caretakers of those parcels and request the first right to purchase them if and when they become available through the surplus process. We wish the city of Portland review policies of notification for the planning and sustainability meetings surrounding city-initiated street vacations. Our school believes that global citizenship begins at home. We desire to be good partners and neighbors within the city and share your vision for a Portland that supports long term sustainability and fosters well-being and happiness for all of its residents. We look forward to collaborating with you to help meet our shared goals. Thank you for your time.

Wheeler: Thank you for being here. I think your request with regard to being in the loop is a very reasonable one as the immediate commercial abutter. I did have one question that your testimony raised. Did the planning and sustainability commission not notify the international school? You said we needed to do something differently around notification. I wonder if you could give me a sentence or two on that.

May 9-10, 2018

Simon: Apparently, they sent us a notice quite recently. I don't know what the letter is. You might have it. Then we had apparently sent some sort of notice in 2016 but we do not have record of receipt of that notice.

Dee Walker, Right of Way Acquisition PBOT: If I can answer that question, dee walker, right of way acquisition. I oversee the street vacation program. Pursuant to our city policy and practice state statute requires us to do notifications for city council hearing but not planning and sustainability commission hearings. I have recently reached out and talked to planning commission at one of our last meetings and have talked to them based on her comment have talked to them about the possibility of doing notifications for the planning and sustainability commission hearing as well. I'm actually setting up a meeting with Sandra and Julie to talk about how that would work and what it would look like and who would send out notifications. It's something I'm looking into.

Wheeler: I appreciate that.

Fritz: Don't you send out notice to the neighborhood association before planning commission hearing?

Walker: In our process up front when we do formal notification when we send to our bureaus it also goes out to the neighborhood association, district coalition and any business association in that area as well. So yes, they all get up front notices right away. Under city initiated because the petition phase for collecting neighborhood signatures is bypassed we do notifications at the end of the process for when the city council hearing is. So even though we go to planning commission we don't do notifications twice. So that's what we're looking into is should we and would it be good to do notifications twice to the people in the affected area once upon planning commission and then again for city council. We always have to do city council because that's state driven. But the planning commission we could do also.

Fritz: My preference would be that even though you don't need signatures if everything around is city owned that you do the same notification to the nearby property owners that you do if it was a private property owner.

Walker: So if we add notifications for the planning commission hearing, planning and sustainability commission hearing, that would give them notification a lot sooner.

Fritz: Thank you.

Wheeler: Thank you for doing that. Thank you for raising the issue. The last thing we want to do is have 450 families freaking out thinking something is amiss and that they are not included in it. I appreciate that and I appreciate your bringing that to our attention.

Fritz: I assume as to the other question that if it was declared surplus that it would follow the surplus property regulations as far as who gets offered which first. I don't believe there's anything in there that gives any particular party a right of first refusal other than government entities because highest and best value for whichever entity owns it but you would get notification I would assume.

Wheeler: Anything more before I move this? This is a first reading of a nonemergency ordinance. Moves to second reading. Next item, please, 448. This is second reading.

Item 448.

Wheeler: This is a second reading of an ordinance. During the first reading we took testimony and had a presentation. Is there any further discussion? Please call the roll.

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

Wheeler: Aye. The ordinance is adopted. 449 also a second reading.

Item 449.

Wheeler: Any further issues here? Please call the roll.

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

Wheeler: Aye. The ordinance is adopted. Item 450, please.

Item 450.

May 9-10, 2018

Wheeler: Colleagues, while the plan documents represent legal requirements the health plan and health reimbursement account by approving this ordinance we're also approving plan design changes recommended by the labor management benefits committee and for administrative requirements which BHR and the benefits office are responsible to fulfill. We obviously have Cathy bless here, she is the health and financial benefits manager. Good morning.

Cathy Bless, Bureau of Human Resources: Good morning. I am Cathy bless. I'm here this morning to actually talk about two ordinances but we'll start with 450 and amending the health plan documents. For the new plan you're beginning July 18th. Within the as mayor wheeler stated the plan documents are just the legal framework as we do business in a health plan. I wanted to call attention to the actual plan design changes moving forward this year for July 1. These are recommendations by the labor management benefits committee. The first one would be lowering the city's annual out of pocket maximum under the city core plan from its current \$3,000 per person to 1800 per person. We think that this is a significant savings and benefit enhancement to employees. We had originally put in place a much higher out of pocket maximum because of all the of the aca requirements, which required that health plans include co-pays, deductibles, co-insurance, prescription drug medications within those out of pocket maximums. We as the lmbc the committee recommended initially a \$3500 out of pocket max. We lowered that to the \$3,000 and now we would like to dial it back to where we originally had it at the 1800. The added costs didn't impact the plan as we had originally anticipated so this is an important benefit. Also implementing the smart 90 program within express scrips, we currently offer a much broader network in allowing a retail 90-day prescription refill. This narrows the 90-day refill prescription benefit to most of the grocery store chains. It impacts very few individuals and prescriptions and provides greater discounts so employees benefit as does the city. We also will waive any of the co-insurance for inpatient chemical and alcohol substance abuse. We think that this is also important given the opioid crisis and want to support employees if they need treatment. We also are changing the way in which some infusion therapies are provided. There is this was a recommendation through the health plan, and it allows a much greater savings for some very specific medications that require infusion at hospitals. Now those can be provided in home much more comfortable for the patient, much less cost for the patient and the city. We would also increase the orthodontia benefit to keep up with the times and the cost both on the city self-funded plan and under Kaiser. Kaiser has offered to add the dental implant coverage, which it had not previously covered. There are no other recommendations the lmbc committee could agree to regarding the Kaiser plan. It will increase by 7% for the 2018-19 plan year and is the most expensive plan for all of the nonppa tiers and groups. The lmbc will need to work toward a resolution to address the rising cost of this plan should they continue. We'll definitely take that on as a committee in the coming months. Citicorp plan available to all benefit eligible employees except the ppa will increase by 2.34%. Over all nonpolice city increase combining Kaiser, Citicorp plan rates and excluding ppa is 3.14%. The self-funded city net plan that is available just to the sworn police and is a self-funded plan will decrease by 3%. There is no material increases to dental or vision plans. Based on these final health premium costs and self-funded rates the city-wide benefit increase is about 2.34%, which would save the general fund about 1.5 million and the entire city an additional 200,000 for a total of \$1.7 million. These savings represent the difference between the current budget load at 4% and the finalized rates.

Fritz: Could you say that whole sentence again? I think it's really important. [laughter]

Bless: Absolutely. Based upon the final premium cost and self-funded rates the city-wide benefit increase is about 2.34% which saves the general fund about \$1.5 million and the entire city an additional \$200,000 for a total of 1.7 million.

May 9-10, 2018

Wheeler: Music to my ears. [laughter]

Bless: Mine too.

Fritz: I'm very, very impressed. This is a time that what kind of increases are we seeing nationwide?

Bless: Very large increases. Some are double digit. Everyone is struggling between 7 and 10%. Most of the savings came from the 3% decrease in the ppa rates. The general funds, police bureau absorbing most of those savings. Last, I want to take a moment to talk about the preventive care initiative. Over 98% of city employees met the preventive care initiative standard and chose to seek care. The success of this rollout is attributed to Kaiser, Moda and aon for their collaboration, assistance and advocacy as well as the dedicated benefit staff and each union. The unions have worked very hard to protect their members ensuring they receive the required services and were not impacted by higher premium shares. The preventive care initiatives goal is to ensure employees establish relationships with their primary care provider to maintain and monitor risk factors so they don't turn into complex chronic conditions impacting an employee's well-being and quality of life. I have heard from many employees glad they got the nudge to go see the doctor and are working on maintaining their health. Healthy foundations and city strong continue to be impactful programs working to support employees and families as they address health concerns. Lastly the health operating fund budgets include appropriations and support of these health plan costs associated with this ordinance and I ask your support in authorizing this ordinance and am happy to answer any questions that you may have.

Wheeler: Colleagues?

Saltzman: Could you explain that prescription benefit thing in lay language, please?

Bless: Sure. [laughter] you can get a 30 day supply currently prescription anywhere. Pretty much right now you could get a 90-day supply of maintenance medications anywhere. So July 1 we are narrowing where you can get a 90-day supply of pharmacies at retail and really it's that you can't use a CVS pharmacy, which would be target, and you can't use Walgreen's but you can use pretty much everything else. Safeway, Costco, Fred Meyer, rite aid, Albertson's.

Saltzman: I wanted to echo a concern I have had with express Scripps. I find them trying to practice medicine. I assume they don't have licensed physicians providing them advice. In the way they suggest to me that have you tried this or should you try this, please go to your doctor and ask for this. I have a doctor. I talk with the doctor. The doctor makes a prescription. I don't really appreciate the secondary tertiary line of questioning which results often in delay of weeks in getting prescriptions filled and the prescription only gets filled because I go to battle or my doctor goes to battle. I'm concerned about they are putting their judgments between me and my physician. I would like you to take that concern to them and I would like to know their response.

Bless: I absolutely will take that concern to them. I would like to address it a little bit. So when we moved to express scrips, we adopted a formulary. So it is a closed group of medications that offer the city the best discounts so it helps the city and helps plan participants. They also manage the formulary. So when new medications come in, they may change the tier from a brand name to a nonpreferred medication, so they manage that formulary throughout the year. So when those changes happen, it can be impactful to an individual person. Some of the medications also because of their side effects or because of their cost require prior authorization. There is a criteria that needs to be met for those medications. Express scrips does have clinical pharmacists and medical directors as part of their program. So it is science based as they make their decisions. However, I do understand when it's impacting you directly that you don't care.

Saltzman: I have no problem with the prior authorization but it shouldn't be associated every time I get a refill.

May 9-10, 2018

Bless: I would agree.

Saltzman: They want to drag it out so you will give up.

Bless: I see the comments really as how customers are treated. Right? That I will absolutely take back and make sure we get back to you directly.

Saltzman: Thank you.

Eudaly: I was just curious if they would still be able to use independent pharmacies.

Bless: Yes. The ones that they can currently access, yes. They just would get a 30-day supply, not 90.

Eudaly: Thanks.

Wheeler: Is there public testimony, Karla?

Karla: Veronica signed up but I believe she left.

Wheeler: Very good. Please call the roll.

Fish: Thank you for your good work. Aye.

Saltzman: This sounds like a very good package. Cost increases less than what we projected which I assume is where we're getting our savings that way. Good work. Aye.

Eudaly: Aye.

Fritz: Thank you, Cathy, for your ongoing great work. Several years the city has done far better than national providers and insurance systems in keeping costs contained. This year we had this innovative preventive care initiative which the human resources director insisted on and it's in all union contracts that says if employees don't want to get a preventive health care checkup once every two years they will pay 90% -- they will pay 10% of their premium, the city pays 90. If they get that minimal checkup it remains at 95-5. Delighted that 98% of city employees have chosen to do that. With a couple of months to go I think we were at 70 or 80% and there was an extension so thank you for your managing that process. Thanks not only to the providers and benefits department but also to the unions and certainly my bureau director and other staff were instructed to announce it multiple times so that people knew we were serious. Getting to 98% is what we were expecting and hoping for. Now we have to keep doing that, which is in the taxpayers' best interests because preventive care helps find things when they are treatable and treatable at less expense. I encourage everyone watching this who thinks, perhaps I haven't been for a checkup in two years, to invest in that so that you too can be part of cost sharing and savings. Thank you again. Aye.

Wheeler: Improved benefits, decreased cost escalation, more people taking advantage of it. All good. I vote aye. The ordinance is adopted. Thank you. Good work. Next item, please. 451.

Item 451.

Wheeler: Colleagues, this ordinance authorizes a new vendor for flexible spending accounts, FSAs. They are voluntary accounts employees can elect during an annual enrollment process. Employees can elect to participate in the medical FSA, the dependent care FSA, or they can participate in both. FSA accounts allow employees to set aside money from their paychecks on a pre-tax basis to pay for out of pocket medical expenses or to set aside money on a pre-tax basis to reimburse eligible daycare expenses for qualifying dependents while the employee works. This contract will also allow retired or terminated employees who purchase health care coverage from the city to track the payment of their monthly premiums online. Again, we have health and financial benefits manager Cathy bless here to discuss this. Thank you.

Bless: Thank you. Again, this is a new flexible spending account contract with wage works. Benefit help solutions has been the city's prior contract as an FSA vendor for many years. There had been shared concerns with regard to their service. We went and issued an RFP, and wage works was the selected new FSA vendor beginning July 1 of 2018, the upcoming plan year. Employees will be able to submit claims reimbursement requests in

May 9-10, 2018

many ways under the new vendor. They submit a paper form with documentation, pay a provider directly from a wage works online portal, they can load a mobile app, take a picture of their documentation, and upload it so that wage works can adjudicate the claim. Employees will be issued a new wage works mastercard effective for July 1. So, we're excited about all the new functionality and their web presence and their technology associated with making flexible spending accounts easier. As you may know or may not know, the federal government allowed employees or participants of FSA to carry over money from year to year. It's a rollover of up to \$500 so it really minimizes what an employee puts at risk by participating in flexible spending accounts. So, we look forward to having a new vendor and ensuring that folks really understand how to use the plan and the offering so that they don't put money at risk. The not too exceed amount in this contract is quite high. It's \$19 million over a five-year contract period. SAP requires all the monies within the contractor represented not to exceed limit but it's important to note all but a small amount of this total is employee contributions. The city will pay wage works administrative fees for the adjudication of claims and services and we will pay anywhere from \$3.25 to 4.75 each month per participant depending on the services. Over a five-year period of time, that amounts to about \$550,000 so a little over 100,000 per year of the 19 million. The remainder of the dollars are employee elections which are expected to be about 3.5 million per year over the contract period. Again, the health operating fund includes appropriations in support of these administrative costs for the employee funded program and I ask support in authorizing this ordinance, emergency ordinance. I'm happy to answer questions.

Wheeler: Colleagues?

Fish: First, thank you for digging deep into this. You and I have had a number of conversations because I opted out. I'm on my wife's policy at Portland state so I have a flexible spending account that allows me to cover a portion of my unreimbursed medical expenses.

Bless: Yes.

Fish: My experience with the previous vendor was frustrating. I know you heard from a lot of us. One of the things that was frustrating is after you submitted your claim, it was typical to get an email that contained a lot of legal gobbledegook explaining why your claim was insufficient without much helpful guidance as to how to cure the problem. It just seemed like it was designed to wear you down and not solve the problem. I'm looking forward to this new agreement. It sounds like you fixed a number of problems at the front end making it as easy as possible to submit claims but I think the proof will be in the pudding in terms of how they resolve claims. What I'm hoping is instead of extensive boilerplate explaining why they can't resolve the claim, I hope we get something that is more encouraging and positive about what's missing in order to process the claim. I have found from time to time the old vendor set up a system to wear you out. I spent an inordinate amount of time trying to figure out what was missing. That piece of customer service in keeping with what Dan said in another context is very important to me that we get plain English responses and that it not be just denial function but it be no but function that says here's what we need to process your claim because life is short. Most of us don't have the time to endlessly go back and forth with these vendors. My experience was maybe an anomaly but it was so bad that I would welcome any new vendor, but knowing the care and time you put into this I have a feeling this is going to be a really significant improvement. So thank you for that.

Bless: Yeah. We are attempting to make it nearly foolproof. We are working with our vendors to send claim files so that as online claims come in, they will be able to auto adjudicate with the claims information they have available to them. The new functionality of actually being able to go in and send a payment directly to a provider I think will also help eliminate some of that back and forth.

May 9-10, 2018

Fish: I'm reminded of one example that illustrates the problem. Rather than getting an email that has page after page of gobbledygook saying the claim is denied and citing all this code I think I'll give you an example where a claim was denied and a simple response would have been more helpful. The bill that I submitted which I got from the provider did not have all the dates of service on the bill. Sometimes that's a function of which bill you submit. The reminder bills often don't have all the dates of service and earlier bill does and really it would be so much easier if someone said please send us the first bill which include dates of service, so we can match up the dates and verify rather than page after page of gobbledygook that was almost impossible to decipher. I'm smart enough to know if someone says you're missing dates of service I'll go back, get that earlier bill and submit it. Again, I remain very hopeful that this will be a more satisfactory customer experience and I know you put a lot of time into it, so thank you.

Bless: I'm hopeful as well.

Wheeler: Public testimony, Karla.

Karla: Nobody signed up.

Wheeler: Very good. Please call the roll.

Fish: I enthusiastically vote aye.

Saltzman: Good work. Aye.

Fritz: Thank you. Aye.

Wheeler: Aye. Thanks again. Appreciate your excellent work. Item 452 I'm going to move it, but could you read it for the record, please.

Item 452.

Wheeler: Colleagues, I know that people are eagerly awaiting this particular item to come before the Portland city council. However, I have to build some more suspense. This item will be moved to May 16th, 2018. Please call item 453.

Item 453.

Wheeler: Colleagues, I'm very happy to sponsor the sale of block 25, which is before the city council right now. It's an important step to the city's commitment to the old town Chinatown community. Four years ago, city council approved the old town Chinatown action plan. The plan is a cross-bureau collaboration and commitment to one of the city's oldest, most historic neighborhoods and it involved prosper Portland, the Portland housing bureau, the Portland police bureau, and today the office of management and finance. The office of management and finance facilities services division has declared property in the old town Chinatown neighborhood as excess to its needs. Would like to convey title to prosper Portland for reuse and redevelopment purposes. For many years this property has been used to support northwest natural's presence in old town Chinatown. I'm pleased northwest natural gas has decided to stay in downtown Portland. With their relocation block 25 can now be redeveloped in a way that furthers the community's priorities. The property consists of four parcels in total known collectively as block 25, which are surface parking lots bounded by northwest 3rd, northwest glisan, northwest 4th and northwest Flanders that were acquired in 1999 as replacement parking for northwest natural gas when their parking was displaced due to the city's development of the incredible Lansuh classical Chinese garden. At the time the city and northwest natural gas entered into a 99-year ground lease and parking easement agreement which included a provision for the city through the Portland bureau of transportation to manage the parking lots evenings and weekend. The ground lease and parking easement agreement will be assigned to prosper Portland at the same time the property is conveyed to prosper Portland. The facilities service division property manager will describe the process for disposition of city real property and prosper Portland staff will provide an update on recent and upcoming activities and developments in old town Chinatown neighborhood. This sale and the opportunity that it unlocks compliments the city's work within the area from working with

May 9-10, 2018

businesses along Ankeny alley to a joint task force with the community on safety and livability to the Broadway corridor envisioning for future union station development and surroundings. So today we have looks like Pauline Goble from OMF, Lisa Abuaf from prosper Portland is here as well.

Pauline Goble, Property Manager Office Management and Finance: Good morning, mayor, commissioners.

Wheeler: If you could introduce yourself.

Goble: Pauline Goble, property manager in the facilities services division.

Lisa Abuaf, Prosper Portland: Good morning. I'm Lisa, develop manager with prosper Portland.

Eric Jacobson, Project Manager, Prosper Portland: Eric Jacobson with prosper Portland.

Wheeker: Eric, I was having one of those moments as described earlier today. Thank you. All three of you for being here.

Goble: I'll start. I am here to provide a brief overview of the city's real property disposition process which is also known as administrative policy 13.02. Which was followed by OMF in preparation for the disposition of the block 25 parcels to prosper Portland. That process first begins with OMF internally evaluating the property and deeming it excess to its needs. Then the office of management and finance made a written recommendation to the mayor for disposition of the property which the mayor approved. Then the office of management and finance real property coordinator notified other city bureaus, and council offices that the property was available. After a 21-day waiting period no bureau or office expressed interest in the property. So then the coordinator also confirmed with the major land owning bureaus there were no easements or infrastructure concerns such as sewer or right of way easements that needed to be preserved. An ordinance was brought to council and placed on regular agenda, which is why we're here today. If you have any questions I would be happy to answer them.

Wheeler: Colleagues? Commissioner Fish.

Fish: Looking at the map, couple questions. There's been some conversation about the Lansu Chinese garden at some point expanding its footprint. I'm assuming this transaction would have no bearing on any future plans they may have.

Goble: That's my understanding as well.

Fish: And is the long term goal to demolish the old structure on this footprint, the old building, and create a single lot or will that remain?

Goble: I think that's a response from prosper Portland.

Jacobson: That property is owned by the Blanchett house, not part of this transaction. We have been in discussions and will continue to coordinate with them over their plans for that building. We don't know what their plans are at this current time.

Fish: What's the plan involving northwest natural going forward?

Jacobson: Northwest natural has entered into a lease for a building that's currently under construction and they will be relocating from their current location old town to the new building between late 2019 and mid 2020.

Fish: They are building on this site?

Jacobson: No, a few blocks from here.

Goble: They are relocating to an office tower downtown, so they are both giving up their lease in old town Chinatown and relocating out of old town Chinatown. When that happens it kind of terminates the parking obligation that exists on block 25 today. So, it's a surface lot today that northwest natural has rights to park on for a very extended lease or we would have to replace them as a city or as prosper Portland. That terminates when northwest natural leaves the district.

May 9-10, 2018

Fish: Has prosper Portland made any preliminary determinations about possible reuse and redevelopment?

Abuaf: We'll talk about that.

Jacobson: We still have to go over that.

Goble: Do you have any questions about the disposition?

Fish: I apologize. Getting ahead of ourselves.

Wheeler: Well done. Lisa?

Abuaf: That sounds great. We did want to set the context for exactly in anticipation of those questions so again I'm Lisa, development manager with prosper Portland. We thought we would provide a brief context and status update for what we have been doing around the action plan that did come before council in 2014. Year in year four and how we see block a 25 is a key opportunity for unlocking those commitments we made to the community in 2014. Just as a reminder as to what the action plan involved it was developed in collaboration with the old town Chinatown community association. We attend their meetings on a monthly basis, have an exchange with them, provide update on how we're implementing the plan and gather input on an ongoing basis. It did make a commitment across multiple bureaus, so it committed 57 million in prosper Portland tax increment resources divided across two urban renewal areas between the downtown waterfront and river district urban renewal districts. It committed to expand development charges exemption program for middle income housing. Whereas elsewhere in the city it's available for low-income housing in old town Chinatown given that three of four units are preserved as affordable and the average income is about 15,000 the community is really interested in middle income, new middle income housing and we'll talk a little bit about how that program we have seen that program used and last but not least I think you'll see this for the last year was actually last fiscal year, there has been a match of \$30,000 over a three-year period for a total of 90,000 to the community association to hire a district manager that they have used to kind of co-market the different attributes of the community. So, anything from the garden to the Nikkei legacy center to some of the Chinese cultural events that occur. The community priorities outline from 2014 are captured here. They cover kind of a range of interests anywhere from safety to livability issues to ensuring redevelopment of both publicly held assets at that time as well as privately held assets. An interest in parking to support the district particularly the historic buildings that don't have parking and so are more difficult to tenant when they go to sign a lease with some of the commercial tenants as well as making sure that we're supporting small businesses that are in the area. Based on the fact that we are in year four I would call out the community association themselves has looked to the action plan as their framing device for their priorities and are actually doing a relook of the action plan to determine if they would like to extend it, adjust it, et cetera. So we took the community priorities and allocated them into three major areas of activity. One was around neighborhood investment that involved both at that time pdc, but prosper Portland properties as well as private properties. The second was around business vitality so a lot of the work we do with small businesses as well as attracting new jobs into the district to tenant some of the buildings and we'll walk through some of the projects that have been realized as a result of that work. Last but not least is district liveability that touches both on the role the district manager plays and making sure we're preserving historical and cultural attributes as a unique district within the community. This captures what have we seen in terms of progress made on the action plan since you approved it in 2014. We have realized over 800 new employees in the district across employees from Multnomah county to pnca, to some of the software companies that have rehabbed some of the historic buildings in the area. Of that sdc waiver, 65 new middle income units have come into the community with new construction and it does have preserved affordability at that middle income range. We have seen preservation of multiple

May 9-10, 2018

historic buildings. We have seen about 2.8 million of the 57 million committed in reserve for old town Chinatown spent within the district so clearly there's an opportunity for additional investment via prosper Portland funds as we think about the future including on block 25. Then we just briefly are going to touch on each of those three areas that the action plan outlined for our activities and investment. Around business vitality we have made a significant amount of small business grants that have supported folks anywhere from kind of some of the larger software companies like novel coming into the district to smaller retailers growing or moving into the district. This summarizes who are some of the larger employers who have moved in. What you know in terms of the measures of success we're committed to the community association when we did the action plan to particular measures of success so in business vitality we realized five new retail stores, 500 new living wage jobs clearly the second goal is well under way to being accomplished. The first goal we have ongoing work to do particularly as some of the businesses have struggled and moved out, so we have seen new businesses but also some businesses close in the district. The next goal is around neighborhood investment and this is clearly where there's alignment directly with the block 25 transaction. We have seen a significant number of historic rehabilitations both through our grant and loan programs occurring that includes everything from society hotel that has become a key anchor for the community to the Erickson Fritz which is an affordable housing project within the community to the overland warehouse which is an historic commercial building. Very close by to prosper Portland's offices at 4th and Davis. Clearly there's also a pipeline for ongoing opportunity and additional placement of the remaining tax increment resources that we committed. That ranges from block 25 to we own the old fire station over on glisan and we also own 4th and Burnside, the smaller lot at 4th and Burnside. We have been in discussions with private property owners for redevelopment of their properties and the community will often call out what's called block 33 between 4th and 5th, Davis and Everett which has been before council as part of 2035 recently as a key opportunity site for the community. The last goal is district livability goal which focused on the cultural, historic and the community development aspects of old town Chinatown. We're happy to state that we placed about 800,000 worth of community livability grants in the district. That has supported anything from central city concerns, employment access center that helps affordable housing residents seek a path to self-sufficiency through employment, all the way to supporting the Portland Chinatown museum's redevelopment of property they are purchasing at northwest 4th and Davis that they are actually looking to put into a permanent gallery space that celebrates Portland's chinatown, its past, present and future. On their behalf we would like to invite you to soft opening that they are hosting on june 7th during first thursday's festivities from 4:00 to 8:00 p.m. They are going to be the permanent housing collection telling history of Portland's chinatown. So with that i'm going to turn it over to eric, who will talk more to your direct questions, commissioner Fish, regarding what do we anticipate doing with the property, what kinds of redevelopment potential does it offer, et cetera.

Eric Jacobson, Project Manager, Prosper Portland: Thank you. So on the screen you can see the location of the property. It's about just under 27,000 square feet, just short of three-quarters of a block. As commissioner Fish noted it's on the same block with the blanchette house, new and old, which is located on the northwest corner of that block. You can also see where it's located proximate to the san su chinese garden to the southeast and to the Broadway corridor study area to the northwest. Following the transfer of title prosper Portland will continue to operate the property in accordance with the lease agreement with northwest natural where they have rights to park during weekdays. We'll continue to operate public parking weekday evenings and on weekend. As lisa mentioned, northwest natural plans to relocate out of the neighborhood sometime late 2019 or mid

May 9-10, 2018

2020. At that time the lease agreement will terminate and the obligation to continue to operate it as surface parking will terminate with that. So what that does is it gives us basically two years, about two years to plan a redevelopment for that property. We have already started the process of doing that in terms of stakeholder outreach with old town chinatown community association, blanchette house and we continue to roll that out over the next six to nine months possibly solicit a development partner, and over the course of 2019 begin to look at development opportunities and potential for that property. We would conduct a market study to evaluate the likely highest and best uses for the property then we would also as part of that consider what the community association's priorities have been and as lisa mentioned one of those has been market rate housing. That's an area unfulfilled to date in terms of the action plan. That's something we would be looking at but also employment opportunities for creative office space and possibly for district parking to support some of those older buildings that don't have surface parking or parking available for them. So that's what we would look at over the next nine to 20 months or so would be coming up with that development plan.

Wheeler: Very good. Colleagues, any questions? Karla, I'm sorry to interrupt, is there public testimony?

Karla: We have mary sipe.

Wheeler: Come on up. Thank you.

Mary Sipe: Good afternoon. I'm Mary sipe I'm excited about this. I really support it. Ing this is turning this over to prosper Portland is really I think just the perfect answer to this and I'm just really excited to see this opportunity perhaps get some development in old town Chinatown that's much needed. I'm a little curious. There was the emergency shelter plan on 4th and Hoyt that was abandoned, and I'm wondering if that piece of property is going to be folding into the whole plan. I hope so. I'm really excited to hear about more housing middle income I'm always pushing for affordable but we need more middle income. We have this gap between luxury apartments and affordable. Speaking of prosper Portland I just want to take this opportunity to share some news with you. Mayor wheeler, you were at the announcement homer Williams and don mazziati, harbor of hope's announcement about the navigation center. I was there and shared with them my support and experience in emergency housing when I lived in Eugene. So I may not be at city council every Wednesday for the next six months because I'm working with Oregon harbor of hope as community liaison and community involvement coordinator. Really excited to -- we're really reaching out to the community to help bring them in as part of what's going to make that program a success. I think that it has the potential and it is the vision that it is going to become a model program and prosper Portland's part in it with the property and all of that hopefully we will put something together that will be replicated throughout the city and who knows where.

Wheeler: Mary, they have made some very good choices. Hiring you is probably the best decision they have made.

Sipe: Thank you. I'm so excited about this opportunity, and the first thing I thought of the discussion I'm working my schedule out so hopefully I'll be able to come on Wednesday mornings. I'll be bringing you information as we progress. This is a great move. Turning this property over to prosper Portland is the right thing to do.

Wheeler: Thank you.

Fritz: In answer to your question the 4th and Hoyt property is privately owned. It's not part of this.

Sipe: I wasn't sure if that was or not. Anyhow way to go.

Wheeler: Was that all the public testimony?

Karla: Yes. Veronica left.

Wheeler: Please call the roll.

May 9-10, 2018

Fish: I have been on council long enough to remember the last time we had a big presentation on this particular block was when it was being considered for the bud Clark commons. It was a location that did not generate a lot of support within the neighborhood. Ultimately, the council settled on block u, or whatever that block is. Here we are coming full circle and we have a chance to activate this space. One part, one observation about this site is that it is incredibly prominent. When you come off the bridge it's what you see. I'm so proud that the Blanchette house built their new building on that corner and built it to such high standards. It's a beautiful building that also serves the community very well, and the city as I recall bought an extra floor to make shall your there was affordable housing on that site. To have an opportunity to build out the rest of the site is exciting. Very pleased to support this. Aye.

Saltzman: I think many of us on council were concerned about the impact on old town Chinatown of northwest natural's departure. Just in terms of the employees being down there and their economic impact and eyes on the street. But I do think this shows out of every kind of crisis comes an opportunity. This really is a very interesting opportunity. I think I really like some of the ideas and concepts that you have outlined, and I like your very precise listing of the benefits and the commitments that prosper Portland and the city have made to that neighborhood. So this sounds really promising. Aye.

Eudaly: Aye.

Fritz: Thank you for the very clear presentation and particularly for the update on the outcomes so far of the 2014 plan that was good to see, and you helped tie all the context together. I appreciate that very much. Happy that many things are working in. Very clear which things we have to continue to focus on. Thank you, aye.

Wheeler: Needless to say, I'm very excited about this. Thank you for your very hard work. I vote aye. The ordinance is adopted. Next item, 454, I'm going to move that too, but if you could read that, please.

Item 454.

Wheeler: This item is also being moved to May 16th, 2018. Next item, 455, second reading.

Item 455.

Wheeler: Any further discussion? Colleagues? Please call the roll.

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

Wheeler: I want to thank everybody who was involved in this process. I'm very optimistic about it going forward. I vote aye. The ordinance is adopted. Thank you. Next item is number 456.

Item 456.

Wheeler: Commissioner Fish.

Fish: Teresa Elliott, chief engineer of the Portland water bureau, is here to give us a brief presentation. Welcome.

Teresa Elliott, Chief Engineer, Water Bureau: Thank you. Mayor, commissioners, that doesn't sound like it's working or in my throat is not working. I will be brief. Basically, this is a water main project contract where we replaced an old line that was in poor condition with a new line on Cornell road and parts of it were in McCleary park. We encountered a little bit more rock in the hillside than we were expecting so we had a couple change orders, one of the change orders is in this ordinance package for you to approve. It was a just bucket excavating is an mwesb contractor that was participating in the prime contractor development program. That's what this contract was bid understand. They performed most of the work and had mwesb participation for both themselves and subcontractors of 93%. We believe the project is successful and ask your acceptance of the project as complete and authorization for this change order. Thank you.

Wheeler: Very good. Any questions, colleagues? Any public testimony on this item?

May 9-10, 2018

Karla: No one signed up.

Wheeler: This is a first reading of a nonemergency ordinance. It moves to second reading. Last but not least we had a couple of items pulled off the consent agenda. 439? Is that correct?

Karla: 439.

Item 439.

Wheeler: Commissioner Fritz.

Fritz: Thank you, mayor. This is correcting -- a clarification of the code for nonpark use permits. That said the director can approve or deny and currently it could be said that the appeal of that decision would come to council. Of course, we don't generally hear appeals of permits at council. It usually is to the commissioner in charge. That's what this ordinance clarifies.

Wheeler: Very good. Public testimony?

Karla: Joe Walsh pulled this but had to leave.

Wheeler: Please call the roll.

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

Wheeler: Aye. The ordinance is adopted. Next item I believe is 441.

Item 441.

Wheeler: Commissioner eudaly.

Eudaly: Thank you, mayor. The development review advisory committee is a citizen advisory body representing those with interests in the outcome of policies, budgets, regulations and procedures that affect development review processes. These are three reappointments which we have decided to put on the consent agenda, but since it was pulled, I will give you a brief rundown of each person. Maxine Fitzpatrick fills the low-income housing developer's position. She's executive director of pcri. Portland nonprofit that manages a portfolio of over 700 units of affordable housing and focuses on helping achieve stability and self-sufficiency. Jennifer marcicheck, probably wrong, my apologies. Yes. Okay. I think I might know where that name comes from. She fills the design professionals position. She has 20 years' experience in the field of architecture and is presently with Scott Edwards architecture. She has significant community involvement experience. Justin Wood fills the homebuilders position. Justin has over 15 years' experience as a homebuilder with Fish construction, no relation, and has served as an officer for both the Oregon and national homebuilders associations. Mark fetters from bds is here to answer any additional questions council may have although I do believe the person who pulled this is now gone, and I want to extend my thanks and apology to mark for having to unnecessarily sit here to respond to a very noncontroversial item. Colleagues, do you have any questions for mark?

Wheeler: None. Public testimony?

Karla: Mr. Walsh pulled it.

Wheeler: Call the roll.

Karla: We need a motion.

Fish: Motion to accept the report

Wheeler: So moved.

Fritz: Second.

Wheeler: Please call the roll.

Fish: Tonight it's a stellar group of people. Maryhelen Kincaid did an exemplary job as chair of the drac. I understand Justin is now the chair. His father-in-law Jeff Fish is no relation and I take great pleasure in pointing that out. He's Justin is in my experience one of the bridge builders from his profession. He's been very effective in helping the council understand the industry's perspective. I think we're fortunate to have him. Aye.

Saltzman: Aye.

May 9-10, 2018

Eudaly: Well, thank you to Maxine, Jennifer and Justin for your continued service on the drac. Thank you once again, Mr. Fedders. Aye.

Fritz: Aye.

Wheeler: I'm very happy to support these reappointments. I vote aye. The report is accepted. Last item is 442.

Item 442.

Wheeler: Commissioner.

Fish: Mayor and colleagues, the city has been working with deq to develop a comprehensive storm water management plan for the Portland harbor. The intergovernmental agreement first authorized in 2004 provides deq with resources to evaluate and control stormwater discharge from upland industrial sites. The iga was renewed in 2016 and 2017. The annual cost of this agreement is estimated at \$30,000.

Wheeler: Public testimony?

Karla: Lightning pulled this and he has left.

Wheeler: Call the roll.

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

Wheeler: Aye. The ordinance is adopted and we are adjourned. Thank you, everyone.

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.**

May 9, 2018 2pm

Wheeler: We're in session. Karla, please call the roll. [roll call taken]

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

Wheeler: We need to have the statement read first. Good afternoon.

Lory Kraut, Senior Deputy City Attorney: Welcome to the Portland city council. The city council represents all Portlanders and meets to do the city's business. The presiding officer preserves order and decorum, so everyone can feel welcome, comfortable, respected and safe. To participate in council meetings, you may sign up in advance with the council clerk's office for communications to briefly speak about any subject. You may also sign up for public testimony on resolutions or on first readings of ordinances. Your testimony should address the matter considered at the time. When testifying please state your name for the record, your address is not necessary. Please disclose if you're a lobbyist. If you are representing an organization, please identify it. The presiding officer determines the length of testimony. Individuals generally have three minutes to testify unless otherwise stated. When you have 30 seconds left a yellow light goes on. When your time is done a red light goes on. If you are in the audience and would like to show support for something that is said, please feel free to do so. To do a thumbs up. If you want to express that you do not support something, feel free to do a thumbs down. Disruptive conduct such as shouting or interrupting testimony or council deliberations will not be allowed. If there are disruptions a warning will be given that further disruption may result in the person being rejected from the remainder of the meeting. Failing to leave that person is subject to arrest for trespass. Thank you for helping your fellow Portlanders feel welcome, comfortable, respected and safe.

Wheeler: Thank you. Karla, please read 457. This is for the purpose of receiving the budget message. The members received copies on Thursday, May 3. I assume roll call we just took suffices for this meeting as well. Is that correct? Do I need to call the roll again?

Kraut: I think it would suffice.

Item 457.

Wheeler: As we approach the one-year mark for prosper Portland's new identity and deepening commitment to building an equitable economy for Portland it's clear it's evolved its practices. It has engaged in an equity centered development process for the Broadway corridor project led by a 41-member steering committee. They have expanded the inclusive business resource network and launched my people's market focused on assisting entrepreneurs and small business owners of color. Prosper has launched the affordable commercial tenanting program in multiple locations to help small and underrepresented businesses specifically at Alberta commons and Lentz commons. Prosper has formed the council of economic and racial equity to advise agencies it works towards equity goals. A new policy requires benefits agreement for every tax abatement approved by city council. Prosper and for the hill block. They have implemented internal work to advance the agency's development of an inclusive anti-racist culture. The prosper Portland budget we're considering reflects nearly a year of internal and external review and revisions. I want to thank the prosper Portland staff, the stakeholders, board and city

May 9-10, 2018

leaders in developing a budget that will allow prosper Portland to advance its strategic mission to create economic growth and opportunity for all of Portland. I now would like to welcome chair Cruz and executive director branam to make their presentation. Good afternoon. Thank you for being here.

Gustave 'Tavo' Cruz Jr., Chair Prosper Portland Commission: Thank you and good afternoon. Mayor wheeler, commissioners, thank you to staff and community partners involved in the preparation of this budget. It's truly a collaborative effort. Prosper Portland reviewed the fiscal year 2018-19 draft budget with its approximately 20-member advisory committee which met four times and whose members represent a diverse array of stakeholders. The board of commissioners held work sessions in January and April to review general fund decision packages and ura spending plans incorporated into the requested budget. The board prioritized the inclusive business network and appreciates the mayor's inclusion in the proposed budget. Since then staff also reviewed specific ura requested budgets with a dozen community, business and neighborhood organizations to receive input. As we walk through the presentation we'll address input we received on specific items during the process. The board is also aware that as the sunset of specific urban renewal areas draws closer the agency's ten-year fiscal sustainability plan implementation will begin in earnest. We're committed to partnering with you to implement a framework that has financial returns. We have directed staff to generate new ways to generate resources to deliver on economic growth and opportunity for Portland. We have several critical tasks ahead of us that are part of the fiscal year 2018-19 work plan to meet the financial sustainability plan objectives. Including updating streamlining and expanding investment products, fully implementing a comprehensive investment and asset management approach, monitoring and adjusting the agency's administration and overhead and exploring use of overhead to meet community needs. I'm proud of the agency's work and look forward to our continued contributions as we build an equitable economy that benefits all Portlanders.

Kimberly Branam, Executive Director Prosper Portland: Really pleased to be with you to present our proposed budget. I'm Kimberly Branam, executive director of prosper Portland, joined by a wonderful team, the people who have helped us put this budget together. Lisa, develop manager, tori Campbell, entrepreneurship and community economic development manager and Tony Barnes our finance manager extraordinaire. The majority of our budget this afternoon that we are going to dig into will focus on urban renewal area budget. We'll have time for discussion and we will discuss the general fund and nontif funds as well, but we wanted to compliment the earlier work sessions we had in which we dug in further at that time to our economic development priorities. Next slide, please. So, in the nearly three years since we adopted a new strategic plan we have applied our business development and technical assistance community capacity building and commercial and mixed-use investment work to build a more equitable economy. In the last year as the mayor mentioned we have produced significant results from the types of efforts that were mentioned. We have increased access to high quality employment helping to support creation of nearly 1200 jobs and another 350 employment connections through our business development industry initiatives and e-zone tool, and work force navigation. We formed collaborative partnerships to address cross sector and cross functional challenges in partnership with mayor wheeler's program investments through prosper Portland and the city 1200 adults and 490 youth who face barriers to employment have received work force development services, 65% of adults have completed these multiyear programs and in the last year and have received employment. 80% of the youth have been placed in jobs or gone on to postsecondary education. We advanced wealth creation opportunities for people of color and people in east Portland supporting diverse long-term business and property owner to stabilize or increase the competitiveness of their

May 9-10, 2018

business interests. We have awarded 31 grants for example as part of our prosperity investment program which has rolled up our storefront improvement program and other small-scale grants with 74% of the 1.5 million awarded to business owners and property owners of color. We have supported access to healthy complete neighborhoods and launched new tools as was mentioned with the affordable commercial program pilot. We have over 10,000 square feet now of ground floor retail space in Alberta commons, Lentz commons and Oliver station. Finally, we have endeavored to be more effective stewards ourselves to continue to evolve as an organization to become a learning organization. Our financial programs have leveraged \$2 from the private sector for each dollar we have invested. Prosper Portland staff has engaged nearly 8,000 Portlanders through our outreach in the last year and we built a team that's more reflective of our city of the 18 new people hired 64% identify as people of color. So, the budget before you represent a continued commitment to delivering on the five-year strategic plan and to making progress on some of those challenges that we haven't yet been able to address increasing access to capital is one of those areas of challenge. Doubling down on those efforts that are showing results. Prosper Portland's total estimated resources are \$359 million for the next fiscal year with \$737 million over the five-year period. This pie chart shows that over 86%, about 600 million of the five-year forecast resources are tif-based which means they are available to be invested within urban renewal area districts. 45% of new tif debt proceeds about 150 million flow to the Portland housing bureau based on the housing set-aside policy. About half of the resources next year and a third in the five-year forecast come from existing cash balances from prior bond sales or land sales or other program income and one-third of urban renewal area resources will be from new tax increment finance resources mainly interstate, Lentz, river district and macadam districts. While general funds seem to be a small portion of the pie, about 1%, these are really important resources for us to deliver our city-wide economic development programming and together with our federal grant resources and enterprise zone fees make up nearly all of our resources to support economic development programming city-wide and 30% of our operating budget. The next slide slices the budget in a slightly different way showing our anticipated budget expenditures in the coming year and over the five-year forecast. About 47% of the programmed investments are just over \$300 million are planned for property redevelopment so this includes major projects such as the convention center hotel, garage, finishing that, rose quarter master plan, post office and Broadway corridor. Ongoing investment that you heard about this morning for the old town Chinatown action plan, Multnomah county health department building, and investing over \$13 million across the urban renewal areas in small scale prosperity investment program grants. 24% or about 154 million will be invested by the Portland housing bureau. There's another 42 million available after the five-year forecast as districts close out. 9% is available for economic development purposes, about 55 million. It represents our programming as well as our business finance lending within urban renewal areas. There's about 4% or 27 million dedicated towards infrastructure which includes Lents botanical gardens and street improvement projects on north Lombard and southeast foster. We have about 15 million in annual administrative costs which we brought down from about 18 million just a few years ago. It also includes repayment of 1999 pers bond as well as our internal functions i.t. And finance, communication and our engagement work. Specifically called out you'll see in the chart is the repayment of the river district general fund backed line of credit. That's total principal and interest of 41 million paid back to the city with the phase 1 proceeds from a portion of the post office site. The next slide you'll see a deeper look at affordable housing set-aside expenditures which I'll remind the public while this resource is the tif portion shows up on our books city council does direct along with housing bureau those investments and stewardship of those resources but a deeper look at affordable housing

May 9-10, 2018

set-aside expenditures shows the housing bureau is projected to invest 158 million of new tif resources between 2015, 2016 and 2018-19 with an additional 135 million in programmed resources through the life of the urban renewal areas. Based on the projected budget the housing set-aside is exceeding the 42% goal in Lentz and 70% in interstate. Just below the goals in north macadam and river district and centrally cited gateway spending under goal but the programmed resources will catch up within the five-year forecast period earmarked. The timing of the projects is what is impacting that number. In total there's about 540 million that's projected to be spent between 2006 and when the affordable housing policy was adopted and the life of the districts. To date this has created 4543 units of new or preserved affordable housing and currently there are another 1300 units in production. As chair Cruz mentioned, the board also ensured that the proposed budget aligns with the high-level financial sustainability framework to be implemented over the next ten years. When fully implemented we anticipate being able to maintain a \$30 million per year operating budget and backfill for the reduction of tif funding. The four major actions are intended to be implemented in sequential order so at this point we're really focused in the immediate term on pursuing and adapting impact investment model for the remaining tax increment finance resources and existing real estate assets which means optimizing both financial returns and public benefit with a blended rate that's consistent with our agency values and informed by market performance. Assumptions for the second, third and fourth priorities which effectively is about applying our core real estate and business development expertise to support our economic development and community development programs are not explicitly forecasted in the proposed budget due to timing and lack of uncertainty. So, things like new market tax credits which we will actively seek to secure are not shown within the proposed budget because we are not clear as to whether we will get an allocation. My final contextual slide shows a summary of our capital spending budget through an impact investment lens whereby we have assigned our tif investments into grants and infrastructure, high public benefits and no repayment or return, the five-year forecast this represents 20% of planned investments and about 27% through the ten-year plan. Program related investments which also produce significant level of public benefits where we anticipate a return of capital but a modest return on capital. Represents 50% of plan investments over the next five years, and 44% through the ten-year term. Then mission related investments which also meet policy goals, but we hope and anticipate repayment and market return of an average 6 percent over the five-year budget forecast we have allocated \$85 million or 30% of urban renewal area budgets towards these investments with a focus on Broadway corridor, odot blocks and Oregon convention center. As Lisa will demonstrate each urban renewal area has its own unique mixture of these types of investments in line with market realities and strategic priorities. With that I'll hand it over to Lisa to walk through each of the urban renewal areas.

Lisa Abuaf, Development Manager Prosper Portland: Good afternoon. I'm Lisa, development manager with prosper Portland. As Kimberly mentioned for those of you who have seen our presentations in the past I'll flag two new things we have called out as part of our presentation and that we discussed with our budget advisory committee. The first as Kimberly referenced is that you'll see the diagrams on the right actually map our project activities and priorities against our financial sustainability goals, so you see them complemented as we go through. Each urban renewal area you'll see finer grained than what Kimberly showed in our aggregate or portfolio level. The second thing I would flag we have started the conversation with our community partners around the importance of our role in asset management of properties as we continue to hold and maintain certain properties particularly as we think about commercial affordability. You'll see those called out at the bottom of the key activities list. Starting with Lentz town center this is one of the three major areas where many of our activities are guided by an action plan. So, our

May 9-10, 2018

priorities for the coming fiscal year and a few of the subsequent five-year expenditures are guided by the Lentz action plan. We're in year four so towards the end of that action plan. What we have seen to date as a success of that action plan is early development within the Lentz town center, so we recently completed Lentz commons and Oliver station is being completed by a private partner. Those units are being occupied and we are signing leases for the commercial space into next fiscal year we will continue development and support to the Asian health and services center as well as to rose CDC for the woody Guthrie project. We're actively partnering with the office of transportation foster improvements they have expressed will get under construction in 2018 and our role is to provide small businesses support along southeast foster as that construction is designed and gets understand way. Then I would also call out we have a program that we have been working on with long time property owners within Lentz to realize redevelopment in their property and the wealth generation that can come from that. So the things that we heard from the community certainly align with the action plan given the community's involvement in putting it together. They also expressed the priorities of making sure there were sidewalk and safety improvements along 122nd as their community grows and that prosper Portland continues to move forward development on other properties that we hold in Lentz town center particularly at 92 and Harold. I would call out many of the projects are partnerships with the housing bureau particularly in Lentz we have been strong partners with the housing bureau so their mixed income kind of affordable together with market rate projects. The next area we wanted to present was the gateway regional center. Similar to the Lentz area there is an action plan within the gateway urban renewal area. The action plan focuses on three geographies in and around Halsey Weidler, where we have a strong business district, at the gateway transit center and towards the south end of the urban renewal area the midway for the gateway neighborhood. Along Halsey Weidler our investments have been primarily in small business as department of transportation looks at improvements along the couplet. We are also working actively with the housing bureau on a property at 106 and Halsey right next to the new park that is just completing construction. It will be an affordable housing together with market rate housing and commercial development that's a partnership with both affordable housing and market rate developers. Then the second area that we're seeing a lot of interest amongst the community as well as the development community is the gateway transit center there are joint property owners between the private sector and David Douglas school district, very interested in redevelopment of a ten-acre site and we have heard from the east Portland action plan they would love a long called for education and work force component be located within proximity to the transit center. We're continuing to work towards that. The final has an action plan that I presented earlier to you regarding block 25 earlier today is the old town Chinatown action plan. As we mentioned, the old town Chinatown action plan crosses two urban renewal areas, one is downtown waterfront, in be existence for a long time so is at the ends of its implementation period. In downtown waterfront all of the resources that we have available are committed to old town Chinatown with a focus on both small business support as well as block 33, which is the property at southwest 4th, 5th and Everett within the downtown waterfront urban renewal area so we'll continue negotiations and discussion with that property owner as they seek redevelopment of that property. The second urban renewal area is the river district urban renewal area. While this is an area that has seen great success from an urban renewal aspect it has great demands in it both within old town Chinatown and the opportunities as well as the old historic fire station prosper Portland owns at the steel bridge head. It also is where centennial mills is located. So as we brought to you over the past year we have posted that property for sale and are actively seeking working with private partner for redevelopment of centennial mills. Then finally there's a lot of activity under way in the Broadway corridor area with both master plan and

May 9-10, 2018

it's also the area where we own and operate union station. So, making sure that as we think about the next phase of union station's life we're both thinking about its seismic integrity as well as the activity that it can bring to this community. With that we'll shift focus to urban renewal areas we look like to think about more from a jobs and economic development perspective. The first three were more community focused. In the central east side we have seen great success. You'll see a significant amount of resources committed to our grants and loan products here and there's a significant amount of resources committed to strategic sites in the odot blocks. We were successful negotiating for transfer of the odot blocks over the past year. We are happy to announce that later this afternoon we will be bringing a recommendation to our board of commissioners for the selection of local development team led by beam development and cullies construction to select them for redevelopment of the odot blocks. We anticipate it being redeveloped for density, affordability goals within the central east side that came through our discussions with the community as part of the central city 2035 process. Willamette and airport way are also both urban renewal areas that have a jobs focus and an industrial focus both in their closeout phases. In airport way the majority of our resources are tied to land assets that we hold or have transacted on in the recent past and are tied to a strong partnership with the port of Portland. Then in the Willamette ura we have about 4 million we have programmed to assist small businesses either through loans or through land development.

Fritz: That's .4?

Abuaf: No, 4 million. Oh, yeah. [audio not understandable] so we have 4 million available to put out via our programs but what we do is we have that spent over multiple years. That ura is closed out. It's the resources in hand over the life of the district. But we also know that our spend rate is less than that 4 million.

Fritz: Thank you.

Abuaf: Then north macadam is also a job related and institutional support for higher ed partners both between the Oregon health and science university as well as Portland state university district. We do have two development agreements that guide the majority of our investments in this urban renewal area. The first is with zidell yards around the master plan that they anticipate moving into implementation on. They just wrapped it up this past year. Their goal is for vertical development including housing as well as commercial development through the master plan. We have gotten greater clarity on the park sequence and the timing of development of southwest bond and with Portland state university we have just closed a transaction on the 4th and Montgomery project that will have a city presence on it. They have an interest in moving forward with the trimet site that is up on Lincoln that trimet had bought as part of the orange line transaction where they would like to increase their educational and commercial presence in that area. Then last before I hand it off to tore who will wrap up the remainder of our urban renewal areas is the convention center. Airport way and Willamette, this is an urban renewal area towards the ends of the life of the district. The good news is we have a convention center hotel that has been successfully transacted on and is under construction. We have a sizable investment in the garage that is being developed to support that hotel as an important regional anchor in economic development contributor. We have heard from the community that they would like to see ongoing investment and activity either in the rose quarter or along mlk and grand. We also do hold, own and operate the inn at the convention center which was a property we bought in preparation for the convention center development, so we do foresee in the next five years we'll hold that asset awaiting the convention center to stabilize then put it out for redevelopment to the private sector.

Tory Campbell, Entrepreneurship and CED Manager, Prosper Portland: Good afternoon. Commissioner, mayor. I'm tory Campbell, manager of entrepreneurship and economic development teams at prosper Portland. I'll walk you through the remaining

May 9-10, 2018

urban renewal areas and begin to transition into our general fund budget. The last one is our interstate corridor which as Lisa's pointed out geared towards community development and growth. With this one it is a balance of a 70/30 split. 70% of the dollars have gone to housing efforts so we have utilized that in terms of economic development. Some of the work that has gone in really stems from the outgrowth of an action plan that was developed almost two years ago a. North northeast community development action plan that started with a look back on the first 15 years of the life of the district and took into account who had really benefited from the programs and investments recognizing that not all those who had initially intended to benefit had so as a look forward the action plan really guides our efforts in particular ensuring that African American members as well as long term property owners of color really have a preference in terms of really ensuring that they benefit from programs. Some of the areas we have seen in terms of key activities to date have been Alberta commons, commercial affordability where we have a master lease there of over 5,000 square feet, which we are currently working to tenant with businesses particularly we have really made a concerted effort to ensure that entrepreneurs of color looking for new commercial tenant space have access to that. We have worked with our small business and long-term property development assistance which is primarily come through our prosperity investment program, our pit program for short, which provides again opportunities for facade improvements, externally within a retail space. Feasibility studies all with the goal and thrust of creating wealth by either improving on one's current property or reducing start-up costs within this urban renewal area. We have community livability grants intended to support nonprofits in the community who serve long standing community members and continue to work tirelessly to support underserved Portlanders throughout the city but really their base of operation is in the northeast area. Last, our cultural business hub, effort around the action plan finding ways to create catalytic investment in place building in particular ensuring there are activities fostering opportunities for a synergy with African Americans and business owners of color. We have also assets to manage. The first is the bleat commons, a master lease that we hold for the next ten years as well as our nelson properties in Kenton area. Again, the focus over all within our programs has been around wealth creation with emphasis on long term property owners as well as supporting small business growth and development. Then the last area is our neighborhood prosperity network. The funding is a little different. Revenue sharing and general fund e-zone within our various neighborhood prosperity districts. We find the key activities again have still remained true as we are roughly about halfway through the funding support of these programs, over ten-year span, and what we're seeing is tremendous growth and maturity of many mpis, many stepping into new, more sophisticated work around property development but overall the primary investment has been with the intent of starting with capacity building and training which as they have grown they have been able to navigate and move into more meatier projects to continue to support their respective communities and partners within. We have also seen funding go towards district improvement as well as promotion of grants to allow them to have the freedom to have self-determination in what seems right and appropriate in terms of facilitating and creating economic opportunities within their respective neighborhoods. Next, I want to transition if you will and talk a little bit about our proposed budget. The first slide just shows two different conversations. The first on the left highlights all our funding sources for our proposed expenditures for 18-19, roughly 9.7 million. That would be our general fund, federal dollars and e-zone. The image to the right shows what will be our general fund proposed by the mayor which is just our general fund dollars which I will walk through now both our adds and cut packages and what that looked like for us. Over all we broke up our work into four distinct areas of focus. The first one is on small business support which we have entitled that program the inclusive business resource network or

May 9-10, 2018

IBRN, just another acronym for you to remember. Within that there are four different areas of focus. Again, as I go along there are several things, one I will call out whether it's one-time funding and highlight that many of our programs we are presenting in this budget are also about not just continuing the work but expanding work of supporting underserved entrepreneurs of color and women. Couple of examples are small business growth programs which are currently being led and under accelerate as well as our increase project and those ongoing. That's the goal of expanding this support to help businesses that are stable and healthy but wanting to scale and grow, building them know how, helping them understand how to break into new markets and continue to grow and expand their business. Funding of this program would help with serving between 30 to 45 to 60 new businesses with growth-oriented approach. The next area is expansion on our small business technical assistance really with the focus on tax and financial support. Again, this would be expanding a program that's already in place. It would fund and provide one on one assistance to serve over 140 underserved small businesses with financial and credit counseling, tax preparation, market research and bookkeeping to ensure clients' success. Many of the baseline elements that one needs to have a successful business. This program would help to expand that work to reach more. The next one would be my people's market which the mayor has highlighted, a marketplace done in partnership with travel Portland to highlight the many amazing businesses that are already amazing and resilient within our city, celebrating their good work. The program funding would be an expansion of that market to allow us to continue to grow this as a way for them to ensure that they have traction and access into new areas within the city, nationally and internationally. So, the hope is to continue to support over 80 businesses with each market hosted which we will plan two a year. The next area is traded sector, inclusive business growth. This would be expanding our traded sector diversity and inclusion programs for one or more of our priority traded sectors. Again, the intent is to help companies with not only the recruitment of a more diverse work force but also with the retention. I think the goal is to not just have a small door in and big door out but actually a large door in and small door out meaning that the way in which the efforts of these businesses that their culture shifts is more inclusive that those they recruit stick around and continue to support the growth. The next area is Portland film office and again this is primarily been devoted towards regulatory work around permitting for the use of public right of way in film production. We are continuing to find the industry and community benefits from this and we're looking forward with the permit program that is better responding to the needs and production and better funds, long term health of the local film community and keeps Portland at the forefront of arts culture and community.

Fritz: Can I ask about that? Have you resolved with the other bureaus about the permitting issues?

Branam: Commissioner, I'll try with this one. I think we have a process. I would like to acknowledge tbo and their leadership on convening this and commissioner Fish for championing this. I think we have an agreement that the budget would be the film office would be fully funded with general funding in the coming year, that there would be the creation of an omnibus film permit that potentially would increase revenue, would pay for fully the film and video office in year three. So 50% of the resources would be general fund in year two and 50% permit funding. We have not gone through the process of negotiating specifically with bureaus. This allows us to complete those negotiations.

Fritz: This is the same amount.

Branam: Yes.

Fritz: There's not a cut.

Branam: There's not a cut. It's maintenance of the funding level as it is today.

Fritz: Thank you.

Wheeler: One time only.

Branam: Yes.

Campbell: I'll continue. So, the next area we have talked about small business traded sectors, now work force. This is a cut that we received this year which is for health care cluster. This would reduce funding originally allocated to implement prosper Portland's work in the new health care cluster historically we have had four clusters. Industries that we focused on. Athletic and outdoor gear & peril, green cities products and services, technology and media and metals and machinery but in 2015 the agency added a fifth cluster, health care to connect residents to and employers to jobs as well as supply chain opportunities at local hospitals and medical institutions. This new cluster in its design would serve prosper Portland's focal point in terms of strategic work with ohsu related to the knight cancer institute as well as emerging sectors such as medical devices and health sciences. Prosper Portland does not regard health care as a traded item because it does not bring in significant dollars outside the Portland region however the aim would be to apply some of the approaches to work with health care including extending retention and expansion of work. Some of the financial assistance to underrepresented businesses which would be great and in line with our inclusive business resource network. Efforts around creating more markets as well as connecting employers to small one on one supply chain and mentoring opportunities. That being said, this particular role as we were wanting to fill it with a high level full-time person is being cut at this time. The next areas are going to look at our community and business district development. The first that was initially a cut but now has a portion of those dollars at 33, now there's 25. That's a carryover for Alberta main street. The next one is central Portland which we made a slight change initially showed there was a cut but there actually is going to be a \$200,000 investment to venture Portland in terms of their work moving forward. The last one which we just noted here is going to be a one-time funding which will be for the Portland brownfields and again this will allow for program development to help figure out how do we fund cleanup of those respective properties throughout the city. That's it.

Branam: We are happy to take any questions and hear your comments.

Wheeler: Commissioner Fish.

Fish: First, superb presentation as always. Don't know how you managed to get it all out there and carved up among the panelists but thank you. The report is very clear. Because we have the chair, the distinguished chair of the board, and because -- don't laugh: Because you're going to get a recommendation on the odot blocks in the central east side, I guess I would say to the executive director are we confident with whatever proposal the board adopts that there will be affordable creative space as part of the requirement in the development plan?

Branam: We had a really great process, lisa, kira and the team worked with a number of community stakeholders, maker space, affordable commercial space, affordable industrial space was high priority. I think it helped make the proposal rise to the top. We are in early days, right, so we are responding to a proposal and we'll come back. What the board would be supporting is our negotiation with them. It certainly is our priority as well.

Fish: So we'll have plenty of time to have this conversation.

Branam: Yes.

Fish: The second question I wanted to ask you is, where are you in the negotiations on zidell yards and do you expect to conclude them at some time in the near future?

Branam: So thank you for the question. We have a development agreement that was adopted by city council in 2015. As lisa mentioned with the new master plan we have reopened the development agreement negotiations because they are changing the sequencing of their investments so infrastructure investments and the like need to be reimaged in terms of the prioritization. So we are in active negotiations. We have

May 9-10, 2018

extended the date to amend the development agreement to the end of June. We are working hard to get there. I think it's an optimistic date given the level of change that's occurred, but certainly by this fall we should have an amended development agreement for your consideration.

Wheeler: Commissioner Fritz.

Fritz: It will either be what we have on the table or no development agreement at all?

Branam: Those are the three options.

Fritz: Thank you. The healthcare cluster is proposed to be cut. Is there still funding in gateway? I think you said there is for their portion of that health care piece that they are interested in with education.

Branam: Yes. I would like to just add that I think with the additional resources for the inclusive business resource network we can achieve all of the aspirations that we had to have businesses, small businesses access the healthcare industry and the anchor institution strategy. I think we have a good alternative there. We have a lot of resources within both gateway and within north macadam urban renewal area to support anchor health care institutions and those are basically the ways that we will be meeting those objectives.

Fritz: Thank you. My final question, we didn't fund the study for looking at central city development rights in the budget, in the bump. Is that part of this budget?

Branam: I think in the spring bump we secured \$35,000 for the far analysis. In this year's budget.

Fritz: Are you sure that was in there?

Tony Barnes, Finance Manager Prosper Portland: I'm pretty sure it was an add for the spring bump but we'll double check.

Fritz: If it isn't we'll need to talk and maybe before we vote make sure that is allocated.

Branam: We are planning to do the analysis, so hopefully we're right on that one. Then I remembered my train of thought which was that in the interim time period work systems also received a \$9 million federal grant that really bolstered the level of resources available to support the healthcare cluster so I think we have collectively as a community put together resources to meet the original objectives.

Fritz: Fabulous. Great.

Abuaf: I'm just going to add one thing to it. It's not something I mentioned. Mount hood community college is very interested in the gateway transit center to be an anchor for that. They would focus it all on their health care work force development component they offer to students today. They would grow that program and anchor that at that location.

Fritz: That's certainly something I would support. Along with our gateway discovery park really that would make the area take off.

Abuaf: Thank you.

Wheeler: While I have it fresh in my mind, we still need to have a meeting with the developers in the east Portland action plan.

Abuaf: Yes. We're actively scheduling it for June or it's been scheduled. We worked with your assistant.

Wheeler: I got feedback that we had not nailed down a date. I would like to do that.

Fish: Two other things. We have begun to evaluate a bold new vision for the rose quarter. There's a question that at some point will have to be decided about whether a new authority is created to drive that vision or whether we use existing systems. Can you give us a sense of timeline of when this may be a live issue that we weigh in on?

Branam: Sorry. We're conferring. Commissioner, we anticipate that it's in a two to five year time frame. I think that we have also been inspired by the albina vision. Want to be supportive in the way that we can. I think that there's a sense there does need to be a new

May 9-10, 2018

structure in order to make it happen. But I don't anticipate that that would be concluded in 18-19. Probably two to five years.

Fish: Okay. Thank you. Final question, we have a little bit of time although we probably have some testimony. You have been warning us for a number of years about a so-called tif cliff.

Branam: Yes.

Fish: That has in turn driven some of your strategic planning around how to become a more sustainable agency less reliant on tax increment financing funding to drive economic development and things you want to do. If you were to give us a quick progress report on where are we toward long term sustainability that you're looking for, have we made progress, what kind of interim report card would you give us?

Branam: Great question, commissioner. It's a ten-year plan. In this first year of the plan we are focused on ensuring that we have a truly comprehensive approach to asset management so that's a priority. We have new policies coming to our board in June. We have a new software to make sure that we are managing those assets in the optimal way. And with this budget and with odot blocks and with Broadway corridor I think we'll have our first projects that meet our mission related investment criteria. We have begun in earnest to think about it. It's still early but we are I think on track to meet our objectives.

Fish: Thank you.

Fritz: I had not been in Lentz for a while. That area is really taking off. I want to thank you for your work in partnership with the community there. I know that it has not been easy a lot of the time. It's really started to take shape and be exciting.

Branam: Thank you, commissioner. We would echo the appreciation to the community members who kept with us for a number of years and we're excited to see the mix of incomes and the mix of uses and so we're pleased at the progress. Thank you.

Wheeler: Do we have people signed up to testify? One minute.

Eudaly: He's right there. Want the gavel, commissioner Fish? [laughter]

Saltzman: Don't accuse me of playing to the audience but what role if any does prosper Portland or other economic development authorities play in bringing buildings into seismic compliance?

Branam: I'll start, and Lisa can continue. In places like old town Chinatown where there are a number of unreinforced masonry buildings we have earmarked 5 million to support seismic improvements. We have helped to make improvements in some of the investments to date. We have tools within urban renewal areas that can support improvements. We also have a tool that shelly hack is prepared to talk about during the URM discussion that's cpase. It's a financing mechanism that we received authorization at the state to include not just commercial energy improvements but also seismic improvements. Those are great tools. And so those are great tools when there's a mechanism for financing and repayment. I think that it's more challenging to find resources and we will likely have to find new sources of resources for those improvements where there is no repayment mechanism. Other than the 5 million we haven't really earmarked resources for that.

Saltzman: Have economic authorities elsewhere come up with any intriguing ideas that we have looked at or need to look at?

Branam: Cspace is one we have borrowed from other jurisdictions and is a helpful mechanism for that. In california and other places where you have insurance premiums that provide a cost savings you have urban development authorities that have played that role. That doesn't quite work for us but we would be happy and have made sure that shelly is at the table to provide that expertise and thought partnership alongside your capable staff.

Saltzman: Thank you.

May 9-10, 2018

Wheeler: Great. So, colleagues, we had intended to continue this hearing and take public testimony tomorrow night. However, if there are people who showed up today specifically to testify on the prosper Portland budget and you're here, we would be happy to take your testimony now. Is there anyone here tonight who would like to testify on the prosper Portland budget? I don't see anyone. Therefore, the meeting of the prosper Portland budget committee is continued to Thursday, May 10, at 6:00 p.m. Right here at council chambers in Portland city hall. We'll hear public testimony on the budget. Thank you. Colleagues, we'll take a five-minute recess. We have a time certain at 3:00.

Wheeler: This is obviously an issue of high interest to the people in this city. I regret we don't have more space in the chamber. We'll just ask everyone to bear with us. By way of run of show I just want you to know that we're going to start with a couple of statements. I will make a statement. I will ask commissioner Eudaly, my co-sponsor, to make a statement. We'll hear the formal presentation from the committee. I'm told that lasts 30 to 35ish minutes. After that my colleagues and I will have an opportunity to put some amendments on the table. I know we already have some interest in amendments. I intend to put one on and some of my colleagues do. I propose we open this right up to public testimony. The council will not deliberate tonight. We want to hear from the public and then we'll get everybody in, think two minutes for testimony, and then we will continue the hearing to another day where we will do the deliberation and take the vote. Today's really about hearing the presentation and hearing from the public at large. I have one bit of housekeeping that I'm required to do since we were just in a special committee hearing environment for the prosper Portland I now have to reconvene us as the Portland city council. Which we are doing. I need to call the roll again. [roll call taken] colleagues, we have the burden of knowledge. 100 years ago, when many of the masonry buildings were built in our city, they did not know that they were building those buildings in an environment that is subject to potentially lethal earthquakes. Now we do know that. We also know and from one of the reasons there's a lot of people in the chamber and in the overflow rooms, that there's a substantial cost potentially to mitigating that risk. The costs range from relatively minor for certain kinds of safeguards to potentially very significant for other kinds of safeguards. The focus from the committee and what we ask them to do was predominantly focused on life safety issues. Knowing that what we know now about living in a fault environment, what can we do to protect people's lives. Protect property in the event of the inevitable, which is a large-scale earthquake. So, as we looked at the proposals which are being offered up by the committee and I will tell them many times over the course of this process I'm really, exceptionally pleased with the hard work and the diligence that they put into this task, there's lots of weighing that we have to do including the timelines. We don't know when a big earthquake will strike the city. It could be tomorrow. Or it could be 100 years from now. We don't know. We do know there will be a large-scale earthquake at some point. So, part of the analysis that my colleagues and I have to do is to figure out what is a reasonable time frame and what makes sense from a probabilistic perspective. We have to balance the various costs particularly costs that might be incurred by those who can least afford the mitigation measures. We have questions about what these costs mean in terms of protecting life safety. We have questions about what it means in terms of the affordability of commercial space. We have questions about what it means in terms of the affordability of housing. We have opportunities around incentive programs to help mitigate those costs. We certainly have opportunities around other types of financial strategies. We can talk about that later. So, keeping in mind that we now do have this burden of knowledge, I believe we have an affirmative responsibility to be prepared for when the big one does strike. I want to begin by calling attention to the seismic risks that Portland faces. I understand as I just said that the chance of large earthquake may seem negligible to many people, but I also understand

May 9-10, 2018

that there's people who tell us that we need to approach this issue with urgency. We have the opportunity to make some major changes now so that we can preserve the most lives. We can protect the links that are both old and historic, and we can prepare for economic resilience. I have heard over and over in the last few weeks that this is not the right time, and I have got to tell you there's never going to be a good time. We have to move forward. The question is how we do it and how do we minimize the fiscal impact on people who own and people who lease the properties that we're discussing. I have made no secret that some of my priorities as mayor include housing and homelessness and I want to do everything in my power to ensure that whatever policy comes forward is intentional and well thought out and does the best that it can to preserve housing and avoid displacement and maintain affordability. My goal is to make Portland a great place for everyone to live and to live security and to live safely. An earthquake is not going to discriminate based on age or race or income level or anything else. It may discriminate based on the kind of structure that you were in at the time that the earthquake strikes. I say that to highlight that I hear different people prioritize different things. Let's all start with the assumption we know there's a life safety issue. Do we all agree on that? There is a life safety issue and we should address it. I think everybody I have heard agrees with that. There are different priorities. I have heard many people say the front of the line should be schools. That we should do whatever we can and make whatever kinds of investments publicly to protect the kids who are in our schools who in fact are required to be in our schools. Protecting children should be a priority but that doesn't happen only by retrofitting schools. That also happens by making sure that the buildings in which children live or buildings in which their parents work are also protected. I do not want to in any way minimize the financial burden that retrofitting could potentially impose on building owners and renters. That's why I have now said it three times. I know this because I want to direct city builders to get serious about retrofitting our own buildings. We're the largest single owner of URM, unreinforced masonry buildings. I understand the challenge we face. We're not going to require the public to do something we're not going to require of ourselves. We're going to be right there. Cascadia event here will not only be a natural disaster but importantly a failure of the infrastructure that will result in the loss potentially of many lives, increase blight and the potential to halt our economy. It's our responsibility to make Portland a great place to live now and to protect the city into the future for future generations. We obviously have a lot of work yet to do. Our resilient infrastructure and it's going to take dedication, time and partnership with Multnomah county, the state of Oregon and other willing partners to get us to the place where we need to be. This is merely a first step to direct more work to be done. I want to emphasize that. This is merely the first step. Today you're going to hear from the Portland bureau of emergency management. This policy is one of the many initiatives that the bureau is working on to increase resilience in Portland. They have also dramatically increased the number of neighborhood emergency team members. They have increased community resilience ever and have continued to guide the city of Portland in emergency plans and continuity of operations planning. I want to thank all of the members right up front of the retrofit standards committee, the support committee, and the policy committee. You have collectively worked for over four years. You've conducted many meetings. You've heard from various stakeholders. You have painstakingly negotiated the policy that for the most part represents all of your diverse interests. I would also like to thank the staff that worked with the committees and shared their insights to bring this policy here for our consideration. I would like to give my co-sponsor, commissioner Eudaly, the opportunity to share a few introductory remarks as well. Thank you, commissioner.

Eudaly: Thank you, mayor. I'm afraid I may be reiterating a little bit of what you have already said but I'll keep it brief. This has been a long, difficult process and everyone involved deserves credit for continuing to work through these challenging issues. I have

May 9-10, 2018

had more conversations about URM's than possibly any other topic since taking office. As the mayor mentioned, this current conversation has been going on for four years so we're really coming midstream and having to look backwards and forwards at this issue. It's been a real challenge to figure out how to balance life safety and resiliency with potential financial burden, building owners and impacts on affordability, and I think if there's any consensus in the room today, it's that we haven't figured that out yet. Today will hopefully be a great opportunity to reflect on the status of this conversation. To talk about the work that is yet to be done, especially figuring out how to pay for all of this. So because as the mayor also mentioned I think we do all agree that life safety and keeping our streets clear of debris in the event of a large earthquake is something we all care about. I personally strongly support the public's right to know about the seismic safety of buildings that they occupy, which is another issue up for debate, but I'm certainly looking forward to hearing more about how we can best accomplish that this afternoon and now I have several thank yous. First I want to thank amit Kumar, senior structural engineer at bds, who has been a tireless resource for all the committees providing guidance and historical knowledge. He and his team have done a great job of boiling down complex engineering info into clear policy choices with consequences that are understandable to most everyone involved. Thank you to shelly doucet and eric thomas, structural engineers at bds. They have provided technical expertise and experience working on seismic upgrade projects. Thank you, jake brown, bds, gis analyst, who has been instrumental in making information available for all. Thank you, shelly hack from prosper Portland, who has led the city's work on financial incentives and financing tools that will be crucial to the work that still needs to happen. Thank you to margaret mahoney, former director of bds, when it was the bureau of buildings. I like that name. Whose chaired the policy committee and finally thank you Reed Zimmerman of kpff engineers, who has provided great insight from his engineering perspective.

Wheeler: Thank you. We'll start with jonna to share the staff recommendations for unreinforced seismic retrofitting.

Karla: I haven't read the title.

Wheeler: Go for it.

Item 458.

Wheeler: Thanks, Karla. Good afternoon, jonna.

Jonna Papaefthimiou, Planning and Resiliency Manager Bureau of Emergency Management: Thank you. Good afternoon. For the record I'm Jonna Papaefthimiou, planning and resilience manager of the bureau of emergency management. I'm joined by Amet Kumar from the bureau of development services and shelly hack from prosper Portland. I'm delighted to be here this afternoon to present to you the culmination of four years of work. This is work that was done by myself and my colleagues but also supported by many staff within our bureaus and led for many years by carmen merlot, the previous director. It was also guided by generous and well-informed stakeholders who have held on through what proved to be a much longer process than we initially anticipated. And there are other names. I particularly like to thank Margaret Mahoney, our chair, who will speak after staff presentation. I would also like to acknowledge the standards committee and Brian Emerick is here to speak on their behalf. Finally, the financial support committee, which is today represented by Walt McMoanys. We have been to council several time to present our work on risk, building science, costs and financial tools so the presentation today will just summarize all the work we have done to this point. I invite you to ask questions if I gloss over anything that deserves more attention. I'll provide an overview of risks and inventory of buildings most at risk. I don't want to spend a lot of time on process, but I would like to explain the elements of the URM retrofit we're asking building owners to do, how much we think it will cost and the financial supports we believe are necessary to

May 9-10, 2018

move that work forward. I sincerely wish I could close by presenting an ordinance ready to adopt which would solve this problem, but instead we'll end with a resolution that's intended to provide direction to city staff as they continue to work in several realms to address this complex issue. I do hope that by directing these next steps we'll provide welcome certainty to everyone involved in this project. Of course, all the work is predicated on the fact Portland can expect a major earthquake in the future, so I would like to ask dr. Chris Goldfinger, director of the active tectonics and sea floor mapping lab and an expert on the Cascadia subduction zone to present to us.

Wheeler: Thank you for being here.

Chris Goldfinger, College of Earth, Ocean and Atmospheric Sciences, OSU: Thanks. Mr. Mayor, commissioners, I'm happy to be here and it's really a pleasure to see this under public discussion. I have been working on this problem since 1987, and we started out wearing tin foil hats and people thought we were crazy. Now here we are. I could just put up an image of old bumper sticker that says nature bats last and ask if there are any questions, but it is really that simple. Your jobs are complex. My job is very simple. I just speak for the earth as we interpret it. To get across a little bit of how abrupt the earth is when it does speak, I was at an earthquake meeting in Japan on the day of the last earthquake, and we were in the middle of changing slides, changing power point slides when the earthquake started. In the space of three minutes, we saw not only a magnitude 9 earthquake unfold during an earthquake meeting, but we saw a paradigm change because Japan was completely unprepared not for an earthquake but for the size of the earthquake that they had. At that moment when it starts, all discussion ends. Everything that you've done to that point that's what you're going to have as a result. All the building codes, preparations, all of that. So, although it's just another issue it's an issue like no other. This can start in the next five seconds in this building. So, having been there and ridden through it I get a little nervous coming to Portland because I look around and I see a lot of you are in buildings and I give a lot of earthquake talks and almost every one of them is in a URM building. When I head down I-5 towards Corvallis I can relax because it's not going to happen that day. With that let me just run through a little bit of nuts and bolts of Cascadia earthquakes. First of all, one thing you should know is that even though we're unprepared in the sense of building codes and preparation aspects Cascadia has gone from one of the worst known faults in the world in 1985 to one of the best today. So, we are in a good position. We're far better off than Japan was in 2011. We have reliable numbers. We had a lot of people working on this for a lot of years. Because it's so enigmatic and we haven't had an instrumental recorded earthquake in history, it sorts of prompted people to dig into how we can unearth the past records. So, we're in a really good place from that perspective. Essentially, we have three hazards here. The subduction zone underneath us. We have crustal faults close to Portland, the Portland hills fault, east bank fault and others probably unknown. We have the Juan de Fuca plate that has its own faults as well and generates earthquakes like the Nisqually earthquake of 2001. Unfortunately, those other faults are very, very poorly known. They are repeat times are unknown which means when you try to calculate a probability for those you can't. They are -- there's no data whatsoever. When we talk about probabilities for an earthquake we're really talking about only Cascadia where we have lots and lots of data. That's good. The problem is, though, that numbers I'm going to give you are minimum probabilities because they don't include the other two earthquake sources. They are the absolute minimum. The true probabilities are much higher but we just don't know how much higher. So the subduction zone, the subductive slab and crustal faults. Mostly I can only talk about the subduction zone. This is a map of subduction zone ruptures seven different types that have been outlined over 30 years of paleo seismology working offshore and working in coastal bays. We have had 47 earthquakes in total over 10,000 years. About 30 of them

May 9-10, 2018

reach the latitude of Portland. So there are some that are confined to the southern part and won't affect us but about 30 reached latitude of Portland so the probability numbers you'll hear refer to those 30. And about half of them run the full length of the subduction zone, upper left box in that image. The minimum magnitudes for those are thought to be about 8.7 to 8.8 and the maximum tops out about 9.2. That's about half of them are very, very big earthquakes. Just for reference the earthquake that destroyed San Francisco in 1906 was a 7.9. So that's not quite a fair comparison because the San Andreas fault was one mile from San Francisco and Cascadia is roughly 50 miles to the west of us. What it lacks in proximity it makes up for in duration. Subduction earthquakes tend to go two, three, four minutes. So shaking a fragile infrastructure even fairly gently for that long makes up for the distance. Down to the numbers, probability for a magnitude -- you hear a lot of different numbers for probabilities. One number you hear a lot is 10 to 15%. That refers to magnitude 9 earthquakes. That are the top end earthquakes of those 47. So, they are a lot smaller ones and if you look at probabilities for anything big enough to affect Portland that is essentially magnitude 8 or greater, the range is 22 to 26% in the next 50 years. 50 is the usual time span, customary time span that people can understand and it's statistically meaningful. So, remember, that's the minimum probability. It doesn't include the crustal faults, doesn't include Portland Hills fault, East Bank fault or slab faults like Nisqually in 2001. It doesn't include earthquakes smaller than about magnitude 7.5 or so. So, there may be some of those that are from the subduction zone as well. Magnitudes are highly variable, and we know the timing of these earthquakes pretty well. We know the lengths of them pretty well. We don't know their magnitudes all that well, so these are fairly crude guesses. So, the last Cascadia earthquake was 317 years ago. It was a magnitude 9, which we know quite well from a tsunami that propagated to Japan. So, the average repeat time for anything in Cascadia magnitude 8 or greater is about 240 years, so we're 317 years into an average repeat time of 240, so we're past the median. In Portland at the latitude of Portland since we're dealing with a bit smaller number the average here is about 335 years and we're just about exactly at the average repeat time. Just for reference, we all think we understand probabilities and none of us including me really do. But just for reference in Japan in Tohoku, people thought the probability of an M9 was zero at the time it happened. It turned out it was really about 20% so on the day the earthquake happened their probability based on past records was 20%. So, what will it be like in Portland? I mentioned that the earthquake that destroyed San Francisco was a 7.9, it was much closer, shook the ground much harder. It was a lot closer. So, it's still a good reference point. Cascadia is further away but shakes longer. I have already said everything on this slide I think. The maximum ground motion here is thought to be about .3g, the unit we use foreground accelerations. .3g is fairly light. You pull more gs when you hit a speed bump in the parking lot. It doesn't seem like much but that gentle shaking for several minutes is more than enough to dismantle most URM buildings. More than you need. I'll wrap it up with a picture of San Francisco. When you think about analogies for Portland San Francisco in 1906 is not a bad analogy although it got a lot of new buildings here and modern buildings if you remove those from the picture you get something like San Francisco in 1906. This is just one of, you know, millions of pictures that were taken of the city at the time, and so the level of destruction is nearly complete in that kind of situation when you have a large building stock. This is not just damaging buildings, we're talking about large piles of debris is all you have left. I think my five minutes are up.

Saltzman: Can you ask you a question? Is it Dr. Goldfinger?

Goldfinger: Yes.

Saltzman: You mentioned you were in Japan when they had their last earthquake, and you said at that point the debate was over. Am I quoting you -- if the debate was over, in regard to do we need stricter codes or not, or was it another --

May 9-10, 2018

Goldfinger: Do you mean for here?

Saltzman: I got the impression you were in Japan, had an earthquake, and I think you said it ended the debate. What debate did it end?

Goldfinger: In Japan up to 2010, they were debating the geology, and geologists were starting to present new information that they were much bigger earthquakes than historically. They had 1,000 years of magnitude 8.4 or smaller, so the debate was going on, the nuclear power plant operator and the government were saying this is national policy. This is 8.4 is all that we have had, but the geologists found evidence of magnitude 9 earthquakes so there was a debate, and essentially, they were shouted down in that case and told to -- that their evidence was not strong enough and come back later when you published more evidence and so forth.

Saltzman: So much not about the need for stricter seismic codes or anything like that, but more of the probability of that large of an earthquake.

Goldfinger: That led into the debate about codes because their maximum magnitude was 8.4 and so if you are engineering, because Kent would tell you for that, it's a very different thing than engineering for a nine that might last three times so long. So, there was a signature debate, and in your case, we are -- well, we are 50 miles inland, but they had nuclear power plants right on the beach. The tsunami was a very big issue, as well.

Saltzman: Okay. Thank you.

Papaefthimiou: So, earthquakes shake all the buildings so why are we focused on this building? To answer that question, I would like to introduce Dr. Kent, a structural engineer, the former chair of the Oregon seismic policy advisory and the lead author of the Oregon resilience plan.

Wheeler: Welcome.

Kent Yu, PhD S.E. SEFT Consulting Group: Thank you. Thank you, Mr. Mayor and commissioners. What I want to do is before I start I would like to invite you to watch a movie. On the left-hand side is a modern construction. On the other side is the masonry building. So, what is unreinforced masonry building? An unreinforced masonry building means there is no reinforcement in the wall, and long time ago when the contractors built the buildings, what they do is laid down bricks for every, five or six courses, and they turned the brick by 90 degrees and added another layer over there and tied the interior face and exterior face of the wall together, and they repeated the same process all the way to the floor level. Once they reached the floor level what did they do? They create some pockets in the wall, so they could accommodate the floor beams, and they continued the process to the roof and attached the roof level, they stopped at the top, so generally there is no positive connection between the floor to the wall and between the floor to the wall. During the earthquake what happens is that the wall can still fall away and move away from the building. To prevent it from falling off we have to rely on the ties, connecting the floor to the wall, connecting the roof to the wall. And once the force is there, they transit center it to the roof and the floor, and then we have got to rely on the connection between the roof to the side of the wall, and floor to the side of the wall, and from the side of the walls down to the foundation. Okay. And so, what happens is during the earthquake because there is no positive connection, between the floor and the wall, and so what you see is these walls tend to fall away from the building. On the slide you see the 1993 earthquake, on the top is the Molalla high school. It took place during spring break, because the, at the top of the building, we normally see the high acceleration, so together with the wall on the top level, they fall away from the building. In 2001, I went to the earthquake, a few days afterwards, and as you can see, we see the same phenomenon. The parapets and the wall on the top-level peel away from the building. And if you are happening to be the building next to one of the buildings, you could get hurt. I also want to show you a few slides, we got from the Christ church earthquake. This is before the earthquake. This is after the earthquake. This

May 9-10, 2018

is before the earthquake and this is after the earthquake. So, it is very critical to make a positive connection for the parapets to tie the roof to the wall. Once we tie the wall to the floor, to the roof level there is another one that we have not addressed, if the wall is too tall, if it is too thin, the wall could pull out and collapse on its own. This is a photo, also taken from the Christ church earthquake. If we put this building in Oregon, Portland today how Should we brace this building to prevent failure? We cannot simply tie the roof diaphragm to the exterior wall. We have to make multiple points of connection to prevent the pulling out of our walls. So these red dots represent the location that we have to put these attachments, tie-ins. So, over the years, in the united states, in many parts of the world, we have implemented different level of retrofits, and I want to talk about the retrofit techniques, ideas, and also the associated performance, as well. First thing that you can do is that you simply tie the roof to the exterior wall, and also brace the parapet that, helps you to prevent it falling down to the street. However, because the floor is not connected to the wall, so it can pull out. And cause the building to collapse. So next thing we can do is to the right we add additional tie and identify the exterior wall to the floor. And that will help us to prevent the wall from going out at the floor elevation. However, if we have the wall too tall or slender, it can pull out and collapse on its own. The third level, we said well, since the wall can pull out, let's add some Strobeck, steel or timber so we can prevent the wall from pulling out to the potential floor levels. This retrofit has clearly a deficiency but there are many buildings, many other deficiencies. The building could collapse, so this retrofit, as a structural Engineer we don't recognize this as full-blown life safety retrofit. If we want to go full-blown, with the safety retrofit, we must go to the right-hand side, look at the building. Look at the building configuration. And look at the condition, and look at the quality of the construction, and look at the stiffness and the strength over the height of the building. Once we do the analysis we can properly retrofit the building, so we make sure it will perform in a live and safe manner. So, as I mentioned earlier that our reinforcements, if they are not retrofitted they pose a life safety risk to the occupants in the building, to the pedestrian on the sidewalk. In addition, also could delay our post event response recovery, and affect our citywide economy. So, the photo on the left is taken from the Napa earthquake. As you can imagine they have partially collapsed. After the event the area around the building was cornered off. The distance between the yellow tape and face of the building is roughly about one-half times of the building height. Until we put the shoring or demolishing in place. We cannot get close to the building. So, if we have the water pipe, downed power lines we cannot go there. To restore those utilities. So that is a major concern for us. Because of those concerns, the Oregon plan publishing in 2013, we identified unreinforced masonry as the single most dangerous type of Building in our society. We must take an aggressive measure to address the threat, not only from the live safety point of view but for the post-disaster response or recovery point of view. So, in conclusion, I strongly, as a structural engineer, we support and need to take a positive action, aggressive, address the threat to our community. To protect our people and our community.

Wheeler: Thank you sir. Appreciate it.

Yu: Thank you.

Papaefthimiou: Thanks, so early in our work the bureau's development services undertook a comprehensive update of our building inventory, and we feel that we have a robust accounting of all of our URM buildings. They are 1,650 of them in the city, not including single family homes. More than 85% are commercial buildings, offices, warehouses, retail. And there are also about 7,200 residential units in the URMs, 1,800 of these are publicly financed, affordable housing. The city itself owns about 40, URMs from union station to the Kenilworth park restrooms. The average URM is nearly 90 years old, and 550 of them have some type of historic designation. More than half of the buildings

May 9-10, 2018

fortunately are just one story. The complete URM inventory is available in Portlandmass.com. The buildings were constructed between 1860 and 1960, so they are clustered around the historic main streets and town Center. The northwest district is the neighborhood with the most URMs, followed by Buckman, downtown, and old town Chinatown. This knowledge of our earthquake risk and the special risks that the URM pose in Portland are what led the city council to direct the bureau of emergency management, prosper Portland, and bds to initiate this in 2014. We developed a phase project that reflected a commitment to do work fundamentally based in good science and best practices in the development profession. So we designed a process that started with the technical committee that was charged with providing recommendations on retrofit standards, and then a support committee to develop the financial options and a policy committee intended as a conference committee that would knit together the recommendations of both groups into a coherent program to address this issue. The policy committee included members of both the financial and technical committees, as well as stakeholders representing schools, churches, affordable housing, and historic preservation interests. The committee was intended to meet for six months but ended up meeting for two years, and again, a reason that we owe a debt of gratitude to these volunteers, who worked on the consensus basis to make their recommendations. They organized their subcommittees on affordable housing and not-for-profits and Historic buildings, and they hosted open house events for tenants and building owners and received a great deal of public testimony at every meeting. Their work also generated signature media interest and staff took the committee's work on the road presenting at more than 20 community venues. Something you be if you came to one of our presentations is the fact that the URM retrofits work. This is the URM building in pasa robles, California. It was destroyed in the earthquake in 2003. It collapsed and two people inside were killed. This is a retail store three doors down on the same street, also a URM building but retrofitted a few years before. And it sustained minor damage and was able to reopen the same week. Retrofits like this are not happening in Portland right now. Here the code says a partial retrofit is required when you replace half the roof. You have to replace the parafits that hold the roof to the wall. That's good because it protects the passersby from architectural elements that could fall off and hurt people on the sidewalk even with light shaking. It does not protect people inside the building from a stronger earthquake. That kind of retrofit to a life safety standard just happens when there is a major renovation or the change of use. The building goes from warehouse to loss or a historic hotel gets renovated, since 1994, only 5% of the URM buildings were Retrofitted to that standard. Based on this information and a review of the programs in other cities, the committee concluded that the Portland's current code is not sufficiently effective. And that in general passive triggers and incentive programs alone are not sufficient to address our risk. They recommend that all Portland URMs be retrofitted to improve safety to a standard appropriate to the building's use, the number of people inside, and the purpose it is expected to serve both before and after the earthquake. Towards this end the committee designated four classes of URM buildings from fire stations to storage sheds. The categories themselves were not very difficult to agree on, but the level of retrofit appropriate to each category was the subject of debate for over a year within the committee. To understand the trade-off, the risk and cost inherent in the choice we need to see what happens when we retrofit a URM. So here we go. We are looking at a section of a wall through a URM building, and I am describing a typical retrofit to the American society of civil engineers' standards. It has these key elements. First, we raise the parapets, that's what we talked about. It's required by code. This is what keeps them from falling off. Next, we tie the walls to the floor. Again, this is required in the current code, and it can be as simple as it sounds, with bolts and glue. And then we strengthen the roof diaphragm. This sounds more complicated. Think about it this way. The URM

May 9-10, 2018

buildings are old. They were made before plywood was invented. So, the roof is just boards, nailed to the rafters, nailed to the beams. All those pieces of wood nailed together, 50 years ago, can move independently in an earthquake, that's no good, so we make sure that they are tied together, and we cover the whole thing with plywood, so they move as one unit during an earthquake. They can shore up the rest of the building, that means. Next, we attach the wall to the floor. That's like attaching the wall to the roof. Next, we do the out of plain wall bracing. This is what kent was describing with the strong backs where we prevent the wall from moving out of the plain and falling out or into the building during an earthquake. And finally, we do other upgrades that could be required. This includes cross bracing, strengthening the foundation, and re-sheathing the interior floors, the same as we did on the roof. So those are the steps of the URM retrofit. And when we do a retrofit we do all of those steps to meet a performance standard. That's the level of performance that we want to see in the building during an earthquake. The American society of civil engineers recognizes four Performance standards, the highest is immediate occupancy where you want your hospitals. The next is damage control. This is the building that can be repaired and reoccupied fairly quickly. The next standard is life standards. Life safety. This is the current standard for existing buildings that are new construction or retrofit the URM building. And if you are in a life safety building you should duck, cover and hold on and you should be able to exit safely but it may not be repairable, so you may never go back inside. Finally, the lowest standard is collapsed prevention. You cannot build the new building just to meet the collapsed prevention standards but with an old one you can retrofit it so that it may be badly damaged, and you may not be totally safe, but it is not expected to come down all at once. The policy group agreed early on that the critical buildings should be retrofitted to immediate occupancy. And then schools and community centers that would be essential to earthquake recovery when we are trying to get, provide relief to the citizens and get back to normal life go to damage control. Initially they look to have most other buildings meet something like a life safety light standard, because that's what's been used in California and that's what's been proposed in Seattle. This is the price that really Gave building owners the sticker shock because it can cost a lot to perform all the steps that I just described. That's why in the course of their deliberations the policy committee reached the consensus that life safety was just too costly for most building owners given the resources available. While they felt that this should continue to be a long-term goal for the city they listened to the building owners and honored a commitment to collaborate with each other. So they had to invent a new level of retrofit that it was appropriate to the amount of resources available. This standard is not a performance standard that's recognize by the american society of civil engineers. It's not a performance level at all where the buildings set a goal and then do whatever it takes to achieve it. Rather it's a prescriptive standard where all building owners follow the same steps to reduce the likelihood of collapse, regardless of the design of their particular building. So to be clear some buildings retrofitted to the collapsed risk reduction standard might still collapse, but it's a lot less likely and the retrofit is a lot cheaper and the costs are more predictable. So what's in the collapsed risk reduction standard? Well, we keep the parapet bracing required by code. We keep attaching the wall to the roof, which is also required by code. We also keep the diaphragm strengthening. This technically is not required in the current code, but when building owners do a reroof of a historic building, they generally will always do this because you need a level flat substrate to adhere the roof to. If you don't do this, you cannot get a warranty. So, we're seeing a lot of re-sheathing of old buildings already. D, attach the wall to the floor is the element not commonly being completed that we propose to add. The out of plain wall bracing goes away, and this could be important for some but it's also eruptive to do the work because you need to strip out everything inside the building. The cabinets, wall finishes, paint, to get down to the wall and apply those

May 9-10, 2018

strong backs. So, we said okay, we're going to let that go and similarly, we let go of all the other upgrades required. Those are the things like cross bracing, strengthening the foundation. Those can be important for some buildings, particularly ones that have a weak first story so they have a lot of windows and openings and they are prone to twisting during an earthquake, or buildings that are irregularly shaped like an h or l shaped building with uneven forces acting on it, and those are, those can be important but they also are unpredictable in their cost because when you dig into an old building you can find a lot of other work you need to do so we, too them out. So now that the retrofit standards are matched so the work we do on a building, here they are again, matched with the building collapse and the number of buildings in each class. This is the hard part. We are like halfway through. Now I will talk about time line and cost. First a word about cost, so the committee spent a lot of time trying to figure out how much it cost to retrofit a building to different standards. They were totally frustrated in this effort because seismic retrofits are almost always done as part of a larger project. So, if you are doing a remodel and you are having your tenants move out and hiring a contractor and an architect and getting a loan and doing all this work, that's a time that it makes sense to do the work. But if you are doing it as a standalone project it's hard to figure out how much it would cost to do just that. We did find a few examples of these case studies in Portland. Where he looked at them and compared them to the numbers published by fema for the national average for cost of the URM retrofitting. They mostly matched up, so the numbers I am showing you are from fema, and what they say to do a retrofit to the immediate occupancy for the six class 1 critical buildings, we expect to cost between 70 a square foot and that's just the hard cost, and up to 110 if we put in a contingency and some soft costs and relocation attendance. We have agreed ten years is a reasonable amount of time to Complete those steps for the six buildings, for class two, the schools and community centers that we think should get to damage control, the committee agreed on ten years to brace the parapets and do the interventions required by current code and another ten years to get to a full retrofit. And again, the cost estimates I am showing there are between 48 and 81 a square foot come from fema. All right. For class 3 buildings, the committee agreed ten years to meet the code and another five to do the wall and floor ties was reasonable. These are still longer timelines than were used in other retrofit programs in California. It's another area where the committee was working to accommodate the concerns of building owners and recognize the limited resources that are available to them. They also felt this level of retrofit, although novel, was the correct minimum given the resources available. And how much do we estimate it would cost? 11 a square foot, if you do it when you reroof the building. How do we come up with this? After the committee made the recommendation, prosper Portland and the bureau of development services selected a representative sample of the URM buildings, 20 across the city. They produced standard details for the retrofit we proposed, and they asked the professional construction cost estimator to tell them how much it would cost to do the work. What we saw number one reroofing a building is expensive. Next the existing code requirements are adding already incrementally to that cost. About \$4 a square foot. Next if we require everyone to do the sheathing, it will cost \$8 or \$9 a square foot more to do the roof. That's a cost many are already incurring because it improves the quality of the reroofing job. And doing the wall to floor attachments which is only required if you have a building that's two or more stories, with the cost between \$3 and \$5 per square foot additional, so on average meet thinking requirement would add 11 per square foot to do the work. The 200URM garages and storage sheds, we recommend we have ten years to comply with the code and should not cost extra because it's a code in place. The committee recommended strengthening the triggers to make it hard for property owners it avoids upgrades when they avoid, or are reroofing or doing a remodeling project so we are not proposing to change the standards,

May 9-10, 2018

just lengthening the time lines in which the cost or coverage is considered. It was also very important to the committee that the code be implemented in a fair way. And that starts with property owners being given adequate notice and a free opportunity to appeal their building's designation as a URM if they think it was done incorrectly. And it's also important for building owners who have newer roofs with life left in the roof to be able to apply for a timeline extension until it makes sense to replace the roof because when you do the parapet bracing, you have got to pull it off or poke holes and that means you are losing the warranty. Based on the input from the committee, the city also commissioned a cost benefit study from an independent economist. The study was completed about halfway through the process, when we were still looking to implement a life safety standard. So that's the one that gave a lot of building owners sticker shock but even looking at these high costs, what we saw is that the cost outweighs the benefit by a good ratio. And that ratio went up as the retrofit standard went down so we expected, if we repeated this study now with our simplified standard the cost benefit ratio would be even higher. Again, this is a study that looked at the most tangible cost. We looked at how much it cost to permit the work and do it, and versus avoid a damage injury and death. We did not try to count anything like historic character or quality of the neighborhood or the benefit to the local economy of hiring people to do this work, which could be significant. To be fair we were not able to calculate the value of the lost rents which could be significant. But we see this as being a good study and what it tells us, what we are buy is mostly lives and human suffering, because 55% of the calculated economic benefit is avoided death and injury. The committee recognized early on that the ownership structure and financial position of building owners can vary greatly. There are large property management companies and small investors and family businesses. They have different access to capital and amounts of equity and different tolerance for risk. So, a variety of financial supports is needed to make this work happen. The list I am showing here represents concepts that were financially feasible for the public to support and would have signature value to the owners. The first one mentioned is seismic c pace being rebranded as property fit but it's a financing tool so it's a lien structure used for improvements to private property that provide a level of public benefit. It's a financing mechanism, not free money, but it does not require an up from investment and transfers upon the sale, so it can have a lot of property owners if they have cash flow to support doing the work over time. Sb311 is money, its the top property tax exemption for up to 15 years on the value of the building to offset the cost of seismic improvements. Many members of the policy committee and staff travel to Salem to lobby on behalf of the legislation last year, and we were happy to see it pass. The state authorizing legislation allows us to implement the program locally, so the next step is to work with Portland public schools, Multnomah county, and other people that receive tax receipts in our jurisdictions to set up a program that will work here, and that's a recommended next step for the staff.

Saltzman: Is there any pushback from those jurisdictions to doing that?

Papaefthimiou: We briefed Portland public school's legislative advocacy committee and our colleagues and emergency management and Multnomah county, certainly wouldn't want to agree to a program which has costs to them without having a longer discussion, but they are currently working on a brownfield tax exemption this was modeled after, and those negotiations were progressing and seems like they are going to agree to something. I think that Portland public schools definitely see a nexus between protecting students at school and at home, so I am hopeful that we could reach an agreement on this, yeah.

Saltzman: Thanks.

Papaefthimiou: The other two items that have a legislative component are the state historic tax credit and the seismic tax credit. The state historic tax credit came forward in 2014, and it did not pass but we would like to try again. It existed 38 other states and is

May 9-10, 2018

invaluable for the property owners and retrofitting. Similarly, a seismic tax credit, we think this is novel. Other states haven't implemented it, but it seems like there is the public value in many jurisdictions in Oregon to proposal seismic retrofits, so we think that this could have legs and we would like to take it to Salem. We think it's important to recognize there is some folks that don't benefit from a property tax exemption like not-for-profits and may have barriers to getting you know, commercial financing. The city could establish a capital pool that could provide things like revolving loan fund or an interest rate buy-down that would make money available for folks to do that. We would like to figure out how to fund that and how we would administer it and bring the program back to city council to look at. And finally, it was an important recommendation of that the property owners know that they have advocacy that they can come to both at the bureau of development services and prosper Portland. So, staff people that wanted URMs, that know the codes and also know the resources that are available to people, and it's our recommendation that we develop a proposal to do that and bring it back. These are the recommendations from the committee. I would like to thank them for their commitment to work on this contentious issue, and at this time I would like to know that I think that we owe sincere thanks to the folks we might call our local opposition. I mean, on behalf of myself and the policy committee, it was obvious that they demonstrated really intelligence, commitment to this issue, and they came to all our meetings and challenged our work and changed it and made it better, so we really recommend moving forward on these committee recommendations. I would like to show you two staff recommendations both of which are related to public notification. The committee recommended that the city promote a state law to require all URM owners to notify tenants of the building's status, staff feels like we need to explore further to see whether a statewide law would be feasible but it's possible to move it forward with a local ordinance now and we support doing that. And it supports the public right to know, and lets people make informed decisions in their own interests and could start good conversations about what to do in an earthquake. We saw the tenant open house, the majority of the people who came to not know that they lived in the URM until after they signed the lease.

Saltzman: We don't have that in place right now or the county?

Papaefthimiou: Nope, with led but not for URM. The other recommendation is related to placarding. Placarding comes back to the fact that 85% of URM buildings are commercial. The people are employees, students, shoppers and will never look at the lease. This placard also supports the public right to know and encourages that conversation about safety and lets people just make their own decisions. This is an example of one in California where these notices are common because they are Required by state law. There is some evidence this has increased the rate of voluntary URM retrofits and no data indicated at harm to building owners, the signs are widespread. All right, that was a lot. I am almost done. I would like to review the resolution before you right now which is to direct staff to return to council within a year with changes to the building code to implement the mandatory seismic retrofit program, to work with Multnomah county, Portland public schools and others to implement the property tax exemption for the URM building retrofits, and to develop the proposals for the revolving loan fund, develop a program of staff to exist on reinforced masonry buildings, to assess the URM buildings, the cost to retrofit them and develop a strategy on how to approach that and have a legislative agenda around historic and seismic tax credits. We can bring forward not necessarily to those, the proposal for placarding and disclosing the URM status to renters. All right.

Saltzman: Are those in the proposed resolutions, those two steps?

Papaefthimiou: They are.

Wheeler: They are in the proposed resolution. URM.

May 9-10, 2018

Papaefthimiou: I would like to introduce two others, Mike Meyers, Portland fire chief, fire is a Portland public safety partner for our bureau in terms of our team training and in other efforts to assist Portlanders after a natural disaster.

Wheeler: Welcome, chief.

Mike Myers, Fire Chief, Portland Fire and Rescue: Thank you mayor. Good afternoon mayor and commissioner, I am Mike Myers, fire chief for the city of Portland, and thank you for your time today. I have a brief statement about unreinforced buildings to read for the record. Speaking from a fire perspective, URM buildings pose a signature public safety risk. When the ground shakes during an earthquake these buildings are known to partially or completely collapse resulting in deaths and injuries and endangering first responders and volunteer rescuers. Even in recent quakes along the west coast, such as the Nisqually and Washington state in 2001, and Napa in California in 2014. The URM buildings suffered the most damage. Following a major Cascadia earthquake, we expect the response will be at a level without precedent in the city's history. Immediately involving all our resources and those of our partner agencies around the region. We also expect getting around the city will be difficult because the debris in the roadways from buildings, bridges, and other damaged infrastructure. Collapsed buildings may yield a fire danger and require response from pf&r. We will need to search all of them, and at the same time the demand will continue for our regular services. In addition to saving lives and reducing injuries actions we take now will lessen the need to rescue people trapped in the URM buildings. Our first responders will take action without hesitation, the rescue following a quake comes at great risk to rescuers, especially from aftershocks causing more damage, there is also a danger to neighborhood emergency team volunteers and other members of the public attempting to rescue people. From the debris. We know Portland will experience an earthquake at some point in the future. Each retrofitted URM building, lessens the harm this quake will cause to the community and increases our community disaster resilience. They will reduce the chance of death and injuries, and lessen the amount of debris in the roadways, and lower the number of calls we need to respond to. I appreciate you are taking this issue on and thank you for having me here today.

Wheeler: Thanks, chief.

Papaefthimiou: I would like to introduce Margaret Mahoney, the chair of the policy committee together with Brian, who served on the technical standards committee, and Walt McMonies on the financial support committee and the policy committee.

Margaret Mahoney, Chair URM Retrofit Policy Committee: Good afternoon.

Wheeler: Good afternoon.

Mahoney: Wheeler and members of the council, I am Margaret Mahoney, and I served as a chairperson of the policy advisory committee, and with me are Brian and Walt, who represent not just the policy committee, but Brian served on the technical committee as well and served 8.5 years on the landmarks commission for the city of Portland. Walt served on the policy committee and the resources committee or support committee, we gave it a couple of names. Also, a member of Ausback as well as the committee that recommends the distribution of funds to schools from the state seismic fund. I prepared comments, but you did a long afternoon already and you have got more time to go so I just want to emphasize a few points. Johnna did an excellent job describing the work of the committee and the struggles that we had, and I appreciate her and the staff and the three bureaus who worked on this, and they never protested when we sent them back after a meeting with requests for more research. Clearly, the reason, I think, that it took us longer than initially anticipated, two reasons, one was the job was bigger than anticipated, I think by the staff initially. The other was that the committee really struggled with this balance of public safety and financial impact. And we spent a lot of time on it. And I think that we got to a pretty good consensus. We did spend some time talking about affordable

May 9-10, 2018

housing, and the city's commitment to affordable housing and the fact that it houses many of our most vulnerable residents. We talked about extending time For retrofits for affordable housing, and concluded not to do that. But two members of the committee, Javier and [inaudible] did commit to the committee that the Portland housing bureau could look at what the requirements would be to address the housing stock and what would happen over time with the resources reasonably available. And so I am hopeful that they will come forward, and we spent time specifically talking to Portland public schools and had a member of the committee from the school district staff. We agonized over that given the schools not only house our children during the day and during the recreational activities but also serve as gathering points theoretically during the disasters. We felt it is necessary for the schools to be brought up to a good retrofit standard. But felt that at least they had the benefit of the existing seismic funding source from the state, inadequate as it is, but also the potential for voters in Portland who think this may be an important thing to spend money on could look at a local option and the current option levies are doing some of the seismic work in the schools. Our biggest concern was the class 3 buildings. The largest segment of the URM, roughly 85% of the stock. Quite a bit of it residential. Other parts office, and as johnna noted, people in them that may not realize what they are working or living in. We felt finally that the Standard that we came up with, the collapsed risk reduction one was the best one that we could get to with the resources that were available. I think at various meetings we agonized that it should be a higher standard, but with the resources couldn't get there. So we strongly urge the council to put your political support, both personal and collective, and your staff resources towards pushing for additional incentives. At the state, particularly the seismic tax credit and the historic tax credit, and I think that you know, as you drive south from Portland, or east from Portland, you will see lots of signs advertising historic downtown districts. They are historic because they have URMs so with your leadership, I think that you can bring a lot of mayors along to make this statewide issue.

Wheeler: If I could jump in on that and give you the answer in the affirmative. We are focusing on Portland but this is not a Portland eccentric issue. There is an interest at the state level and so you have my word that I am interested in pursuing that.

Mahoney: Thank you. I think of that every time I pass these signs as I am driving around. I spent 19 years with the bureau, and it was originally the bureau of buildings, office of planning review, and then the bureau of development services. I led the effort in the 1993 that resulted in the cooperation of the city code 2485, which is the voluntary seismic upgrading. We had hoped to be at this point in 1993. So how many years ago was that now? Too many, so I am glad you are here today, and I was pleased to hear the opening comments and support for addressing the public safety. I did have a chance to look at a revised resolution that I think that you may be considering, although there may be other ones. And the one that I reviewed expressed support for, the proposals that called out wall ties as something not to go forward with at this point. I would urge you not to do that. I think that those are really critical to preventing collapse. Clearly there are lots of questions to be answered. I would urge you not to take that off the table at this point.

Wheeler: Chair if I could because that is my amendment. I want to be very clear, we have to work in that direction. I just think that there is more work to do in terms of the financing and the incentives on that piece. And we're getting a lot of conversation from the community saying we're not ready. You have worked on this four years. I am prepared to take that piece out and refine it over the course of the next year and bring it back. I want you to know that we're not deep sixing it. By any stretch of the imagination, I think we need to Work on that a bit more specifically regarding incentives and financing models.

Mahoney: I appreciate that.

Wheeler: Thank you.

May 9-10, 2018

Mahoney: I want to offer you a prayer that I said most days when I was in the job. And that is I sure hope an earthquake doesn't happen on my watch. I offer you good wishes in following through on this, and I hope that you are as lucky as I was. Thank you for your time.

Wheeler: Thank you for your leadership. We appreciate it.

Brian Emerick, UR Retrofit Standards Committee: Thank you Margaret, Mr. Mayor and commissioners, appreciate the time and consideration being given to this issue, and I am Brian, served on the technical committee and most recently on the policy committee. Representing the technical committee if you have any questions on those. Also, as Margaret mentioned I served eight years on the on the Portland landmarks commission and was chair when this kicked off four years ago now. My firm also has about two decades of experience working on historic buildings including many seismic upgrades, and as the lone architect, surrounded by engineers, no offense to those in au met, I knew at the time those requirements, recommended standards were going to be really hard to get to implementation based on the private development and property owners, just a big ask and expensive. I also know you are going to hear a lot of testimony today From property owners of the buildings that say the policy recommendations are too severe, and then if adopted it will lead to bankruptcy, of the small mom and pop owners and demolition of historic resources and I spent more hours than I can count going into this issue over the last three years, if I believed that would happen I would not be here supporting the recommendations of the committee so, and to be fair, I think that the original recommendations coming out of the technical committee were much more severe and a lot of the costs that I have seen presented by the private property owners represent that higher standard. We have really worked hard, and I fought hard to help roll back the technical requirements to get to something reasonably achievable with the funding that we were getting, you know, and what tools we had available. I know we ended up with, it is not enough, and we need to go further. But there is urgency to act now, actually, and kind of get on that test track and transform the process so that we can get this ball rolling and add to the tools and the requirements as we go forward to make things safer. So, I would just second what Margaret said about wall to floor ties are important, basically, 85 first of the buildings fall into that type 3 category, and the roof upgrades are required, so we take that off the table, we are, essentially, proposing no upgrades to those. And in the studies, I encourage You to dig into the prosper Portland cost estimates because I looked at that as well and found that really in a lot of cases, what we saw was that the house bill sb311, if implemented, and I would urge it would not go forward until it is implemented, would offset the cost, almost fully in a lot of cases of that ask for getting the wall tie, that's a really, the low hanging fruit, every engineer will tell you if you had one extra thing to add, that would be it.

Saltzman: What was the time line that the committee recommended? For the wall to floor ties?

Emerick: 15 years. So, and that's one thing, too, I think, and that's why I said this is not happening tomorrow. If you are finding that you are getting feedback loop from the property owners this is not achievable and here's the data supporting it, there is going to be a I am time to have that conversation still, but we need to get something moving so we can get that data in.

Wheeler: To be clear, and I probably sound like a broken record, we are in agreement on that, that we need to move forward. I am not convinced that we are there today on that piece. There is a lot of proposals here around revolving funds, around sb311, I would like to actually have a fully cooked proposal come back to the city council, and philosophically in terms of where we need to go, we are in agreement, we may be disagreeing about an additional year here.

May 9-10, 2018

Emerick: That makes sense.

Wheeler: So, consider us within 20% you've been at it for four years and I am proposing on that piece to extend it one more year.

Saltzman: You are suggesting that issue not be looked at by the committee being set up through your resolution.

Wheeler: No, I think it should be.

Saltzman: Not to come back.

Wheeler: Yes, to come back.

Saltzman: One year with a proposal on the floor?

Wheeler: And financing strategies.

Fish: Let me ask you then. I don't want to -- I want to hear from Walt, too, although I met with him a couple times. And I feel like my i.q. In this issue has gone up because of the time I spent with him. My understanding of the issue has gone up dramatically. Some might argue that with respect to class 3 and 4 buildings, that we're putting the cart before the horse here, and that we might want to take a look at what are the flaws in the 1995 law. And I know you have identified some of them including the fact that permits bundled and there was a lack of enforcement and other things, explains the anemic results, and so some might argue that before you impose a mandate, that potentially has significant costs and could lead to demolitions and other unintended consequences, that we first strengthen the existing law and see whether that accomplishes the goal that we have for class 3a and 4 buildings. What's your view?

Emerick: My view is that that's title 2485, as Margaret referenced, and that's an active trigger legislation, so that's the most common thing we experienced on historic buildings, you own a warehouse and you want to make a creative office and you are adding occupants and there's the trigger for a full upgrade or partial, so what we're talking about, and so we are seeing that working for those buildings, and that does work in areas like say the pearl district where you know, the finances of the pro-forma support that amount of investment because you get the rental rates on the back end. It's harder to pull that off in southeast foster or something where you don't have the rental rates. What we're talking about with this is really, so there is two parts to that, commissioner Fish, first one is closing the loopholes on the roof upgrades because that is in title 2485, when you replace it, the intent was to do the upgrade, and however the way the code reads, if you only take off half of it now and do the other half in ten years you can skirt around this. And I don't think that bds was enforcing it, they were not aware that was in there so that piece is in there. And the only piece we're talking about adding is a passive trigger for a building owner never making a change so there is no reason for them to come in for a permit that would trigger a 2485 requirement and that would be tying that floor to the wall or perhaps going farther if we do have additional funding tools.

Fish: I appreciate the explanation. Thank you.

Wheeler: Just to be clear the amendment, the second paragraph of the amendment seeks to explicitly strengthen that and directs the bureaus to come back within a six-month time frame with the code?

Emerick: Yes.

Wheeler: Okay.

Walt McMonies, URM Retrofit Support Committee: My claim to fame is that I own a couple of URM buildings and I managed to upgrade one to life safety standards. Out of my own pocket, it is much less heavy than it was before. But I did manage to do it, and I think that maybe the most useful thing is to give an example of how. It was easier for me because I had a portfolio of buildings so that I had cash flow, I could take off one building to the one that I was retrofitting and I had a historic status on my building so that allowed me to get to the 20% federal rehabilitation tax credits, when you spend 1.1 million, that

May 9-10, 2018

means I get 220,000 of tax offset. Also I had the assessment freeze under 458, which is the so-called historic freeze. Which locks the assessed value of the property, it's analogous to measure 50, it goes for ten years and renewable for ten more although they pump up the value. But with that thing, we hold this building, which is probably a 12 million building now, and we held the assessed value to 600,000 for the first ten years. So we were shoveling money into Our pockets but saving enough to do things like seismic upgrades so that was a wonderful program, which is somewhat -- I think it's probably going to be instituted but if it was a really, it was a good program because unlike measure 50, the money you put into the property didn't raise the assess the value. It stayed level. Not what you did but anything reasonable you did to it. So those were some incentives that helped me. A lot of the people who own the buildings do not have historic status for them, although I think many would qualify if they wanted to. And basically the cost of the building was a million one, which was 23 a square foot, 46,000 square foot building. And we figured we could get a pay benchmark has follows, save 10,000 in insurance premium by having a seismically secure building that the insurance company was not going to charge a high premium for. It's not going to fall down and the insurance claim doesn't go to high so we will reduce the costs by 10,000 a year and we got more favorable financing because it would qualify for fannie mae or freddie mac financing which is significantly better, and on that alone we saved 20,000 probably per year versus a higher cost loan, and we were able to -- this is the hard thing, people don't know your building is seismically safe, but we proforma'd 100 to 150 more in rent from the units because people who appreciated the safety of the buildings Would be willing to pay that increment in value. So -- and you can throw in the \$220,000 of itc, investment tax credit. So we have not factored that into this calculation but we were getting 73,000 of savings from the market from cheaper insurance and cheaper loan fees and higher rental rates, that's a 15 year payback, when you throw in the historic tax credits, they said a 12-year payback, and typically a property owner, a commercial property owner would not rent any transaction that had a payback worse than 10 years. That's what happened with us and I think it's not something that everybody else can do. Our building did not have to do with the diagram strengthening for the floors because we had, you know, old growth, cross timbers extremely strong, stronger than plywood so we saved a lot there and also had a very efficient management company and architect who sort of thinks outside the box, and we drilled cores from top to bottom in the walls and we were able to strengthen the walls by dropping rebar and concrete into the cores. That's something they have only done at the train station and crystal ballroom, so we are cutting edge there. But anyway, it's tough to finance a seismic upgrade. It's theoretically possible if you are nutty about the building and you have money to throw around but it's -- these people, mom and pops need help. They cannot do it on their own.

Fish: Can I ask you the hard question based on that -- the general pro forma that you just gave us? Assume you are a mom and pop and don't have the benefit of the cash flow from portfolio properties. And assume the tax credit approach is not as helpful to you because you have to come up with the capital to make it.

McMonies: Yes, definitely.

Fish: So a tax credit is less valuable. Does the fact that the resolution now as drafted, declares an intent to establish a mandate without a viable mechanism to offset the costs for a certain class of owners, does that provide -- does that undercut your ability as the mom and pop to get refinancing?

McMonies: That situation is distinct from mine.

Fish: I wanted you to assume you were the mom and pop.

McMonies: It would put them in a tough position. Personally, after the policy committee is over, the group of us who worked on the policy committee are committed to help the mom and pops and I don't mean by giving them money, but I am happy to be a resource on how

May 9-10, 2018

to do it, how to do this and that. And then you will need all the help that you can get. We are talking about an ombudsman or navigator to assist.

Fish: But I think that this is somewhat of a leading question because it came out of our discussion. For someone who own as single property and for the a portfolio, doesn't have the Benefit of cash flow and the same experience that you have, does the fact that the city is potentially declaring a mandate, without having the package of tools to help offset the cost make it extremely difficult for that owner to refinance every, you know, in the next four or five years?

McMonies: Definitely. But my assumption is that the city will come through with the signature, I mean, senate bill 311 is a great provision and hopefully you can get the county and the school district onboard on that one. That's a very valuable benefit, would help the mom and pops as much as the big boys.

Mahoney: Commissioner the c pace, property fit program, and the revolving loan fund were out of prosper Portland to assist owners facing financing availability issues. Because I went off my written comments I want to add one thing that occurred to me after we finished our work, and that is I think that part of the research, particularly maybe by prosper Portland staff, could be also looking at whether the tax bill passed last December might offer additional benefits for owners in terms of the accelerated depreciation or some other accounting provisions. Thank you.

Wheeler: Good thoughts.

Saltzman: I wanted to ask a couple questions of all three of you maybe. So, do you believe -- you alluded to, you felt senate bill 311 along with the c pace and the revolving loan fund, do you feel those are sufficient economic Tools?

McMonies: Not by themselves. Coupled with a historic tax credit and equivalent state tax credit for seismic expenditures, yeah, they would help a lot. It depends on what your tax bill is. I have a building that I pay 100,000 in property taxes on, and I did a seismic upgrade to that. It was not a URM but I upgraded it anyway because it allowed me to, you know, the lenders, they will not make a loan unless you, you are rated a 20 or better. What's the life? How, how much of a percentage of your replacement value is the max that you would call on in a catastrophe? If you got down to 20, they will loan to you, but.

Emerick: To be clear you are talking about a full life safety upgrade to your building?

Mahoney: Yes.

Emerick: It is a way different standard, we are talking about 11 a square foot.

McMonies: But on the other building where we did just the 700,000, you know, facade, with the parapet walls, on that one, because our taxes exceed 100,000 a year, if we were, we did qualify for the senate bill 311, which we wouldn't because we have already done it, we would have been able to get as much as 100,000 a year against the cost of -- basically, you are offsetting the property taxes on that building, and I could have done 700,000 worth of rebate.

Saltzman: One question. We are sitting up here, elected representatives of 600,000 people, and we are going to hear a lot of testimony from property owners, mom and pops, and bigger property owners, and that are going to say for the large part don't do this. The impact is too great and now is not the time. Where does the obligation lie? Does it lie to the life safety of the 600,000 residents? And perhaps, some mom and pop owners who are not going to be able to swing it financially? And we should hold everything up until we can assure the smallest owner will not be adversely affected? By this? Or do we go with the standard the policy committee spent four years on? Which are the middle road in my opinion.

Emerick: I think that's a great question, and I also think that more than even just -- as important as the lives are, one of the things that we are talking about is the regional, Portland regional cultural center, and these buildings are there because they are the oldest

May 9-10, 2018

buildings in the city, and it's a huge amount of fabric. The last thing we want to do is lose these in a seismic event because we have not been going around and strengthening them. It's equally or more important for the lives but I think that there is a huge cultural aspect to be weighed, as well.

Mahoney: And I would agree, I am glad I am not in your seats. We debated this quite a bit. There is clearly a public benefit and a private benefit. How much are they? We had the cost benefit study Done, and I think that the answer to that question is really an art full answer. There is good resources now with senate bill 311, and I think permanently you can get started, and you have got a legislative session coming up, and the first thing that owners have to do is really analyze their buildings. So you could stagger improvements over time based on getting more resources available.

Wheeler: Commissioner Eudaly did you have a question?

Eudaly: I do.

Wheeler: What I would like to do is have us put amendments on the table and get to the main show which is public testimony.

Eudaly: Jonna I have a question about c-pace. So, I was happy to see seismic upgrades added to that program, however it's my understanding, there hasn't been a c pace loan issued for seismic upgrades? Unlike clean energy there is for a cost savings associated with the seismic upgrades. However, we just heard that we heard there was a 10,000 savings on insurance, so can we talk about, I guess, where we are at with c pace and how we make that a more viable alternative?

Papaefthimiou: I would be happy to but I would like to give the microphone first for shelly because she administered that program.

Eudaly: Hello, shelly, sorry about that.

Shelly Haack, Prosper Portland: Shellie with prosper Portland. I am the program administrator for the property fit program This is what we have branded the pace financing structure. The financing structure is a payoff of a local improvement district structure that was, with the legislation passed a while back, allowed the use of a benefit assessment lien to be used as security for projects that provide a public benefit. Public benefit to a privately-owned property. And excuse me, it's a property assessment tool we went back to the legislature, and expanded the authority to beyond energy, efficiency, and energy renewal, to include seismic retrofit. And you are right, on the energy side there was a, an economic offset, what's the savings associated with it and how much could you maybe buy in the form of financing with that savings, and that's one of the reasons why we were so happy when sb311 passed. It provides as portion of that offset. Is that the savings associated with the property tax exemption can be used to finance a portion of the, either all or a portion, and depending on the assessed value and your tax bill it will have different impacts on different properties. That was one of the things we did as we were evaluating the prescribed measures that came out of the policy committee that kind of narrowed the scope of improvements that would be required. We took that as they were saying, had that schematic estimated, the estimations provided by a professional cost estimator, and that's what you've been handed out, an Analysis of that study. You will see the graphs at the bottom of the properties. Separates out the cost between, the cost estimates that were, were developed for the cost to reroof the building, which is a cost the owner would incur as an expense of ownership. The red section is a cost to comply with the existing code. Which would be the parapet bracing and the roof to wall, or roof to wall tie-in at the point of reroofing. And the blue color is helping to isolated what are the costs associated with those elements of the proposed code, or the proposed standard that would be unique to the new standard? And the analysis right next, next to it is telling you, if you were to take that cost savings associated with the property tax exemption, and use that to make your property fit payment, how much financing could you potentially attract with that cost savings? So you

May 9-10, 2018

then have pretty much a net zero cost to the owner. And then the taller part of that graph is just the gross value of the property tax exemption over time. Does that answer the question?

Wheeler: That's helpful.

Eudaly: That was a great explanation but how do we go people to use the tool?

Haack: The property fit tool? Or --

Eudaly: Or seismic because it's not happening.

Haack: The program ruled out in august, and we do have applications in-house right now that include a seismic Component. Those are more of the larger projects that are going through a repositioning in the marketplace. I don't know until there is a mandatory requirement that there will be an inducement on the part of private building owners to access the program.

Eudaly: Thank you.

Wheeler: Very good. Thank you. Colleagues, amendments. Commissioner Saltzman.

Saltzman: I would propose that we require the wall to floor connections in 15 years as was recommended by the policy.

Fish: Why do we have a policy --

Wheeler: I will second it. Second it for purposes of the discussion.

Fish: I have three amendments, I am passing them down to my colleagues. Let me just -- there's been a change. Oh, okay. Let me just say by way of preamble, I am generally persuaded that the committee recommendation has got it right with respect to the class one and two buildings. The disagreements that I am hearing when I get briefed from various people on this question, is limited to class 3 and 4 buildings, and I would characterize it as disagreements about means and not ends. I think that's very important. We are talking about broad agreement about the ends but disagreement about how you go from here to there. And some of the themes that are of concern to me have to do with Affordability of housing and art spaces and potential for displacement of vulnerable tenants and the unintended consequences of large-scale demolition, historic structures, and other factors. Those are things to consider, and I have a concern about process so here's my amendments. Fish amendment number one adds a new whereas at the end of the whereas-es. The city of Portland is experiencing a housing crisis, and therefore has an interest in assuring that all options to preserve affordability were explored, especially in URM buildings where public dollars have been invested to guarantee long-term affordable house. This is intended to be a statement of concern and policy. It does not dictate an outcome.

Eudaly: Seconds.

Fish: Fish amendment two is a little edgier but not withstanding the answers we got from the panel. I would like this to be on the table because I would benefit from hearing people's reactions to it so Fish amendment two would strike a portion of the second part of the be it further resolved that city council directs staff to develop code language to strengthen the triggers in the existing code related to seismic retrofitting. So, in that we would keep that language but strike the language that goes on to say and to require mandatory retrofits of class 3 and 4 URM buildings as described in the URM policy committee final report, and blah, blah, blah.

Saltzman: So, you are Removing the retrofits for class 3 and 4?

Fish: Yes, and I will explain. I just need a second.

Wheeler: Second.

Fish: So the purpose is to pose what I think is a fundamental question, which is have we decided conclusively that there is no amount of strengthening of the existing law including the triggers that can produce the outcome that we want short of a mandate, and if the consensus is that you have to have a mandate because the existing law will never get you

May 9-10, 2018

there, and it's just inadequate, I would like to hear reaction to that from stakeholders. It deletes the next further resolved, they have 0 years to perform because -- 20 years to perform because you would not need the mandate if it was structured in a way to get the outcomes we want. Fish amendment three adds a be it further resolved that this working group, which is the working group in the mayor's office amended resolution, would take up a number of issues in the next year. Shall be subject to the board's and commission reform adopted on November 8, 2017, the resolution number 37328, including mandatory conflict of interest disclosures. Do I have a second?

Wheeler: Second.

Fish: The purpose is to make explicit that any committee that is formed would be subject to the reforms we adopted and that includes mandatory disclosure of conflicts of interest.

Wheeler: Very good.

Fish: And mayor, just one other, this is in the nature of not so much an amendment but just offering an interpretation. Be it further resolved that says that the city council directs the city staff to develop a proposal to capitalize and administer a pool of funds to support the retrofitting of Portland URM buildings through loan subsidies or similar mechanisms, and it would be my intent when we take this back up that staff be specifically directed to look at a number of tools, including the prosper Portland setting up a grant program and revolving loan program and the council further enhance any grant or loan program with proceeds from build Portland.

Wheeler: Is that a motion?

Fish: A statement of intent.

Wheeler: I second Fish two. Commissioner Fritz.

Fritz: Thank you. Just to clear the amendments are moved and seconded to put on the table for discussion, does not indicate that there is any kind of consensus on the Council. Mine is the city council will develop a financial plan to bring all city owned un-reinforcements to compliance with the adopted mandatory seismic retrofitting standards based on the assessed cost to retrofit.

Eudaly: Second.

Fritz: The reason is we have got a lot of city buildings that don't comply, and some of them are class one and some of them are class two and lots of Class three, and none of the proposed mechanisms and financing work for the city of Portland. The tax credits, all those. So in parks alone the estimate is 20 to 40 million. To bring just the class 1, class 2 up into compliance. I want to discuss with my colleagues how can we ensure that we as a council and not asking property owners, private property owners to do something which the city is not going to do so that's the intent. I might discuss whether we would say private property owners don't have to do it if the city is in compliance at this time deadline, too, knowing we're in the middle of the budget season and how difficult it is to find even a million dollars to do something or finding 20 to 40 million for parks is a significant challenge for the city, and I think that we need to have a plan to do it if we are.

Wheeler: Very good, commissioner eudaly, did you have any amendments?

Eudaly: I do not.

Wheeler: I am going to add to mine. And again folks, none of this is in concrete, these are for discussion purposes. And we will have my guess a number of weeks between tonight's hearing and our final deliberations, we put enough on the table that we have plenty to discuss. I will read the entire amendment and read it quickly and pause on the part that's new. Now therefore be it resolved the city council directs staff to Develop code language for a mandatory seismic retrofit program for class one and two URM buildings as described in the unreinforced masonry policy committee final report returned to council for adoption with the year and be it further resolved the city council directs staff to develop code language to strengthen triggers in the existing code related to seismic retrofitting of the

May 9-10, 2018

buildings and to require mandatory retrofits of class 3 and 4 URM buildings as described in the unreinforced masonry committee report except not including wall floor ties. And be it further resolved class 3 and 4 building owners shall have 20 years to perform the described retrofits, and be it further resolved that the city staff from the bureau of development services, prosper Portland and the bureau of emergency management to formulate a working group comprised of URM building owners, building tenants and other subject experts charged with further evaluating reasonable seismic retro fit requirements, support, incentives and timelines for class 3 and 4 URM buildings and to return to the council within a year to report on the findings, this includes... this is the new language, and I will get you written copies, this includes identifying the specific strategies to achieve wall floor ties including incentives, financing, and hardship options. This includes an evaluation of the impact on insurance rates for seismically retrofitted buildings including floor, wall Ties.

Fish: Second.

Wheeler: Motion, second, done. Any other amendments? Further discussion. Public testimony? Folks? Name for the record, and if you are about six inches from the microphone that works best. Two minutes each. Please stop when your two minutes is up. I hate to play microphone police so stop when your two minutes are up, and you are welcome to come up if you have heard your testimony being expressed. You can come up and say I agree and my name is whatever and I agree and you don't need to repeat the testimony. So Karla, give us the first three names please.

Wheeler: We have a tradition at Portland city hall, if you are here with a small child and need to go, or if you have a disability and need to come up early or other circumstances, please feel free to approach Karla at the council clerk's desk and she will work you in early.

Fish: Is that ken, uncles?

Wheeler: Good afternoon.

David G Gwyther: I am David Gwyther, here on my own behalf. Not lobbying for anybody at this time. I wanted to bring the council's attention to the problem that happens sometimes within city government where the city owned buildings, have not been brought up to the standards that they should be for this type of an amendment. I want to see the city set a good example, and I think that the city already is headed in that direction. The building I was going to bring is the city parking structure. I have got a study that was done for us last year. And you are spending 28 million to primarily enhance the beauty of the structure, without dealing with the seismic issues. Now it's not technically a URM building but has the same characteristics. For example, when they built it they built it with pillars, and put corbels in, which are brackets, and they balanced the beams on the brackets and they did not attach the brackets to the pillars. So, you have got, for the first five floors you have the same characteristics as URM. They also, and this just recently came to my attention, they did not -- they have panels at the ends of where the cars are parked so they don't go off into the streets by accident. One of them did. Hit the panel and broke it off and fell down and missed and a lot of pedestrians and people waiting for the tram, and the reason for that is that is not attached to the pillars, those panels are not attached to the pillars. What holds them together or 10, pieces of rebar, and cement, and as the building is getting older that is less.

Fish: Thank you very much. The mayor has given me the gavel, colleagues, the mayor filed his proposed budget and I will entertain any motions to Add or subtract any amounts. Hearing none, mr. Unkeles, welcome.

Ken Unkeles: Thank you. Commissioners, thank you for taking the time to be thoughtful about this, and I know my useful life of my attention span is, has come and gone. My business is renting artist studios. I own and manage over 400,000 feet of the URM

May 9-10, 2018

buildings. My program is an oddball program in that I try not to raise rents. My rents are affordable. I think that I am an essential part of the artistic eco-system in this town. We have 175 artist studios up to 450 artists regularly coming and going from those studios. I confess, totally confusion after listening to the last couple of hours, I read the report over the weekend, and I understood that the low number for retro fit was \$51 a foot, that was proposed, and then I heard \$11 today so I don't know what to make of that. I know that a new roof cost 5.5 a foot. And so how do you retrofit a new roof, tie it to the wall for 5.5 more dollars. I am not sure about the numbers. When I heard commissioner Fritz say that parts is between 20 and 40 million, that gives me the idea we are making numbers up as we go. I agree we have a life safety issue. We have to get to work. I recommend we enforce the current code, beef it up, tweak it, and if I have 400,000 feet, and it's 20 a foot, let's say, Pick a number in the middle, that's 8 million, I will not keep rents the same if I have to spend 8 million, that's a decade of my net profit and maybe more. I have not actually looked at that. I would just say that at my age and my stress level and experience dealing with the city, I am heading for the hills. And you can -- it's not a threat but I just -- I won't be doing business as I used to.

Wheeler: Thank you sir. Good afternoon.

Al Solheim: I am al solheim. I will make my comments brief.

Fish: Is your mic on?

Solheim: I am experienced. I renovated of buildings and metastasize mick conditions and codes. I am here today because I want to say that I believe the existing code works and with the considered strengthening it will work better. The triggers such as roof replacement, dollars spent, and percentage of the building renovated are pretty well thought out and reasonable. Had the city done a better job of existing code enforcement, particularly the roof requirements, the results would have been better. The mandatory requirements for proposed category three and four buildings should not be implemented. Rather than implementing the upgrades the city should establish a funding mechanism for property owners who can demonstrate the need. Even today just replacing the roof can be expensive and proposition depending on the condition of the roof and adding additional seismic work can be surprisingly expensive and exceed the natural resources of a given building owner. Each of their needs and conditions are different and the financing structure and the capacity is different. My greatest concern are the unintended consequences of a mandatory program for both the city and the property owner. From the city's standpoint the unattended consequences range from proposed mandatory provisions, to conflicting other city policies such as affordable housing and work spaces and policies meant to preserve and strengthen the cultural and economic vitality of existing neighborhoods. It is quite likely that a mandatory program could lead to significant number of buildings being transferred into the hands of the developers, possibly leading to increased demolition and decreased ownership of local buildings. For the property owners, the consequences of the mandatory upgrades, may be such that the mandatory upgrades exceed the financial reality of the building and the building's economics or the owner's financial capacity, and importantly the building owner's personal capacity to deal with these proposed provisions. There are a lot of different owners and many do not have the talents of Walt. So, the property owner, may have no choice to sell to the Developers sharing the same unintended consequences that the city faces that lead to forced instability and existing neighborhoods. And what if we have an economic downturn and financing is unavailable and the real estate market retracts? What happens then, so in summary, mandatory requirements should not be implemented, the testing code should be examined. I think it's fundamentally good. Enforcement should be strengthened, and a funding mechanism should be established with building owners who do not have the capacity to meet the coding requirements which would be related to the roof work initially. The issues are complex and are, there are few

May 9-10, 2018

easy answers, it needs to be kept simple. It is the unintended consequences for the city and property owners that concern me the most. Thank you.

Wheeler: Thanks all three of you.

Wheeler: Good afternoon.

Meara McLaughlin: I am Meara McLoughlin, the executive director of the new nonprofit music Portland representing and advocating for the music industry here. And more than 60 music venues are already determined to be potentially impacted by this resolution, and music provide as key cultural value to the city and a signature direct and indirect economic value. And as such music Portland asks for venues, offering live music to be considered collectively for the first time. We understand it has been difficult to consider any music business in a collective sense because it's never been brought together, that's what music Portland is doing. And music venues are operating on thin margins, and while suffering rising rents, there are few of them that own their properties so that conversation happens, and they suffer rising rents and short-term leases which disincentive them from improving the facilities for performance and certainly around seismic. The fear is that they would be driven out entirely by property owners. Additional cost performance would be catastrophic for the music industry. This compounds the existing commitment to residential infill which already presents signature risks. Music in Portland has an enormous economic impact. There are more than 1500 music businesses, including venues. We have nearly twice the number of live music venues as Austin, and we have an estimated 500 million in direct revenue that we're going to be evaluating and providing you data. The goal is to make sure that the music industry as it applies to this resolution and in larger strategic ways, is considered as a collective in the ways that it informs and encourages growth, culture, economic development, and all these other things. It needs a strategic and integrated response.

Wheeler: Thank you. Appreciate it. Well timed. Good afternoon.

Roger Jones: Good afternoon. I am roger jones. I've been doing this kind of stuff for longer than this council, but I want to make a point that public safety is not free. We know public safety is not free. It's got to be bade for. It has to be paid for by the public or by the private industry. There is a reason that 95% of the buildings have not been retrofitted. 95% had no incentive in 1994. And I talked to Margaret long ago and about the incentive issue before 1994, and I said, you don't incentivize it, it won't happen, okay. It did not happen. 95%, we're at the same point where we were 25 years ago. I want to compliment the commissioner on amendment number two. I believe pulling class 3 and class 4 buildings out immediately and not mandating it just as the last speaker and many other people here will say. Do not mandate without having financing in place. No plan, no mandate. And I'm going to give my time back. I could keep talking for a long time.

Wheeler: Appreciate it. Thank you.

Fish: Could we get a copy of your testimony electronically?

McLaughlin: Yes. The full length.

Fish: Thank you very much.

Wheeler: Good afternoon. Go ahead.

Nancy Chapin: Portland's my city. I was born here. Completed my degree here and been involved with the business district since 1988, 30 years. I get a kick out of driving to the different districts. Some so moderate and up to date. Others almost entirely reminiscent of the last century. 1922, 36 and in between. Either way, my city makes me smile. Built out similarities and differences. I want my city to be safe too. However, I want the places where the children are our future to be made our current version of safe first. Let's not continue red lining nearly 2,000 buildings destroying livelihood and affordable living space in a period where we desperately need affordable living space. I ask you to slow this process down which you are doing. Knowledge that most of these buildings meet current code or don't because of a system error and ease the minds, hearts and threat to livelihood of the owners of our unique and interesting one to three story brick buildings. By

May 9-10, 2018

the way, I'm sure you know developers are already making low-ball offers to beleaguer property owners who are afraid to lose livelihood or affordable housing. Somehow if you can figure out how to get the banks even to make loans and not red line the buildings that the owners are being concerned, that would be a help.

Wheeler: Thank you. Good afternoon.

Angie Evan: Hello. My name is Angie Evan. I was born here in 1959. I'm also a community leader in the Woodstock district and I also run a non-profit on Woodstock's main street. First of all, I want to let you know the Woodstock business association board of directors voted on this matter and they voted no on proceeding with the mandate. They are concerned about the small businesses and also the business district. Woodstock business district which we have 10 buildings on that street, we see if a mandate goes through and there's no funding, it will be decimated. I'm gravely concerned about the unintended consequences. But I'm even more concerned about the intended consequences. If there's no plan or safety net for buildings. 2485 of the code can work if we lower thresholds and add incentives. Please acknowledge retro fits can cause hundreds of thousands of dollars to over a million dollars. And broad-brush approach will not set building owners up for success. I'd like to talk to you a little bit about the financing and funding that's being proposed. I've taken a deep dive into the funding and this is what I found. Sb 311 exempts non-profits and it also defends schools. And also, the c-pace is 6% loan exempts condo owners and requires mortgage holders to take second position lien. Our mortgage companies have been called and declined they would do that. As far as outside of the -- it not available outside of the inner city and the \$5 million for old town Chinatown is inequitable. I could talk about this for hours and my time's up. If anybody would like to discuss this with me further at another time, I can do that.

Wheeler: Thank you. Appreciate your testimony. Good afternoon.

Tim Evan: Hello. Tim Evan. I've been called a cheater of the code by Steven Novack on this policy. Him and his wife's cousin wrote the article in the New Yorker that started this fear on the west coast about everything falling off west of the I-5. I've been told I skirted the code by Margaret Mahoney and policy members. This code 2485 would have a much higher capture rate on roofs, but the city failed. My wife and I got a permit with a reputable roofing company. In 2005, it was inspected. The inspector came and signed off on it. No mention of retro fits or mention of URMs. So, the city might know how bad they failed on this policy if they checked their records. This happened to many of the owners here in the room. And now the city expects us to catch up with this problem. The mandate resolution amendment will destroy Portland as we know it. Oregon city won the award of best main street in America. Main street is made up of urns, shops, businesses, cafes, coffee shops. Turns out, Portland has many streets, many main streets. And they are lined with URMs. They have trendy businesses, cafes, coffee shops, gathering places. Provide affordable rents for residents and businesses in the neighborhoods. The mandate resolution will change all that. They will be demolished and repurposed with much higher rents. That will only happen in the trendiest neighborhoods. Will fall into disrepair and a blight that will fall all over these neighborhoods. Portland will not be Portland any more. I'm in the meetings which we had no representation in. The only consistent answer is we received, if you can't afford this mandate you will have to demolish or sell. Many of these buildings are on small lots with other buildings next to them on both sides.

The 2035 plan took away their height limit, so they have no options for development or selling. This is wrong, this is not Portland. Fix the schools and the critical buildings and put the other buildings back in the 2485 code and fix the code. Offer incentives and achieve quicker results.

Wheeler: Thank you, sir. Next three, please.

Karla: Was there Kevin Meyers? Thank you. We'll go out of record. Some people wanted to come up together. Tom Dyke, Greg Heinze and Alex Roth.

Wheeler: I'm sorry, I don't know I have a quorum.

Karla: And followed by the Atwoods.

Tom Dyke: Good afternoon, mayor and commissioners. My name is Tom Dike. I'm speaking on behalf of the Portland city club and I've submitted more extensive written testimony for you to look at. In the spring of 2016, the city club of Portland research committee of its members to study the question of earthquake resilience in Portland and to make recommendations concerning improving that resilience. The resulting report big

May 9-10, 2018

steps before the big one in February of 2017 was approved by a 98% vote of the membership of the city club. In that report, there were a number of recommendations, two of which are pertinent today. One is that we urge that the city of Portland adopt a mandatory retro fit policy as developed by the URM policy committee final report. Secondly, we urge the Oregon legislature to pass senate bill 311 to provide incentives to aid property owners in doing those retro fits. Spare the reasons for the recommendations. They were adequately covered by professor Goldfinger and the other opening statements. We concur with those statements about the need for mandatory retro fit policy. So, to summarize, the city club of Portland and its 2,000 members support the proposed mandatory URM retro fit policy as in the URM committee's final report. And secondly, we support the development of an ancillary property tax off set program under senate bill 311 to assist in the retro fitting cost. Thank you.

Roger Jones: Good afternoon. My name is roger jones. I was here before and I'm speaking for Greg Harris of the hawthorn boulevard business association. I'm director and he's the president but he had to leave. There's written testimony about the hawthorn boulevard having upwards of 45 buildings. I did not address that in my own personal testimony. But all of our members are concerned that the sense of place that we've worked for to have the kind of shops and the kind of businesses, the small businesses and the unique environment that we've created on hawthorn boulevard is going to be decimated if there are not incentives for people to retro fit things. If they don't get financing, they will go underneath, they'll be demolished. The demolishing will happen -- normally, one other thing that I have to say is this: And it's hard but in 2016, the city published a list of URM buildings. At that point, you basically created a death sentence for the buildings that you identified in that 1650 buildings. The next thing that happened was that the title companies and the real estate industry picked up that list and now that that list exists in the city of Portland, you can't get a loan. You are physically red lined. Whether you vote for a mandate or not today or next week or whenever, you have basically created a death sentence for those individuals.

Wheeler: Thank you, sir. Good afternoon.

Alex Roth: Hi. I'm Alex Roth from northeast Portland. And I have a good friend who lives in Santa Cruz, California. She moved there to go to college before the earthquake in 1989. I've been down there several times, most recently a few weeks ago. I've been to the downtown there with her. She pointed out to me what is now an empty lot where there used to be a building that held a much beloved coffee shop that was frequented by college students and young people including her. She described to me how she went back to that space she knew well the second night after the earthquake. That building collapsed. Held the Santa Cruz coffee roasting company. Two people were killed. The first one they were able to find right away. The second one was buried under a pile of rubble and took nearly 48 hours for the rescuers to dig through and recover her body. And my friend described how she went to that place on that second night and participated in a vigil with a large number of young people holding candles standing out there without knowing at that time whether the young woman was dead or alive. They knew she was in there. And I could see how deeply this affected her. To me, that under scores what is at stake in this whole discussion. It concerns me a lot that the standards we're discussing are not up to the life safety standard. It seems from what the engineers tell us that's the standard needed to protect the life and the safety of Portlanders. We have an opportunity now to require meaningful upgrades that will protect Portlanders in the future when the earthquake comes. And I believe that if we don't take that opportunity that a time will come when we will regret that. Thank you.

Wheeler: Thank you. Thanks, all three of you.

Karla: Next are Dana, Chloe, Asher and Jim Atwood

Wheeler: Good afternoon.

Jim Atwood: Good afternoon, mayor. Jim Atwood. I'm with my wife dana, my daughter and my son. They've designated part of their time to me to expedite our testimony this afternoon. I'll make it as brief as I can. I've been here before. I was back here in February with my lawyer. And we talked about the glade hotel. I didn't get a chance to speak at all. My dad was born in sellwood general hospital in 1922. At that time, it was a suburb of Portland. I've lived in Portland since 1947 to avoid homelessness in the early 50s, our family moved into my grand parents' chicken coop to not be homeless. We were a poor

May 9-10, 2018

family. I graduated dirt poor from Jefferson high school in 1965. And in 1968 I started selling real estate. And I worked 80 hours a week and I lived frugally and saved as much of my commissions as I could. I accumulated a little nest egg to use for seed money to buy old vacant brick buildings mostly in downtown Portland mostly in old town. And over the years, i've updated those buildings. Brought them up to the code at the time. And the reason my family is here today, i'm in my 70s and if something happens to me, they are going to be relying on the income of those properties to feed and clothe and educate my family. So it's my survival that i'm talking about. And that's why i'm here to plead my case on a personal basis. Chloe and asher are supposed to be in gymnastics class this afternoon. If this goes through, there will be no money for gymnastics classes. That's why they opted to come down here this afternoon. In particular, i'd like to bring you back to the glade hotel. This is one of the buildings that I have. It's about a 5250 square foot building. It's in old town. I'm proud to say that my buildings are now occupied by happy residents and small businesses paying below market rents. And if these buildings have to be upgraded, they'll basically be demolished and these people will be put out on the streets. I have people living for less than \$600 a month including utilities in this building. Good people that couldn't be here this afternoon. A lady that works at the flower cart, a chef preparing for a banquet. The problem with the study and the committee is garbage in, garbage out. I was kind of sucked in many years ago by Portland development commission to do a feasibility analysis. Upgrade for the glade hotel. This was going to be the poster child of an economical seismic upgrade. I spent many hours marching through that building with photographers, pdc officials, contractors and subcontractors. I thought I was going to be a celebrity on a brochure showing how to get small buildings seismically upgraded. And I thought it was going to be a demonstration grant from pdc. I heard somebody say pdc should put together a grant program. This may have been the beginning of that. And I paid for half the feasibility study and pdc paid for all of the cost analysis for the seismic upgrade which are summarized here on this board. Basically, i've heard figures mentioned 4 or \$5 a square foot or \$11 a square foot. And when the numbers came back to pdc, my contact there quit returning my phone calls. I had no idea what happened. It was like pulling teeth to get the numbers out of pdc. But as you can see, the hard costs, the pits of the roof was \$259,000. That's over \$50 a foot just for the hard cost. That doesn't include soft costs, lost rents, other remodeling that would be necessary if a full seismic upgrade was done. The replacement value was \$940,000. The seismic upgrade alone, the hard costs were 907 necessary remodeling costs to accommodate the seismic upgrade. 400,000. You get to a million three hard cost. Another soft cost at 100. All this for a building that you can replace for 900,000. Frankly, I would not waste any more staff time with category 3s and 4s. If you want to do something worthwhile, you should take a random selection of the 1600 or 1700 buildings and do a cost analysis. An initial cost analysis so that you'd know what type of numbers, what kind of costs you are mandating. I think you are opening the city to a number of claims. This is basically a condemnation of somebody earlier with the 1600 buildings. When a public agency condemns private property, you have to compensate the private property owner. You'll open yourself up to compensation claims for taking. You'll open yourself up to measure 49 claims. Decreasing the value of the property through legislation. You'll open yourself to claims possibly -- there's a uniform building code. The state is in charge of the building code, not the city. And buildings that are built according to code, at the time, we all agree new buildings are stronger than the old buildings. The new buildings that comply with code are not required to do seismic upgrades under the current law. And I think you should honor the current law and it's fine if you want to upgrade schools and public buildings and properties the city owns and if you want to buy these 1600 properties and upgrade those too, that's fine. But to mandate -- to issue unfunded mandate through faulty studies and faulty numbers is wrong. Thank you very much.

Wheeler: Thank you. Appreciate it.

Karla: Next three are terry jolly, bill easeman and lisa burton. Trish asaunders, john and cathy.

Wheeler: It's been about five hours since we last had the rules of the chamber read. I would ask people not to applaud or boo or shout. Thumbs you are great. Thumbs down. That way we can keep the testimony moving without interruption. Good afternoon and welcome.

May 9-10, 2018

Lisa Burton: Good afternoon. My name is lisa burton. I'm a family physician. I came today just in support of the small business owner because although I am not, my father was in eastern Oregon for many years. And money was very tight. And you pay your bills first and you pay your employees. You put money away for a rainy day and last, you pay yourself. But I am where I am because of my parents. And I see now the changes that are happening in Portland and my father was always making a bid against a large company trying to get in there and find a place. And now I see what happened is these national companies that have chain stores will come in and Portland will lose its feel. And that's the last 20 years i've lived here and enjoyed it. And each day as I drive down foster road to go to work and back and I see with the gentrification plans and the road plans and the street changing. My hairdresser is moving out of the city. My daughter-in-law's dog groomer and tailor have already moved out of the city. And I see the small businesses moving out and Portland changing. Thank you.

Wheeler: Thank you. Good afternoon.

Bill Eastman: Good afternoon. My name is bill eastman. I am the proud owner of a cmu building on southeast foster. Somehow it ended up on your list. And somehow I have to get it off or sell it or tear it down. I don't really have the money to do what you'd like to mandate. I could over time refinance my house and get all this done. But at age 68, the clock's running out. And I had hoped to use that as a source of funds for my retirement. I prepared quite a bit to say, more than two minutes. Sadly, i've only got one minute left. I want to help the city fix this problem. I want to be part of the solution, not part of the problem. Okay? I think we all want the same thing. But in order to do that, we need to learn from our past mistakes and change our behavior. In my opinion, doing business here for the last 40 years, the city of Portland does not have a policy that guarantees transparency. I, as a mom and pop with a small piece of property was not represented by this policy. I only recently found out about it. So i'd like for it to be transparent. I'd like for it to be collaborative. It would be good if we had a voice on the committee. And i'd like for it to be cost effective. Leading by example, fixing the schools is great. Unfunded mandate is just not going to work. We have to have financial incentives. There has to be a way to pay for it. The bank won't loan me money on a building with gray shadow on it.

Wheeler: Thank you, sir.

Teri Joly: Good afternoon. I'm teri joly. I'm a native Oregonian. I'm an architect's daughter and currently a tour guide. I work for one of several tour companies in this area. One of my favorite tours is the city tour cause I love Portland. And one of the things I like to point out is historic value of some of our buildings that we have. One especially I like to go by is the weiss department just south of everett. It's such a unique building and everybody is just blown away by it. They don't have anything -- I don't care how big a town they are from. They don't have anything like that in their town. And I take them up into northwest 24th and show them other historic homes and different buildings and I like to drive them by some of the examples of things we do to preserve our architectural history. Like we will repurpose a total building and make it of value in another way than what it was originally built for. We'll also take the architectural outside of the building and repurpose it by building a whole new building around it and incorporating that architectural value. And then we'll do things like the grove hotel where we got the hotel, keep the outside and build a new one inside of it. And people are just blown away by the creativity we have to preserve our architectural history. And that really impresses visitors. And they get a neat idea of what Portland is all about. And I want to maintain that. And I understand about the safety standard and how important it is to keep our citizens safe. But also our architectural history is important as well. Thank you.

Fritz: Could I just ask a question? You are not a property owner. As somebody who cares about the buildings, cares about the buildings but cares about people not being killed by being in a building that falls down, do you think the people of Portland would be willing to pay more property taxes or something else in order to be able to finance this?

Joly: Yes, but I think the city of Portland will change. The people who can't afford it will move out. And so we'll have a different city.

Fritz: Seems to me what we're talking about is how to pay for this. I hope we agree we'd rather people not be killed by falling masonry. Thank you.

Karla: Trisha, john and cathy rogers. And they'll be followed by mark rogers, will prouidy and mark strong.

May 9-10, 2018

Trisha Saunders: Hi.

Wheeler: Good afternoon.

Tricia Saunders: I'm trisha saunders. I'm retired from amtrak. I work for travel Portland on the weekends and also part time for the marriott residence inn. For many years I was coming to Portland on amtrak and as soon as I retired in 2004, I moved here immediately cause I love Portland so much. I moved into the most beautiful buildings in Portland. It's the one that terry jolie was just speaking about on northwest 23rd. And then the last few years since i've been here, the rents have sky rocketed everywhere. I've seen many friends and other people that I know have to leave. They have to either leave Portland, move somewhere way out or actually move to another state because they can't afford it. And I was terrified because I love my building. I love where I live. I didn't really have to be terrified after all. Turns out it didn't happen in our building. Pippa erin is the owner of the building and she lives there. She didn't do to us what so many people had happened to them where all the rents were raised. She kept it where it was still affordable and she didn't kick us out so she could make more money from other people coming in who could afford to pay more. It's a really happy place. I have a couple brochures here. Since i've been living there in the last 14 years, twice we've been on the cover of the nob hill walking map and a lot of magazines. If you can see on this one little brochure, there's a balcony on the third floor that overlooks 23rd avenue. And from that little balcony, i've looked down so many times. Real quick. We've had models there, professional photographers, wedding parties, all these things. It's a tourist interaction. And the hop on hop off bus goes through. They point us out. I'm just asking you to please save beautiful old historic buildings and don't take the heart and soul out of Portland.

Wheeler: Thank you. Good afternoon.

John Frickt: Good afternoon. My name is john frickt. I've been a resident of Portland since 1980. I've enjoyed my stay here. I live in a URM building on southeast hawthorn. I'm retired and live on a fixed income. And my main concern is if you implement the measures on the buildings i'm going to be homeless. I mean, this is going to be a broad affect on a lot of people. the building is safe. It's well maintained. It's clean. As a matter of fact, it's in better shape than some of the other buildings i've lived in that are much newer. I just don't want to see this lead to people being in my situation. I cannot afford to move someplace else. Plain and simple. Thank you for your time.

Wheeler: Thank you. We appreciate you being here.

Kathy Rogers: Hi. Cathy rogers. I own a URM apartment building on hawthorn. I would first like to thank the mayor and commissioner Fish and commissioner Fritz for the amendments. I think they are good additions to the resolution. To answer your question, nobody wants to see anybody hurt or killed, of course. We would all love to have safe buildings. We are all in agreement it comes down to how do we pay for this and we need more discussion on how to do this. There's been a lot of discussion about cost. We've spent \$8,000 on an engineering study to get real numbers on our building. And it is well over a million dollars to get through step 3. We've talked a lot about the costs. What I haven't heard talked much about is if you go to step three which is walls to floors, these tenants will be displaced. What's going to happen to all of the residential tenants that have affordable rents? What's going to happen to our small businesses? What's going to happen to their employees? If a small business is displaced, a restaurant, a coffee shop, vintage retail store, there's every likelihood they may go out of business. You can't just relocate a business for six months and then come back. And I haven't heard much about how are we going to handle all of the tenants? I'd like you to consider that and i'd like to participate on a committee and be part of the solution not the problem.

Wheeler: Thank you. Elizabeth, if you could get her contact information, that would be fantastic.

Rogers: She's got it.

Wheeler: Great. Thank you.

Karla: Mark rogers, will proudy and mark stromme followed by jay raskin, kayla and ann kilkenney.

Wheeler: Good afternoon. Thanks for being here.

Mark Stromme: My name is mark stromme. I'm the owner of one URM building in northwest Portland. Good afternoon commissioners and also wanted to thank the mayor Fish --

May 9-10, 2018

Wheeler: Oh, come on. He's probably more deeply offended than I am.

Stromme: First, I would like to say that, in general, I believe the city tries to operate in a spirit of cooperation, openness and transparency. But I believe the city has failed this test with respect to this measure. Building owners affected by this mandate have been ignored, rebuffed and not provided adequate forum for meaningful dialogue to participate in this process. And nor have the affected tenants whether residential or commercial. Please provide this broader forum before adopting a measure for private owners. During this time of intense focus on building our affordable housing inventory, it is baffling to me you would consider adopting such a nuclear option on our inventory or the more affordable units. Those being the older properties of historic nature. Let me address my situation with you. I have been the steward for the past 31 years of 1910 building on northwest 22nd place. It's four stories. Over a basement. But has just 16 large units with a total of 20 occupants. I estimate the cost to be near \$2 million to do all phases of the retro fit you are suggesting in this measure including the floors to walls given there would be four floors of attachment required. Given that this investment would not save the building but may or may not save lives, I would see demolition as the logical path. The mandate you are considering is a complex issue which could have unintended consequences that have been discussed. It is irresponsible to place the burden on the backs of small business owners. I would suggest the council adopt this measure for buildings of critical importance but send back for further review and public input by stakeholders in formulating a better plan for how to deal with individual buildings. Reject any mandate at this time for class 3 and 4 buildings. Let's let a stronger building code do the job for us.

Wheeler: Thank you, sir. Thanks for being here. Good afternoon.

Mark Rogers: Good afternoon, mayor and councilmen. Mark Rogers. Part owner of URM building on 19th and Hawthorn. We're talking about earthquake resilience here. I've been sitting here listening to testimony. I've been involved in this process since February of 2017. In some ways I feel like a coin got flipped and landed on URM buildings. If you look at the -- one of the biggest concerns in an earthquake is fire. The San Francisco earthquake, fire killed thousands and thousands of people. Burned up hundreds of blocks. There's tens of thousands of buildings and single-family residences that are equipped with gas and don't have a seismic shut off valve on them that would shut gas off to that structure upon a shake. So if we're talking about tens of thousands of individual structures and buildings, to me, that's how you move the needle the quickest in the shortest amount of time for \$500 with some type of program to make that work. There's also safe rooms. There's also early warning systems that have been explored. I think the city of Beaverton is actually looking at an early warning system or safe room where they could get up to a minute's notice. I do agree, we want safe buildings and want to do what we can. Really comes down to cost. How do we make this work? If we can get 75 or 80% of the benefit by doing parapets and chimneys, that seems to be a logical way to go about starting this process. I think honestly the committee did an excellent job in presenting you with the technical aspects of ways to protect our buildings. What I do think fell short there was the involvement in all stakeholders or representatives of all stakeholders. Those are condo owners and small business owners that are in a building that they have their business in or the business that has 12 employees in a URM. Those people weren't represented. So I think the proposal that you got didn't have that input. I think that's important. And I think we need a new committee that comes with innovative ideas.

Wheeler: Thank you. Sealage, you got it. I'm not going to predict. Creates such a committee. If the council decides that's the direction to go, we'd be delighted to have your participation. Thank you, sir. Next three, please.

Karla: Was there will proudly? Jay Raskin, Kayla and Ann Kilkenny. Followed by Jeremy, Lee Farenbocker and Ray Van Beek.

Jay Raskin: I'm Jay Raskin. Chair of the Oregon seismic safety policy advisory commission. We've been following this process for a number of years and supportive of it. And send a letter of recommendation for adoption of the policy committee's recommendations. I also submitted an additional letter. We're concerned about the weakening of the measure. And I would actually propose that the city council adopt class 1 and class 2 recommendations and then wait for further study for the class 3. RDPO created a study that's now published in March. It's a much finer assessment about what the risk of

May 9-10, 2018

all buildings are in the Portland/metro area. And gives additional information to the city that wasn't previously available. A much finer tooth. It was done building by building and although they aggregate the information, you can get a lot more finer policy recommendations out of that than anything we've been able to do before. It's also the basis of an economic study. So the city could get information about the effectiveness of incentives as well as how building owners understand what investments they need to make in order to protect their own investments. There's a real danger in adopting substandard upgrade recommendations for URMs. It fosters a false sense of security. People think that the buildings are safer than they really are. And 2 to 4 minutes means it's meaning less. It's better not to do it at all. There's an element of tragedy of class 3 and class 4 standards. The building owners who have concerns about the upgrades also have the most to lose if they don't upgrade.

Fritz: Did you say you sent us that in writing?

Raskin: Yeah. It was in writing.

Fritz: Thank you very much. Appreciate that.

Wheeler: Thank you, sir. Who is next?

Kayla Anchell: Kayla anchill. I don't have a solution to the complex problem. I did want to share a personal testimony. The city I love and grew up in. Since the housing boom and land grab. I spent all of my savings on a down payment and closing costs. I don't know how much it will cost to retro fit my building. When I bought my home I made sure the mortgage was one I could afford. If it raises my hoa fees too much more, it will be a serious financial burden for me. Additionally, when retro fits are being made, I cannot afford a mortgage on top of renting somewhere for 9 to 12 months. I'm not a small or large business owner, i'm a single income working woman fully supporting myself. There is no way for me to off set these costs outside of taking another job on top of my current 40 to 50 hour a week job. I'm terrified i'll be forced to sell my home at a devastating loss. I thank the committee for the time they have put into drafting this policy and do recognize the serious need for safety measures. Please consider people like myself who don't want to be forced to sell their home because they don't afford steep retro fit costs. Thank you.

Fish: Thank you. Welcome.

Anne Kilkenny: Good afternoon, everybody. Ann killkenny. I am a life long Portlander. And I happen to own a small masonry building. I also own a home that I just finished retro fitting at over a million dollars. The figures given by the committee this afternoon to be absolutely ridiculously low. I don't know where they got those figures but I have all of my figures and I have all of my receipts should you wish to see them. I will continue by saying I agree with the comments by mr. Atwood. It's a goal to try to improve the safety of the buildings in this city. This effort must include all of the buildings not just a targeted few. This resolution will negatively impact thousands of people, building owners, small businesses and those who live in apartments. Many of which are considered to be affordable housing. I thought we were supposed to be at a housing crisis. If this ordinance is enacted, it could put thousands of people at risk of homelessness described by one of the earlier people who testified. Entire main streets and neighborhoods could be decimated. There's no mention in this document of Portland's aging infrastructure, bridges, overpasses, the electrical grid, water pipes and gas lines all of which are at serious risk of catastrophic damage in the event of a natural disaster, such as an earthquake. Damage to the infrastructure will dwarf any damage to the relatively small number of targeted URMs and the disruption of basic services will be monumental and long lasting. Unfunded mandate will do no good for anybody. This ordinance could also destroy buildings and apartments and vibrant main streets disrupting neighborhoods and people's lives as much as any potential earthquake ever would. Should the removal be forced upon the owners of this resolution. I urge you all to consider further study of this issue and include small land holders on any future studies.

Fish: The future you laid out was bleak. With respect to water sewer services, we're finished with the Washington park reservoir burial which will be in our lifetime and not that far off. When we build the pipe under the river, we will have a fairly secure system.

Kilkenny: What are you going to do about the dams?

Fish: Just trying to get you through tonight to sleep. We'll deal with that later.

Kilkenny: Okay, fine. Thank you so much.

Wheeler: Thank you. Next three.

May 9-10, 2018

Karla: Jeremy, lee and ray van beek. They'll be followed by sarah Fish, andrew bowl and chris tust.

Wheeler: Good afternoon.

Jeremy: Good afternoon. I'm jeremy. I've worked here for almost two decades. I've worked at multiple venues around town. Embers that just shut down recently. Dantes. This is a balancing act that's really, really huge. This is the largest thing you guys have ever had to do. And I understand that. The problem is without tremendous help from the city and the state to help finance these pushes, you are going to watch so many places shut down. I've seen places shut down and sit vacant. I've seen homeless people just hang out there day and night. It's going to get worse unless there's tremendous backing from you to help the small business owners. And has to be across the board. School, tenants, everything. It has to be fair and legit across the board. We're going to get to see more of these outside developers move around Portland like vultures. Going from the lowest bids and taking places. I love this town and love this community and love these people. I want to see them flourish and build. Without help and fairness across the board, that won't happen. Thank you.

Wheeler: Thank you. Appreciate it. Good afternoon.

Lee Fehrenbacher: Good afternoon. Some of these points have already been raised. My name is lee and i'm an apartment broker. Our company is the largest firm in the pacific northwest. Many of our clients own URM buildings and as such my colleagues and I have been paying close attention to the URM policy committee work. While I don't think anyone would question is the importance of preserving these buildings, we are concerned that implementing mandatory requirements will have negative consequences without identifying adequate financial resources. Many of our clients who own URM buildings lack the equity funds and experience necessary to complete a seismic retro fit. There is a deficiency of financial decisions imposed by the URM committee and few financial resources are available by private banks. Our company is concerned that rather than preserving the fabric of our city, the proposed mandates. I've already spoken with one owner who has resigned themselves to redeveloping in northwest Portland. Wanted to provide a third-party perspective should the council implement these requirements.

Saltzman: Stick with that and don't adopt any requirements for tying floors to walls for 20 years.

And can 10 years down the road and no further along in developing financial tools than we are right now. Maybe we get sent a bill for 311 implemented. What would you recommend for the council sitting here to do with that mandate that would be on the books but yet no resources?

Fehrenbacher: Sure. I think it's a problem. I think it's a difficult question. And the policy advisory committee has been working on it for years. They are on the right track and done good work and some of the amendments tonight are also in the right direction. I think you really need to implement some financial resources to set owners up for success rather than failure. And implementing mandatory requirements that people are not going to be able to complete financially is the same as waiting ten years for a solution that we don't have now.

Saltzman: Is that the only balancing factor in this equation? What about the obligation to protect the 600,000 people that live, eat, sleep in this city?

Fehrenbacher: Yeah, it's huge. I think it's a very good question. I think everyone would agree that these buildings are an asset to our city and they need to be preserved and made safe. It's not a question. I don't have answers myself. From a market perspective, without financial resources to help people accomplish this goal, they'll be set up for failure.

Saltzman: Thank you.

Fish: And that failure could be a reprice of what happened when we adopted another mandate in 1995 because we didn't enforce it in any kind of systematic way and there weren't adequate incentives at the time to help facilitate those changes. So that's one way of looking at it. And having read a number of reports including the city of seattle's report on URM, I don't think there's a city in the country that doesn't recognize this is a problem. I don't think anyone's testified today saying the life safety issues are not urgent. Even seattle has said they have to figure out a way to fund it. That is a question for us to consider. If seattle has gotten to the same fork in the road and said until we have that mechanism, we don't want to put in place a mandate that leads to demolitions. That's one

May 9-10, 2018

of the things we're going to have to debate. In a couple minutes, I have an excused absence to represent the council at another gathering. This is among the most thoughtful hearings we've had in a long time in terms of very, very thoughtful well reasoned arguments and at the end of the day, we have to balance a number of things. That's what everyone has said in so many words. I appreciate the quality of the testimony to help us get to the right place.

Wheeler: Thank you. Good afternoon, sir.

Ryan Van Beek: Good afternoon. My name is ray van beek. I had a deal set for three minutes. A week or so ago my wife and I took a walk through our neighborhood and identified 20 beautiful old brickers that will have rent affordability effected by these rules. The reason i'm here today is I have owned for over 25 years a small commercial building approximately 10,000 square feet on a 15,000 square foot lot. Lifetime resident of Portland. All in the lower east side. I went to holiday grade school and became a member of the initial graduating class when holiday was torn down to accommodate the lloyd center. I graduated from Washington high school and Portland state college. I've lived in the same home for over 50 years. I bought jewel Lansing's accounting practice and practiced under my own name for 30 years in lower southeast Portland. I have very deep roots in this neighborhood, in this city. About 25 years ago, I bought the original east county Portland library building. Which previously been converted to offices. I managed that property myself which allows me to keep the rents low and helps explain why three of my tenants have been there over 20 years. Those tenants employ approximately 40 people. The land value of my property which is zoned exd is enormous. The property is very near my old high school which is now a revolution hall. I walked through my property with the developer's revolution. They gave me off the cuff estimate for seismic upgrades of over \$1 million. Not including relocation costs or soft costs. And the building would need to be brought up to ada standards. And all the ada improvements would add additional million dollars to that cost. \$2 million on a 10,000 square foot building because it was built as a library. Wasn't built very efficient. And still end up with a class c building. No way rents would justify having been an accountant for 35 years what that property I own will accommodate is 60,000 square feet under current zoning. It can't remain as the property that it is. Going to have to go.

Wheeler: Thank you, sir. Thanks all three of you.

Karla: Sarah, Andrew bowl and Chris tufts followed by Brian Leon and Tim Holmes.

Wheeler: Would you like to start?

Sarah Fritsch, Schoolhouse Electric: Thank you. My name is sarah Fritz. School house is a family-owned company just down the road in northwest Portland. Our school house building is 125,000 square feet of industrial use. It's historically registered and been restored. We have 200 people coming to work every day plus our customers. These people are family to us. Their health and safety are everything. We aim to offer them jobs, career paths, benefits and meaningful positions and fast-growing design driven company that strives to support and protect American manufacturing. Keep in mind the advantage that we all have as we sit here today wrestling with the important issue. We're all here because we all want the same things. Safety and want to be prepared and want functioning relationships between building owners, tenants, small businesses, buildings and the city government. Put those heads together towards common goals to determine a path forward that doesn't force businesses like ours to choose between human safety and company survival. I believe we could and should find a way to have both. We owe that to one another. Our request is simple. Please include business leaders, building owners and impacted tenants as you rethink an approach and time line that mitigates disruption while maximizing safety. I want to believe there's an innovative way to protect citizens and continue to operate and thrive.

Wheeler: Thank you. Appreciate it.

Andrew Bohl: Andrew bowl. Also, at school house. Came down here 14 years ago to take a job in manufacturing. Bought from third party process in California. When I started, there were two people in the manufacturing department now. Manufacturing fulfillment is over 100. We're about 160. It's been a great economic opportunity to be in a URM. Gave us a great incubator. We've been in three in succession and now in 125,000 square foot. It's not long for us to have been in that building and rapidly growing. This business has allowed me to purchase a home in northeast Portland. While I worry about the seismic waves that

May 9-10, 2018

could knock down our building, I also worry about the waves that could come out of a mandate damaging our business or flattening businesses in Portland in general.

Chris Tufts: I echo a lot of the comments my colleagues said. To enforce we really do value our employees. And we're happy that there's a minimum wage increase. While we don't pay minimum wage, we're happy to push our wages up in line with that. We think it helps our employees. What it could mean for us in the future, it becomes rather untenable. Banks aren't going to loan on the value of the building when the mandated retro fits far exceed that value. And in our case, we're in a northwest industrial sanctuary. As a manufacturer we can't sustain a rent that's going to pay for these kinds of retro fits. That ends up having to force us into new places. And not what we want to do. We do believe in the life safety of our employees and in the last year, we've invested a tremendous amount of money into the building and into life safety in that building. For those reasons that we do value those employees. But this mandate is tough to fulfill. I also want to say thank you very much for allowing this kind of public commentary and taking our opinions into account.

Wheeler: We appreciate your being here.

Fritz: What kind of life safety have you invested in in the building?

Wheeler: We've made massive updates to all the stairwells to make sure they are fireproof, sprinkler upgrades to make sure that's fireproof, fire escapes on the outside of the building, electrical upgrades. There's been easily over a half a million just in the last year to improve the quality of life for our folks.

Saltzman: Were these elective or required by code?

Tufts: There's a bit of both in there.

Wheeler: Thank you. Appreciate your testimony. Next three.

Karla: Leon, tim holmes and peggy moretti and they'll be followed by pippa erin, sonella -- can't read the last name and elaine mcardel.

Wheeler: Is everybody in the chamber now or do we still have...everybody is here? Well, that's good news. Okay. Good. For those of you who were scattered about the building, thank you so much for your patience. We appreciate it.

Fritz: If you heard your name, come on forward. The other two aren't here yet.

Tim Holmes: Good afternoon. My name is tim holmes. Former president of centrally sided industrial council chairman of the renewal district for ceic and chairman of the Burnside bridge head committee. I own unreinforced masonry in the ig 1 northeast. And I rewrote this like 8 times. My wife then said I had to be nice. So i'm going to wing it. I wanted to talk to you about stewardship and responsibility. We take out building permits to protect ourselves, to protect the people in the building and protect future buyers that the building is up to code. And we pay money to have these things reviewed and trust that the city understands and knows what they are talking about. I have purchased all the necessary permits since i've owned the building in 1987. And now, the building people have changed their mind and put that ownous on me. That seems unfair. That should go back to the city of Portland all included citizens and the building department. I don't feel that the sb 311 is going to help me much. As soon as you vote this mandate in my price will drop substantially on the value of the building. January 1 I will go into the county and try to lower my real market value. So i'm not going to have a building real market value to give me any kind of assistance. The last thing I wanted to throw out is funding, offering a loan there is no fund in funding. It's just adding interest on to a cost that is born on me. And I appreciate commissioner Fritz, my feeling is you take care of the city of Portland's buildings. You get the city staff to focus on taking care of this stewardship of our town. Not just the buildings. You have bridged that the city of Portland is responsible for maintenance.

Fritz: Multnomah county is.

Holmes: Pardon me?

Fritz: That's Multnomah county.

Holmes: They own it but is Portland not responsible for maintenance?

Fritz: No.

Holmes: My point is we don't have any bridge that will stand up with the seismic update. So responsibility. City of Portland has responsibility in this.

Wheeler: Absolutely. Thank you, sir. Next three.

Karla: Is pippa erin here? Sonella rosani. Elaine. Susan rice, jim wilson.

May 9-10, 2018

Wheeler: Good afternoon. Do you want to start for us?

Pippa Arend: Yep. As an owner of a URM and founder of pair, working in-housing and homelessness issues, I want to be clear. No one wants unsafe buildings as we've talked about. However, this mandate was created unfairly without representation of small owners such as myself, condo owners, artists and other stakeholders. It's important to realize these retro fits are very expensive. Just this morning -- estimating the retro fits will cost at least \$60 million. For just 34 of the city's 73 URMs. I agree with that number. My estimates are similar to my own. Instead of enabling small owners to achieve increased safety standards, you are putting us at risk. We don't have access to the financial and engineering resources that walter and others of his caliber have. You will achieve the opposite of your goal. You will achieve blight. This is because the mandate increases retro fit requirements while on a time line, while providing no funding, while causing a reduction in access to capital, while not providing there will be no further mandate. This will have a damaging affect on a local owners who are often non-profits, women, minorities, the elderly, working class owners who maintained our streets for decades. Only winners here are developer s and who will demolish them and build bigger buildings. Mandate will create a city owned by those who care more about money the current retro fit works. The current retro fit code works. We don't need a new punitive one. We don't need to choose between preservation and safety. I urge you to retro fit your own buildings and enforce and fund the current code for privately owned buildings. In the words of jane jacobs, this is not the building of cities.

This is the sacking of cities.

Wheeler: Thank you.

Karla: Can you state your name?

Arend: Pippa Arend.

Sonela Ruuizunik: Good afternoon. I live in a building on 23rd. I came to this country 23 years ago from Bosnia as a refugee. Since I've come it's been my life-long passion to study conflict and understand conflict. And I actually scratched what I was going to say to raise some questions talking about public safety and mandate to protect people. We have listened here speaking about technical sides of things of earthquakes and how buildings that respond to the earthquakes. The city has not asked for the study or considered the study of what is going to happen to the people and what are the people's responses to not just disaster but the conflict. This is going to create conflict. There is conflict already in Portland with rising rents, homelessness, non-affordable housing and so forth. Conflict arises primarily from perceived or real inequality. From these perceived real inequalities, there is a rising of the social conflict and it's not just homelessness and mental health issues. It's people who are dissatisfied with what is going on in the city. So, I would like to urge the city consider taking the perspective that in conflict when there is earthquake, when there are natural disasters, people ban together. When there is a conflict that is caused by this inequality, it's more conflict, there is violence. There is social violence.

Wheeler: Thank you. Appreciate your perspective on that. Good afternoon.

Susann Rice: Hi. Thanks for having us today. My name is Susie rice. I'm a native Portlander. I was born and raised and educated all in the state of Oregon. I live in the URM and bought in 2016. I bought without disclosures. The city of Portland sent its notice to the developer's mailbox. We are a small condo association with only 14 owners and building is up to current code. Requiring full mandate of owners without full financial help would put so much financial strain on small association that people would have to walk away from their homes which would be financially devastating. We know this. This is my first home I bought on my own. You can imagine my excitement. Beautiful historic Portland condo. And you can imagine the sadness now thinking I might lose it. I love my city but also wonder what's happening to it. Displace people for a mandate that is not thought out. For a nurse, I see firsthand the consequences of displacement and impact on families and individual mental health. I am full support for safety for our buildings. I am also in support for immediate well-being. I spend time around buildings and elected officials as my grandmother was active in Oregon politics. She taught me about democracy and how people's voices should always be heard. And that you don't require this mandate.

Wheeler: Thank you. She was a great woman. One of my favorites.

Rice: Thank you.

Karla: Jim Wilson. Come on up if I call your name. Jim Wilson. Lisa ward. Lynn henrahan.

May 9-10, 2018

Marcus Irving. Robert Hunter.

Wheeler: Can I see a show of hands how many people signed up but have not had the chance to testify? Not that many. We'll get through everybody.

Jim Wilson: Hello. Jim Wilson. I moved here 34 years ago from Alberta to purchase and renovate my first building. So, I gave up my path to Canadian citizenship and a lot of great access to mountaineering and Rockies. We purchased a brick building at 843 north knots 20 years ago. To install a new roof with seismic upgrades according to our bids is between 147,000 and 170,000. The seismic component of that is 70,000. Only one-third needs back bracing would be higher. Our engineer calculates this reduces the loads by a factor of 4. This is a significant reduction in the loads for the money spent. The wall to floor upgrades would cost an additional several hundred thousand dollars. Senate bill 311 would provide 134,000 of property tax relief over a 20-year period. So that would pay for the 70,000 of the roofs and only 64,000 for several hundred thousand dollars of upgrades to do floors to walls. If we could make the upgrades, we cannot afford the upgrades. We would make the upgrades and must change the use of the building or build out higher end units. The problem with senate bill 311 is schools and services and contractors do not take payments. The number of owners will need financial support to accomplish the walls upgrades. We would need financial support to accomplish the floors to walls upgrades. Upgrading existing URM buildings or reasonably priced whether it is in the city's inventory is an excellent investment. We support the amendment in effort to help owners succeed in increasing safety and space for residents and businesses.

Wheeler: Thank you. Good afternoon.

Lisa Ward: Hi. Lisa Ward. And among other things, I'm a native Portlander. I'm an architect. Artist with shared studio space which is masonry building in north Portland. And I also work in the film industry. I'm set designer and art director. I was surprised at the thoroughness of the report. I've been here since the beginning. I wanted to thank the council and thank the committee for all the work they have done. I think there's more work to be done. I think that no one would argue with the safety concerns being raised here. I think we should all look to financial solution. I think this is a civic issue. And I think that we should be looking to levies to support the improvements to happen to class one and class two buildings as soon as possible. Maybe even sooner than the time frame proposed. In terms of class 3 and class 4 buildings, we should be looking to the developers tearing our city apart. And to start looking at using fees from those development projects which are making people a lot of money to put back in preserving the Portland that older Portlanders love and want to protect. And I'm going to finish my testimony by reading a few paragraphs from Jane Jacobs death and life of great cities. This is the need for age of buildings cities need old buildings so badly. Impossible for streets to grow without them. By old buildings, I mean not museum piece old buildings, not old buildings in excellent expensive state of rehabilitation but also a good lot of plain ordinary low value old buildings. If a city area has only new buildings, enterprises that can exist there are automatically limited to those who can support the high costs of new construction.

Fritz: I'm sorry. I'm going to have to leave soon.

Ward: That's fine. Just to end. As for really new ideas for any kind no matter how ultimately profitable or successful some of them might prove to leave, there is no error and experimentation in the economy of new construction. Old ideas can sometimes use new buildings. New ideas must use old buildings.

Wheeler: Thank you. Appreciate it. Good afternoon.

Lynn Hanrahan: My name is Lynn and I'm here with my husband Steve who is back there. And Steve and I have actually been involved with a couple URM buildings. The first one, the old gas station at 7 corners. We ran a kitchen and home store there for 16 years. And we retired last year. The owner who is a Californian who was very interested in retro fits because he understood the issue more firsthand than we do wanted to sell the building. So, when we retired, the new owner that bought it from our landlord wanted to open a restaurant in the current space. But because of the retro fit and the expense to update it just in general and what it would take to open a restaurant, he said this doesn't pencil out. That building is now going to be torn down. So, we can see its already kind of happening here. And that building needed a lot of work. I understand it's not like the next building I'm going to talk to. It needed a lot of work. But it's a love building. I loved that building. So then move to the other situation 1529 southeast hawthorn. We heard from Susan rice who

May 9-10, 2018

is the nurse. So, we bought a studio condo in that building in 2006. So, a low-income brother would have secure housing. So, we did not know we were on the URM list. And in the time frame when you first started having meetings august of 2016 to November of 2017, three people bought units in our building not knowing there was a huge financial cloud behind them and that should have never happened. When Susie bought her unit, she didn't know it was on the URM list. And the realtors didn't, and bankers didn't. That's very unfortunate aspect of this. And the other concern I have is condos. How is a condo association going to manage this? I think we need a funded mandate if we're going to have a mandate. Thank you.

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

Karla: Richard Larson. Paul Medica, Megan McGuire. Louie Longmeyer. Susan Emmonds. Steve Rose.

Wheeler: Good afternoon, sir.

Richard Larson: Good afternoon. Thanks for having me here. I appreciate the work the council's done on this and the committees. I agree with the amendments and the work that's been done overall.

Fritz: Name for the record, please.

Larson: Richard Larson. Sorry. I think I agree with a lot of the testimony about the financing is the problem it's going to put a burden on not only the mom and pop, but I think everybody that looks at the investment in real estate as well as livelihood. I don't know about the death sentence issues. If you take a 7,000 square foot building and add \$700,000 worth of seismic upgrades to it, you can increase the basis by 50% and not expect the rents aren't going to follow. So, the demolition is probably the likely course for a lot of these buildings. I think there should be exceptions included in the policy for single-story buildings. Maybe there's a different way to look at those. Hawthorn boulevard is littered lot after lot with one- and two-story brick buildings. It would be unfortunate if they all looked like the glass palaces that are happening. So, I'd appreciate the council. I appreciate funding is necessary for mandate. Thank you.

Wheeler: Thank you. Good afternoon.

Paul Medica: Good afternoon. My name is Paul Medica. I am a URM building manager and part owner on Belmont in the Belmont district close to hawthorn. I will echo what the person to my left here mentioned which is the main streets within the city, especially in the southeast side. They are basically the main areas where the URM buildings are located except where you have schools. I'm affected, my tenants are affected. I am not the ordinary manager. I took the time to inform my tenants they are living in URM building and what safety precautions they need to take in the case of events. In the past three months I took time to examine URM improvement programs around the country. I actually made a trip to San Francisco and Charleston, South Carolina. Charleston suffered a 7.7 in 1890 and another event in 1991. Municipality or county successfully instituted a URM seismic program in an area where there had been a recent or no recent seismic event... excuse me. And I came across FEMA report p 774 which documents, it's very interesting by the way. I submit to this council they should at least browse it. It was written for the use by non-technical audiences. The title was unreinforced masonry building earthquake successful risk reduction program. I'll make this very quick. In the casework that FEMA presents in this document, there are two of 12 case studies, there are only two that have a common theme. Local funding support with local finance institutions and a program inception after a recent seismic event.

Wheeler: Thank you. Appreciate it. Good afternoon.

Steve Rose: Hi there. I'm Steve Rose with Bristol urban apartments and on the retro fit support community. I established my business 28 years ago. My company manages 35, mostly historic, apartment buildings, several of them are URMs. Also, I was appointed by the governor to the Oregon seismic safety policy advisory commission in 2001 and served until 2004. I would like to speak to the public process. I did attend some of the standard meetings but was not allowed to provide input on the retro fit requirements. I question the issue of liquefaction. That continued throughout the process and even true today. I also talked about new construction in a major Cascadia event. There was little interest in any discussion on that matter. I was appointed to the other committee, the incentive committee, at the time which was later changed to the support committee. The support committee brainstormed many different ideas about possible sources of financing, grants,

May 9-10, 2018

rebates, tax abatements, tax credits and even f-a-r transfers. In the end, we did not make progress on any. After meeting for a year, the committee could not come up with any tools that would enable owners to execute any proposed mandatory retro fits that the standards committee had put forth without severe hardship, probable financial ruin and demolition. Since 1994 code was established is active triggers only. Changes of occupancy, major renovations and installation of new roof could perform some level of retro fit buildings. Couple more seconds here. 24 years later, very few URM's undergone any work to make them safer. Not because building owners are cheaters or bad stewards. Or for that matter, fans of being unsafe. Heck, many URM owners live and work in their own buildings. More progress has to be made for one simple reason. It's overall cost in the inability to borrow the money to get the work done. Banks will not lend on URM's. Quick word about placarding which I know was discussed.

Wheeler: Very quick. You are almost a minute over. Lots of people waiting.

Rose: I was on the committee. I don't know if that allows me.

Wheeler: I'm giving it to you but be mindful.

Rose: We agreed in our committee that placarding could be used as an incentive similar to historic building placard. Once the building went through the process of the working done. We were adamant unless the code compliance after the expired term to perform the work. So, I support the mayor's and commissioner's resolutions in an important step to dealing with retro fits. I cannot impress upon the commissioners strong enough the need to enable owners by providing financing and financial incentives to comply.

Wheeler: All set. Thank you, all three of you. Next three, please.

Karla: Lost my place here. Ben Kaiser. Robert hunter. Ben Kaiser. Amanda Robruhaux.

Wheeler: Good afternoon.

Ben Kaiser: Good afternoon. Thank you to the commission. Thank you, mayor and I agree with everything that's been discussed today. I won't repeat most of it. I think we've been dealing --

Fritz: Name on the record.

Kaiser: Ben Kaiser. I've been studying this issue for five years now from the private side and digging deep into what we can do as a city around early notification systems. And I think there's great advancements around the world in regard to that. I think if we're talking about spending this amount of money, that's something to explore. I also fully support your idea around tax that we all pay as city citizens. That's a fairway to dispense the costs we all benefit from for both these private and public buildings as well as public infrastructure. Rather than putting it all on the private sector to solve. We're all in this together. A tax city wide would be important. Also important to dig into the actual facts of the case. When we're talking about preserving life, let's really study what we're talking about. Seems the founding of the united states since the early 1800, 4 people die per year in earthquakes around the united states. More people die from vending machines falling on them. More people die from lighting strikes. And really an opioid epidemic is killing 20,000 people a year in the united states as opposed to 4 as a result of earthquakes. And it was brought up the San Francisco earthquake. What's fascinating about that. Those are mostly wood buildings in 1906. The majority of those burned down in the fire caused by the broken gas lines, not by URM buildings. Those were wood buildings at the time. The earthquake in 2011, very, very few people were killed in 9.1 earthquake. The vast majority over 97% were killed in the tsunami. When we're talking about deaths and what we're trying to preserve, let's dig into the numbers and the cost spent to do it. That's the most important part. With that information, we can dig into a solution that will work for everybody.

Wheeler: Thank you, ben. Appreciate it.

Fritz: I just want to clarify, I was not proposing a tax.

Kaiser: All right. I don't want to put your name on that.

Wheeler: Good afternoon, sir. Thank you for your patience.

Robert Hunter: There about 12 category 9 earthquakes throughout the world each year.

Fritz: Could you put your name in the record.

Hunter: Robert hunter. I own buildings here in town. And I rent part of my building out to the person who fixes the fire hoses for the city of Portland. My building happens to be a URM. And it's great you are listening to everybody here. Take into account what they have been saying and bring them in on your decision making. I talked to an acquaintance. He owns his building southeast and rents in northwest which is a URM. And he said straight

May 9-10, 2018

out to me if my landlord raises my rent I'm suing him and most likely the city of Portland. So it's very important for you to get this right by taking all this in from all these people who have been speaking and include them. That's basically all I have to say.

Wheeler: Thank you, sir. Thank you for being here. Good afternoon.

Amanda Robruhau: Hi. Amanda Robruhau. I'm an attorney. I am not a building or property owner. I'm a business owner with a long-term lease in a URM. We practice out of the 13,000 square foot building. The old city water building. I just want to start by saying I care about my employees and certainly want them to be safe. Want to be in a building that's safe. I think the cost I guess that you have been quoted this 9 to \$11, that's just incorrect. That lady -- I'm sorry, this is the first time I've been in this building. First time I've really heard about this was a couple weeks ago. So, I don't know really know anybody else that was here. That lady that was on the end and she's even told you that cost doesn't include costs for displaced rents. It also probably doesn't include displaced wages. And so for them they would be doubly affected. They pay \$900 a month for their one-bedroom apartment. If they can get a \$900 apartment there, no. It's like 1500 to \$2000 a month for a studio apartment with like the pull-down bed. That's like what we're dealing with. For me, as a business owner, I'm trying to keep my wages at a reasonable cost. We've already talked about potentially moving out of the city. And I wouldn't want to do that. The city that we serve, this is our community, our clients. We are a disability law practice. We have 76 employees. Four partners. We create a lot of jobs and we also have a lot of people that we serve. We have thousands of clients here in Portland alone. And in the northwest pacific northwest. But we have to think about that. We have to think about these people that we help. I just wanted to let you know that cost that she's quoted you is just not correct. Doesn't count a lot of these other factors. I'd ask that you consider.

Wheeler: Thank you. We don't want you to leave Portland either. Thank you for your testimony all three of you.

Karla: Chandler Hicks. Rudy Monzel. Fred Leeson, Mya Forte. Diana Hwang.

Wheeler: How many people are waiting?

Karla: Denise Pratt and Bill Pratt. Brad Haimer. Rosanne Romaine.

Fred Leeson: I think I scared them all away. I'm Fred Leeson. Board member -- we appreciate the historical context. We also greatly understand the human safety issues. We've heard today your solution has got to be to find funding. And we support you in that. I wish I was smart enough to help you. I really intended to come with something I thought was a unique and creative idea. You've already seen it. That is the placarding thing. I was in California last November. Went to the historic Carmel mission building and I saw the sign this is not an earthquake-safe building put up by the state of California. I think that's an idea you need to consider that does have consequences. When and how you do it. I think primarily in residential buildings, people need to know do I want to live here or do I not? Sort of like the packet on the cigarette. We know it kills us, but you got a warrant do you want to smoke this damn thing or not? The California mission guys were so smart in 1797, they put the gift shop right at the front entrance.

Wheeler: Good afternoon.

Diana Hwang: My name is Diana Hwang. And I want to thank Nick Fish for his amendment recommendations. I also want to support Commissioner Fritz on putting the class 1s and 2s in terms of higher seismic retro fit work and requirements. For the class 3 and 4, I support most of the comments and sympathize with the building owners here regarding the need for the financing to make things work. But I would put it towards the mayor and the commissioners. I'm making you a bold request to really look at how this seismic retro fit for the class 3 and 4 buildings can be done with very creative incentive packages and not the use of mandates. The reason I say this, I am the owner of a 1928 three-story beautiful brick building. It is not a URM. And I pride myself as being a person who does things proactively. My husband and I in 2016 were actually looking at voluntarily doing some seismic retro fit work. Our building is self-story, not URM. So, it has a series of garages. We were looking at what we could do to support the structure around the garages, install steel beams such as this. We spent about \$10,000 in architecture and engineering work to do this. But as we found out about the city's proposal for mandates, we came to a complete halt. We could not proceed further. Nobody in the city could tell us that the work would be grandfathered if you decided to have mandates for soft story down the road. We are at a complete stop. I looked at a bank for seismic retro fit funding. They said because

May 9-10, 2018

my building is older than 1940, they wanted foundation work. So, to keep my building and do the work that's necessary, now, seismic retro fit work, if we had to do things like tie in -- and I don't have a problem with the roof stuff. But if we had to tie in floors as well as the garages and do foundation work, it almost looks like it would be better to build a new building. But zoning r-5, I asked the development Portland development --

Wheeler: I have to ask you to wrap it up.

Hwang: They said you could not tear down -- if you tore down your building, you could only build two houses. You could not replace the 14 unit apartment building. And to do that, you'd have to wait until something happened to it like an earthquake or a fire.

Wheeler: Thank you. Appreciate you sharing that.

Brad Hamer: Good afternoon. My family owns four buildings on the URM list and we have come to the conclusion we cannot justify the cost of doing retro fits in the old buildings. They are not worth it when the infrastructure is 80 to 100 years old. When this mandate passes, we will ride it out as long as we can and probably sell to a developer. We don't want to sell but we believe the value will fall to the value of the land, which means loans will be defaulted on and developers will pick them up cheap. The bad thing about selling to a developer is affordable rent in these old buildings will be gone. I call it free market, low cost housing. People are only willing to pay less for these old buildings because they have less amenities. We do not want our buildings to come down but we cannot justify the cost, we are torn. We love the character and charm of the old buildings but the best choice for us to make is to sell or to demolish and rebuild. Also, will it make them usable after an earthquake? There are 7,000 on the list. What we understand is the retrofits are only to keep them standing during an earthquake, not after, which means thousands are homeless in the aftermath, and however, educating the people on what to do if services are needed. I have seen one put out by former mayor Sam Adams, an earthquake information map that had information about being prepared like an emergency bag with a couple of supplies, like a bug-out bag kind of thing. I think educating the people on what to do during an earthquake is -- earthquake --

Fritz: She worked on that with Sam Adams. You just made that Jonna Papaefthimiou's day, because she worked on that with Sam Adams.

Wheeler: She's got cheering behind you. You saved her best work. In our building since we got it. Thank you, all three of you.

Karla: Dorothy Cofield, Lindsey Levy, Shea Gilligan.

Wheeler: Good afternoon.

Roseanne Romaine: Hi. Actually, good evening.

Wheeler: Well, it's getting there, isn't it? Yeah.

Romaine: I'm Rosanna romaine. I am a small restaurant owner in Portland for the last 18 years, and we are located in your building, and myself and the business partner, who is also the building owner, have looked at the mandate and are fairly convinced that we cannot afford to work with this mandate. We won't be able to keep the building. We won't be able to keep our business, and the most important thing to me are my employees and there's 40 people that work for me and I feel responsible for them. If we can't and won't have funding and backing from the city, who I have been over the last 18 years been very supportive of, and not just by creating jobs and tax revenue, but also by creating culture and tourism and the restaurant business is very important to Portland and brings in a lot of people. These 40 people would be unemployed. They have rent to pay, mortgages to pay. They put themselves through the university here. We have graduated doctors, nurses, architects, out of our restaurant and group of employees. This would be an immediate effect. It would be -- we're talking about saving lives and saving our community, but we have to think about saving people and the value of these people here and now, and I don't see a solution here with a mandate that you've proposed to us at this point.

Wheeler: Thank you. We appreciate your perspective. Good afternoon.

Dorothy Cofield: I'm here for my family, which owns 1329 southwest 14th. It's called the Grandview now. I helped find this building for my dad, who is now 95 1/2, and couldn't be here today because he's bedridden, and at the time the building was known as the glass

May 9-10, 2018

staircase. It was built in 1907, and at that time it had four floors but in the '70s, a creative worker put in an elevator and it was called the glass staircase. This would be completely unaffordable, as many others have testified. I happen to be a land use attorney and I help clients all the time get through different city and county processes, and I can tell you, their budgets are always sadly, sadly too low. In this day and age, you need a whole team of consultants. These buildings probably end up discovering asbestos. Other people have talked about ADA, everything kicks in. If it truly were \$11 a foot, I think the city could easily set up a fund and do it themselves. But I don't think anybody that's testified here today thinks that figure is anywhere near realistic. So, we have these 48 units, met all the city codes all these years, put in the fire escapes, did everything that we were asked to do, and we can't do this. And people who have rents of \$300, \$400, \$500, are not going to have a place to live, and it will be an 8,000 square foot lot vacant. Thank you.

Wheeler: Thank you.

Shea Gilligan: My name is Shea Gilligan, I am an architect and a URM building owner; therefore, I have dual interest and responsibility to uphold the building compliance and personally someone who is invested in the city and lived through how many goes into a partial upgrade of URM. The work, time, and money involved in renovation always exceeds that of new construction, which means that all of them have been great service to the city by being good stewards and asking these owners to further shoulder the costs and burdens of retrofits without financial assistance should be withdrawn. As an advocate for local and independent owners, those are our favorite clients. I don't know how to advise them when they're worried about the impending retrofits and they'll be forced to sell. As a young professional, I don't know how this prioritizes large businesses over small. I would ask the city council to be more supportive of those who have tools and pencils rather than profits, and another architect said there might be solutions in creating surcharges in permit fees to help subsidize old buildings.

Wheeler: Appreciate it, all three.

Karla: Next, Ray Johnson, James Bela, mark Mizarahe. Come on up if I call your name. Malia Jensen, Linda, dick Savara, Miriam Portney

Wheeler: Would you like to start, Mary?

Miriam Portney: Sure. I know we're all tired, so I'll try to keep it short. I'm Miriam Portney. I moved here from New York City in 2012 and found a home in Portland, as the neighborhood access to nature, quality of life. I've been living in an affordable studio apartment in southeast Belmont, it is close to public transportation, resources, and has become my home. I've worked as a bartender in a French restaurant for the last six years. They have become my family. They are a class 3 urm building. I'm working ahead in my professional career has quickly turned to anxiety. In June, I start to repay my student loans and I face the loss of my apartment and job and the health benefits they have provided. As I know that none of them have the finances to complete this retrofit. I am a Portlander and hope to contribute my hard work, passion, knowledge, and skill work to help envision a bright future for our city, as long as I can afford to live in it, and I think we can all agree that these are the desired goals, as I consider my only personal safety and my only economic resiliency, I feel that it is threatened. I hope we do the best to consider our current public safety as much as our future safety. This is about more than myself and my personal situation. Many may not know the impacts this decision will have on their lives. I have confidence that you will take your time and I am hopeful we can move forward collaboratively.

James Bela: I'm James Bela, earthquake awareness. The only thing we have to fear are earthquake-prone buildings and fear itself. I think of earthquake shaking ground motions which reminds me of motion pictures. One of the greatest was Cecille b. Demille, and action, in one such scene could only do one take, so he positioned three cameras at

May 9-10, 2018

different angles, did you get it? Oh, c.b., I was going to get it, but my film jammed, and I couldn't shoot. C.b. Ran up to the second camera. Did you get it? I was going to get it but a gust of wind cracked my lens on a rock. One final cameraman, one final hope. As soon as he approaches he said, ready when you are, c.b. So when will Portland be ready? City councils like to pass laws, but you can't bypass the law of gravity. Confucius say see what it right and not to do it is lack of courage, not fully cooked or half baked. The only things we have to fear are earthquake prone buildings and shear itself, and what I've heard today is that there's no way to pay for this stuff. So perhaps the city needs to set up a municipal bond program and provide low interest loans from the proceeds of that bond fund. But after the earthquake, these buildings will be gone anyway.

Wheeler: Thank you, sir. Good afternoon.

Vik Savara: Good evening. I think it's officially evening. My name is nick savara, and I own and I live in a URM building. I would like to thank the councilmen for holding the quorum so late in the evening. I was not expecting that, and I appreciate it.

Wheeler: We appreciate your patience as well.

Savara: So I won't repeat what other people have said. I was very pleased to hear the position of the mayor and of the other council members being so very considerate of the impact of the single older URM. Two years ago I was the only person in the committee room, and I asked the question, you're making decisions for 1,500 single-owner URM? How many of you own a URM? Not one person. And you are making decisions without any representation. I want to publicly thank the evert family for organizing the safe Portland building movement which has caused all of us to come together to share with you that we need representation. I would like to request the council that in your amendments where you had mentioned that they should be represented, make it a mandate that the working group which you have specified must include seven or eight members of the single-order URM family. Thank you again.

Wheeler: Thank you, sir. Appreciate it.

Karla: Next is michael feves, keith miller, dave bay, patrick hilton, virginia henkins, emily stetsman, richard young, stuart mcveigh, robert butler, and the last person I show is w. Johnson.

Michael Feves: Imagine, we're at the last presenter. Good evening, mayor wheeler, members of the council. My name is Michael feves, I'm a physicist with a Ph.D. From MIT. Many of our buildings are URM. We house over 200 people. We have 200 units that are in URMs. The rents average \$981 with some people paying \$450 to \$500. Some of our tenants have been with us for 35, 40 years. That's the population we're talking about here. I'm not going to go through all the rest of my testimony. You've heard a lot of it here. I'm sitting here all afternoon. I've come away with I think a conclusion. It's clear that the city needs to develop some kind of a flexible funding mechanism in order for property owners such as myself to be successful in this. I had to be flexible because you see the wide galley of people who have several buildings to one building for retirement. So I charge the committee that you're forming, I hope you form it, with that task, and until those mechanisms can come into play, we have to take class 3 and class 4 buildings off the table. It's clear, class 1 and 2, yes, they're critical and they need to be implemented, and the city needs to have a mechanism for doing their buildings. I applaud the amendments that the mayor, that you've made, and commissioner Fritz, you've made, and mayor-to-be nick Fish, but I think that's the right direction.

Feves: Too big of responsibility. I thank you for all the hard work you've done, for the hard work the staff has done. It's hard work. Let's get it done. Let's get a decision made. I think there's more light at the end of the tunnel than there was three years ago.

Wheeler: Thank you. Let's do it right. Good afternoon. You get the final word.

May 9-10, 2018

Virginia Hankins: Virginia Hankins, and my husband and I, Danny, own a building on Martin Luther King and Fremont, since 1990. One thing I want to bring to your attention, when we try to upgrade our building and do some things, we struggled for a loan for \$60,000, so I know for a fact I won't be getting one for \$200,000 or millions. Right now in our building, we have three small businesses. One is a beauty shop. One is a record shop. And then one is an artist. They have employees there, so if this mandate happens, it will cause us to lose our building that has been in our family for 28 years. The three small businesses will have to close, which will affect the employees. It will affect my family. The business owners, and their families. And another thing, I think, is that communication, if my property manager did not communicate with me and let me know that this was going on, I would not have known. But they did, my deceased father who has been deceased since 2005, so obviously, he wouldn't be able to read it. And my tenant, who said it doesn't affect me, so she just threw it away. And then I noticed on some of the pictures that they were showing of the earthquakes, I don't recall seeing one from Portland, Oregon. I know that we've had earthquakes here. And I think it's a good idea where you guys were saying the conflict of interest being revealed, and that's all I have to say.

Wheeler: Thank you, both. So thank you, everybody, for being here tonight. This was a long hearing, but it was an exceptional hearing. I think we got lots of good feedback, people gave us very thoughtful commentary. I'm leaving with a long list of good ideas. As promised, we're not going to deliberate tonight. We're not going to take a vote. I think we want to absorb this. Colleagues, it has been proposed that we continue this item to June 13th at 10:15 a.m. And it is my understanding based on the master schedule, Karla, that we're all able to be present for that. Is that correct?

Karla: Currently I show everybody in, yes.

Wheeler: Does anybody have any objections, continuation to June 13th, 10:00 a.m., time certain? Thanks, everybody. Thank you so much. We are adjourned.

May 9-10, 2018
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.

May 10, 2018 2pm

Wheeler: The May 10, 2018 afternoon session of the Portland city council. Karla, please call the roll. [roll call taken]

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

Wheeler: Could you please read item 459.

Item 459.

Wheeler: This is a continued hearing on this matter. At the last hearing on April 4th we reopened the record to allow applicant to submit design revisions and allow other participants to respond to those revisions. Today we're going to take testimony from the applicant, staff, the appellant and interested persons. Then we expect to close the record and deliberate towards a tentative decision. Before we begin I would like to ask members of the council whether they have any new ex-parte contacts or site visits to declare since our last hearing.

Fish: I'll start. I believe I have seen a couple of news articles about this matter. I believe that my staff has met with a number of interested parties but they have not briefed me on those meetings.

Fritz: I have seen a number of news articles and a number of emails.

Wheeler: Same for me. Does anyone present in the chamber have any questions they would like to ask any of the three of us? Commissioner Fish, commissioner Fritz or I, about those stated ex-parte contacts even though they are not really ex-parte contacts. Yes? No? Identify yourself for the record.

Fritz: You have to come to the microphone. Otherwise it can't be shown on the captioning.

Wheeler: Please state your name for the record.

Jeff Kleinman: I think you forgot to take note of commissioner Eudaly.

Wheeler: Did you have an ex-parte contact?

Eudaly: No, I haven't read any articles. I haven't read any emails. I haven't been briefed by my staff. There's nothing.

Wheeler: Very good. Thank you. Does anyone have any questions for those of us who have declared ex-parte contacts? Seeing none, good. Let's move on. The order of testimony is as follows unless legal counsel corrects me. Applicant gets ten minutes, staff report will take up to ten minutes. The principal appellant gets up to 15 minutes. Public testimony would be three minutes each. Then the applicant rebuttal if so needed five minutes. Very good. We'll start with the applicant. You have up to ten minutes. Of course you're not required to use it. You have up to that amount of time. Good afternoon. Welcome.

Tim Wybenga, TVA Architects: Good afternoon. Tim Wybenga with TVA architects.

Patrick Gilligan, Lincoln Property Company LLC: Patrick Gilligan, Lincoln Property Company

Wheeler: Thanks for giving us an opportunity to come back and reopen the record so we could make some restrictions and to describe what we have been up to here. I'll try to move through this quickly. Certainly, if there are any questions along the way or following I would be happy to answer those. Basic overview since our last hearing, as you know, we

May 9-10, 2018

expected to return a revise the design by April 11. Following that we elected to reach out to the pdna, thinking a good move to get us toward resolution. On April 17 we went and presented to the pearl district planning and transportation committee as we have done several times before so that they could carry an opinion of the recommended design changes to the board. Then on May 9 just yesterday we provided through the clerk a new set of technical documents that basically replicates the design review technical documents and our prior submittal to the new design. No new information, just refinement of what had been submitted on April 11th. In terms of what we have done to evolve the design of this project, based on your comments on the interaction with the pearl district and bds staff, as well as some guessing as to what were the issues we were tackling, it really broke down into four categories. That's how I have this presentation set up. First was to look at the distance between the sea wall and the building itself. The second was the clear width of the greenway path. Some look at the building over all massing then something we have been working on which is in the category of additional public benefit. To start from where we were, the skin was complying with green way standards but caused a number of issues with some of the appellants. What we have done since this point is targeted two primary areas. So, from that previously approved design we're looking at moving the building wall back from the sea wall and secondly create more usable open space --

Wheeler: Karla, could you freeze the clock? Where are you from?

Fritz: Wow

Wheeler: Bend? Excellent. Are you having fun?

Fish: How many of you would like to become architects? We have summer internship programs right here. Talk to this guy.

Wybenga: Tva, but be warned we work nights and weekend.

Eudaly: How many of you would like to be city commissioners. One: One and a half: We got one and a half: Architects win.

Wheeler: Welcome to Portland city hall. We're thrilled that you're here. Thank you for being here, kids. Thank you.

Wybenga: As I said, they don't know about the architects work nights and weekend comment on record a couple weeks back. We're looking to make revisions to the design in two key areas. We're trying to pull the building face landward and then find additional space by pulling the railing outbound. The net result of this plus one other move. Just moving that railing, suggested to us by clerks, but it was beyond the point we could make changes in the design review, that picks up 2.5 feet of usable space for the public. We pushed the facade back 13.5 feet and moved it towards naito parkway by 1.5 feet. The result is an additional 17.5 feet of open space between the sea wall and the building. That's kind of our final product. You can see how much space we have there. The big picture numbers, 43 foot four inches is the closest point of any part of the building. As you may recall the property line of the building facade are at a skewed angle. That's the closest point anywhere between the building and sea wall. The minimum walkway width, previously 13 foot and change is now 20 feet. Then I mentioned central city 2035, our understanding of the way that code is being written is that there's an actual averaging of the dimension on the greenway. We have reason to believe we're in compliance, but we certainly have proximate that with this new design. In terms of the path width itself, on a day not nearly as nice as today I can tell you I measured myself from south waterfront to north of the Fremont bridge. What we discovered is that at 20 feet clear this will be the widest section of greenway path from south to north.

Fritz: For the record, the Parks Bureau doesn't entirely agree with those measurements but that's not the basis for the finding. I just wanted to say that for the record.

Wybenga: Understood. Thank you. Basically, the places we have looked at where the paved section is widest would be at waterfront park and those are typically 18 feet. There

May 9-10, 2018

are spaces and park benches but in that 18 feet typically there's large cleats for tying off ships at the waterfront that takes the width down to 13. We're certainly in that line and far beyond anything that is in this portion. The new projects to the north of the Fremont bridge are also quite close and those are 18 foot six inches of pavement so we're exceeding what's been recently built to the north. So, take a look at this in plan view to make sure you understand what we're doing technically. This is the prior design approved by the design commission. You can see the pinch points where that went down to 13.5 feet. Just to show you graphically how we are getting that space: this first bit of hatching there in red shows both the foreshortening of the building and moving of the building, that extra foot and a half land ward toward Naito parkway. The second image you'll see what the changes have done to the effective width of the greenway path itself. Everything that's in pink is now usable, walkable, rideable, hardscape where previously it was a combination of benches and landscape and unusable space between the railing and sea wall. This is just a bit more graphic look at that rendered site plan of what the different pieces appeared parts are to that greenway. You can see we have a really creating a substantial public space here. I'll go into detail about what that is. There are two changes that have come about, we have had ongoing series of conversations with bds staff as they reviewed our April 11 submission. We had conversations to make sure we continue to better meet the guidelines. Two things that came up during that review in our haste to get that submission in April 11 we honestly skipped right past the fact that in creating these two artists' studios we neglected to provide an accessible path. There's a three-foot elevation change between the ground floor and the greenway. What's shown in the lower view is we have incorporated what's not technically a ramp because it's at a 1 to 20 slope meaning it's gradual enough there's no need for hand rails but a fully accessible route to that deck and artists' studios. We had a request for a drinking fountain that I believe will provide water to pedestrians and pets. We have incorporated that as well. Just to look at some of the aerial views to see the increased spread, we're still dealing with the fact that the greenway currently ends at the south end of the site. But this linkage and the new geometry and the width set it up nicely for future 2035 compliant projects to the south. Again, just to make sure we're referencing back to the existing you can see at the lower left where we were for the previous design. This is just some people in here for scale to give an idea of how much space there is. It's actually quite generous and really feels like a good bit of the rest of the waterfront in terms of the scale and more public areas.

Fish: Can you go back two slides? I just had a quick question... The difference between the previously approved design and the revised design, to the extent that people will pay premium to have river views and to be facing the river, do we have any reason to believe that the further setback has any impact on the experience that someone has living in the building and taking in the river?

Wybenga: Meaning would their views be diminished?

Fish: Yeah. One argument about being close to the river there are fewer obstructions. Further back you have a different perspective. Does it make any difference?

Wybenga: I don't know that I could say that for sure.

Gilligan: I don't think so. Part of the the lure is being that close to the waterfront. I don't think it will have a detrimental impact. The further back, obviously, the darker it gets and the more you're exposed to the pedestrian level.

Fish: Just looking at the two slides my impression is the revised plan feels less cramped. More open. More airy. Less cramped.

Wybenga: The other thing that's of benefit here is that even just we were working on integration of the public space, private space and transitional landscape. Some of that had to do with commissioner Fritz's comments about keeping those separate. In the end it allows differentiated zones for those to happen, but this puts more eyes on the greenway

May 9-10, 2018

particularly at the point where we have more deck, more public space, more space for people. I think that's a general benefit to the over all.

Fish: Thank you.

Wybenga: Sure. In terms of massing, we have covered this ad nauseam, certainly with the design commission and with the neighborhood. Something that we have come back to on the massing is although the council has made it clear that views are not a consideration they were a design factor. So, a lot of the massing of this building and the way it's pushed the way it is has to do with consideration of views and sight lines from the pearl district neighbors and secondly to that, something to keep in mind is that through the available bonuses it would have been easy to get to a full 5-1 f.a.r. At 4.2-1 the amount of mass represented in this building is actually 84% or thereabouts of what could be built on the site with the allowable bonuses. We feel like we have done a lot to keep the mass sort of in line and what's appropriate to the site.

Fritz: You're not using the locker room bonus anymore? Is it 95% without that bonus?

Wybenga: It's 84% of what we could do. Right. If we included the locker room bonus, increased the amount of green roof we could easily hit that full 5-1. That's what I was referencing, not of what's calculated.

Fritz: How many units are we missing? Could you have built that you're not building?

Wybenga: Well, one of the interesting things about that is the unit count is something that is not technically part of the design review process. The reason for that is that you could easily divide this building into much smaller units and as the economic picture for this building continues to change the longer it's delayed the more expensive it gets we'll probably have to continue to study that. I don't think -- I would be fabricating something if I could tell you what that number is.

Fritz: That's fair.

Wybenga: Then sort of looking at the fort elevation and the massing, this is a very strange condition where we have the actual setback, the 25 foot greenway, which we had never been in, then a step-back one foot horizontal to one foot vertical, that light blue, by pulling the building back we have actually reduced the amount that we're in that step-back. I'll show you in more detail what we're proposing here if you haven't followed that from our submission. Ear taking out one of these glass and masonry bays. That's a 13.5-foot dimension. We're adding a story atop that to keep the total number of units intact.

Fritz: Could I ask a question on that previous slide?

Wybenga: Sure.

Fritz: Why aren't you just stair stepping it back so you're actually outside the 45 degree?

Wybenga: Well, we had a good bit of stair stepping in this building to try to use the letter of the code and through the design review process. We spent a lot of time talking about the massing. The intention of that 45-degree setback is not to create something that looks like a Vegas hotel, it's to allow the buildings to step down to the river. So, this actually costs us one or two additional hearings with the design commission. We had a piece that stair stepped, and they never cared for it. So that became filtered out through the process. As you said we are removed the need for the bike modification by going to standard size racks. It does cost us 66 bikes, but we're still providing more than the amount of bikes required by code. Then again, we pushed the building forward 18 inches. This is a technical point. The intention was to mitigate the issue with the modification for landscaping between the building and Naito parkway. Another thing that's important to hit on because this goes to our main pitch here, this project provides something like 10,000 square feet of additional plaza beyond what's required. So when the numbers come back that we're 80-some% in sun and shade it's because we are counting all of that. The main thing we wanted to address had to do in particular with commissioner Fritz's comment regarding. Noon plaza on that one day of the year. We have augmented our design with

May 9-10, 2018

the plaza at the south end to give that outlet for a place. It doesn't do us any good with bds, and it doesn't take away that modification but we're providing a space where people can sit outside any day of the year and sit in the sun.

Fritz: I would prefer that you just ask for the modification for the 84% which i'm ready to give you because calling the greenway a plaza causes all kinds of other problems.

Wybenga: And this is from our april 11 submission. Bds has taken the same opinion that you have. What i'm trying to express is we're trying to solve the practical problem. We have lost the battle on whether or not that helps remove a modification. I think.

Fritz: You still need a modification, just don't call it a plaza.

Wheeler: How much longer is your presentation. I'm inclined to let you finish.

Wybenga: Just a couple of slides. We have added at the south end an addition to that larger public space we have incorporated these studios which are creative studios. Those were two short term stay apartments. We're using them for art studios to integrate this part of the greenway with art and to activate what's currently a dead end here. That's one piece we're working at. This is the plaza space. You see the fold-away doors to get that pearl art district character really front and center on this building on the greenway. Then just the overview of those changes so you can see we're providing I think just we believe that we were already providing an enormous amount of public benefit in this project, and by the modifications we have been able to make in the last month or so we're doing things that I would say exceeds any project that's not actually a publicly funded park. It will be a real benefit to the pearl district and other users of the waterfront.

Fish: I obviously love the addition of the affordable art space and the way you've designed this. How does the developer intend to maintain this as affordable? What does affordable mean?

Gilligan: Sure. We have met -- so far we have been trying to reach out. We had a good meeting with pnca on trying to find a way to curate these. I love art, i'm not in the business of curating art studios so we want to find a group to help us put together a method of understanding of how that would be curated and put guidelines and rules and regs to allow them to make those successful. We're actively working on that now. For us it's really looking at what a ground floor retail rent would be and heavily discounting it. Fortunately, these are spaces that for us originally they started out as being almost in-law units for guests in the building where if you have people come to stay they have a place to stay versus getting a hotel. Well, maybe it will be more waterfront retail, we pivoted, this could be an opportunity to curate the space. Our intention would be to subsidize them whether or not they are a loss to us but also not meant to be a prove center but more of a community benefit.

Fish: This is not live-work.

Gilligan: No. Just work. Not live.

Fish: I love the idea, so thank you for incorporating that.

Wheeler: Very good. Thank you, gentlemen. We're going to add one minute and 34 seconds to the appellant should they need it when they come up. I thought it was important to hear the full presentation. Thank you. Next up is the staff report. Ten minutes. Or less.

Benjamin Nielsen, Senior Planner Bureau of Development Services: Hopefully less. Good afternoon, mayor, commissioners. I'm Benjamin Nielsen, senior planner with the bureau of development services. Today I'll be providing a very brief summary as to how the proposed revisions respond to council's deliberations from the March 7 and April 4 council hearings and how they address the approval criteria. The council identified the proposed buildings building's relationship to the greenway setback and greenway trail as being of primary concern during deliberations of this appeal. Specifically, the trail as originally proposed was found to be too narrow and the building too close to and imposing on the trail and the river. The proposed revisions which include increasing the width of the

May 9-10, 2018

greenway trail, increasing the distance from the sea wall to the edge of the building, setting the restaurant and deck behind additional landscaping, adding two artists' studios and adding a drinking fountain along the trail bear satisfied several guidelines in the central city fundamental design guidelines, the river district design guidelines and the Willamette greenway design guidelines. As a reminder, these guidelines comprise three of the five sets of approval criteria for this design review and greenway review. Regarding modifications, modification number 2, standards for all bicycle parking, bicycle racks, has been removed from the proposal. The long-term bike storage room has been re designed to include floor mounted racks that meet the development standard. Additionally, because the bike racks will no longer be mounted to the wall, condition of approval h, which reads the proposed wall mounted bike racks shall be staged vertically by a minimum of six inches should be deleted from the final findings. The request for modification number 4, required open area development standards shadow standard has been slightly reduced. Less shadow will fall on the plaza at noon on April 21st. This amounts to approximately 78.5% of the plaza will be in shadow versus the 84% in the original proposal. The standard requires no more than 50% of park and plaza areas to be in shadow at noon not counting the south plaza area. Modification request number 5 to the north pearl sub area waterfront development standards has two parts. The modification request to part b, setbacks with all development from the Willamette river has been slightly reduce. The portion of the river facing podium projected into the greenway setback as shown in the blue will be reduced by about 5 five 5 inches. The portion of the tower projected to the setback will be reduced by 1 foot 6 inches. I also wanted to note the applicants implied that the design commission caused this modification to happen, but actually no options were ever shown which did not require this modification. The modification request to part c of the standards, maximum building dimension, has been substantially reduced. Proposed building length perpendicular to the river will be 217 feet 3 inches as opposed to the original, 230 feet 9 inches. The proposed revisions to the building design have also affected floor area bonuses earned. Floor area bones uses are needed to achieve the proposed square footage. The total building floor area has actually increased slightly by 398 square feet with these revisions. The originally proposed locker room bonus floor area has been removed from the proposal because that floor area was not needed. Eco-roof floor area bonus has been reduced in size by about 2814 square feet due to the slightly smaller roof area now proposed. This bonus 33,620 square foot in development area down from 36,434 square feet. Residential floor area bonus remains unchanged at 44,164 square feet equaling the bonus allowed through this option. 4.24-1. The applicants are proposing to use approximately 95% of their total f.a.r. allocation. That's based on the base f.a.r. and earned f.a.r. bonuses, not the total potential for the site. Finally, since the locker room bonus has been removed, condition of approval k, which reads at least one long term bike parking space shall be shown in each dwelling unit or otherwise accounted for within the building at the time of permit to earn the requested locker room bonus, should be deleted. This condition was originally added to ensure that all code requirements were met to earn the floor area bonus. The council has three alternatives today. Deny the appeal and uphold the design commission's decision to approve the land use review. Deny the appeal and uphold the design commission's decision to approve with additional conditions of approval or rather with the two that I suggested be removed, the land use review, or grand the appeal and overturn the design commission's decision to approve the land use review thereby denying the proposal. One final note, the c exhibit number cited in the original decision may need to be altered slightly due to the proposed revised drawings submitted. That's all I have for you today.

Wheeler: Very good. Thank you. When we get to the motion part my understanding is you're going to walk us through the motions again. Is that correct? Very good. Thank you.

May 9-10, 2018

Any further questions of staff? Next up principal appellant. My recollection is you have 16 minutes and 34 seconds.

Stan Penkin: This will be very brief. Can I save that time for another council hearing? No way? [laughter] good afternoon.

Wheeler: Good afternoon.

Stan Penkin: It's a little lonely here compared to the other hearings. Kind of empty around here. As I said I'll be very brief. After many months of hearings --

Fish: Who are you again?

Stan Penkin: Stan Penkin. Sorry about that. I thought you knew. After many months of hearings, discussions and reviews regarding the proposed Fremont apartments project, the revised plans provided to city council by the applicant on April 11, 2018 have satisfactorily addressed the concerns of the pearl district neighborhood association. The applicant has made significant improvements to the greenway, which now better serves the neighborhood and the city. We appreciate the addition of creative artists and plaza space that is in keeping with city council's recent efforts to promote affordable art spaces in Portland. Other revisions such as removing the originally proposed reduction in bicycle rack spacing and some setback adjustments further improve the building design. We thank Lincoln properties and its architect, tva, for hearing the pearl community's concerns and responding to them in a manner that has created a better building than originally proposed. We look forward to positive collaboration with Lincoln properties on future projects that may be proposed in the neighborhood. We hope that city council will approve the revised plan as submitted. That's all we have got.

Wheeler: Thank you, Mr. Penkin. We appreciate it. Public testimony. Three minutes each. Name for the record. Please be very clear with this whether you're in support or in opposition so there's no misunderstanding. Karla, how many people are signed up?

Karla: I have one person. Nielsen Abeel.

Wheeler: Come on up, sir.

Neilson Abeel: My name is Neilson Abeel, a pearl district resident of 26 years. I'm here not to comment on the project but to air -- I have two grievances about this process. One is with the mayor and the council of overruling their design commission. If you're going to appoint design commissioners, you have got to abide by their decisions. My second grievance is -- well, they serve at your pleasure. They are appointed by the city council. They are professionals. I have worked with several of them over the last 25 years, and I know how devoted they are to the concept of good design in Portland. My second grievance is with my own pearl district neighborhood association who also has overruled their planning and transportation committee, which when we formed the association was given executive power for the reason that it's the only professional committee in the neighborhood association. It's also made up of devoted professionals. Lastly, I understand that there has been an approach to the developer for compensation, and I find this is egregious. This is a path which everybody in this room will eventually regret. I think it's unethical. I think it's tantamount to either blackmail, bribery, or hush money. I think the idea that a neighborhood association would approach a developer to be compensated is something that this council should take up as a discussion and if there's any way which you can stop it, I would suggest you stop it. It opens up a bag of worms. No developer coming into Portland first has to go through your design commission and then the neighborhoods' design committees. Those are the professionals. If you don't like your design commissioners, ask for the resignation and appoint new ones.

Wheeler: Thank you. Could I respond, please, sir? First of all, I entirely respect your perspective. I want you to know that. However, I respectfully disagree. First of all, with regard to payments to the association are blackmail, I know nothing about that. I want to be crystal clear. I don't know what you are referencing to be very clear. With regard to the

May 9-10, 2018

design review commissioners, we do trust them. We do respect them, and they advise us based on the rules that they are required to abide by, but ultimately it is our decision in this process as to whether or not we believe the conditions required are fulfilled or not fulfilled. I would say this isn't so much a battle as an honest disagreement over some facets of this approval process. We have disagreed with them before. That doesn't mean we don't trust them. It just means we have a disagreement, and this is the final stage of the design review process. This is what we're supposed to be doing and what we are empowered to do as representatives of the people in this community. I want to be very clear and on the record as I was last time, I have not in any way reduced my confidence or my respect for the people sitting on the design review commission. They are volunteers. They are experts. They bring important perspectives to the table. I believe they do their level best. I believe they start with good intentions and they end with good intentions, but I want to put a marker down. We have a right to disagree under this process. If people don't like the process, they can certainly change it. I would be the first to say I would be delighted not to be part of this process. But that's thought how it works. As long as we are in the process, I will exercise the authority and the responsibility I have to do the process as well as I can. So I respectfully disagree with your first comment.

Fish: Mayor --

Wheeler: Commissioner Fish.

Fish: You stole my thunder twice so I'll be brief. I want to say to my friend Nielsen Abeel that the last time that we had prior to this case that I remember a robust disagreement in this chambers was around an application that was made by the Jupiter hotel to use roofing material for siding material on an annex they were building to the east of the building and there was a concern about whether that was the right material, whether it had the durability and other things. We had a room filled with very thoughtful people on both sides. Architects, designers, people arguing. I remember that at some point the council was persuaded to overrule the design commission simply to allow for a test case to see how this thing works. It's almost completed. I walked by it the other day. I think it is a stunning building. The person I was with disagreed with me 180 degrees. So that's maybe the peril of us making these judgments. But I thought that was a reasonable outcome even though we overruled the design commission because I think council wanted to see what a building would look like with that material recognizing that if it failed the backstop was you would have to use a more traditional material. But to the mayor's final point, I have been doing a little preliminary research. I have learned that in not every city do you have a clear right to go to a reviewing body. As long as there's the right of a body to come to council if we were to adopt your view we would essentially be saying there's a right that is meaningless. That it would come to us, we would have a hearing and say we're loathe to overrule the design commission so we're wasting people's time. I actually think based on the experience of other cities, we might want to make this the threshold for an appeal more stringent. And either say -- because I think what's happening is a lot of decisions are just being appealed, which is tantamount to bypassing the design review commission, I would be open to a conversation about some restrictions including what some cities do where the appeal is only at the discretion of the appellate body like the way the supreme court picks cases. You have to have more than one member of the deliberative body say yes, we want to hear the case. I would be willing to have that conversation because I don't think this is the right forum to constantly second guess the design review commission, but in those rare instances where we have done that I thought those conversations were quite principle.

Abeel: In all deference to the mayor and to my good friend nick Fish, I would like your suggestion to go forward because I think that when I listen to commissioners talk about architecture and design and I put them up against, you know, the people on the design commission, I think it's just really not the way to go. I think the process and I think that the

May 9-10, 2018

process for the future developers in Portland has become, you know, something in which they go through the process, they voluntarily come to the neighborhood associations. It's a volunteer deal. They get reviewed at the neighborhood association level by really pretty competent professionals because I put a lot of people on the pearl district planning and transportation committee over the last 25 years, and I know their backgrounds. I know they are professionals. Then to have a board, you know, overrule that that committee is tantamount to what I'm talking about having city council overrule the design commission.

Fish: Appreciate your point of view.

Eudaly: Just to be clear, this is part of our job description. We sit in a quasi-judicial function. We didn't ask for this, and I agree I don't think we're necessarily the ideal people to be making the ultimate decision, but we're not choosing to do it. It's part of the job description.

Abeel: With all due respect to that comment, I would suggest as commissioner Fish has said let's get the process back and have it go through straight way. By the way, my comment about a negotiation over money to be paid to the pearl district neighborhood association I think you can question some people and find out that it's a fact.

Wheeler: Very good. Commissioner Fritz.

Fritz: Land use decisions are by state law discretionary decisions on which reasonable people can disagree. We sit as commissioner eudaly noted as quasi-judicial judges as the final appeal. As the representatives of the people. If we narrow who gets to appeal or how gets to appeal that means some people are left out. The whole process in Portland is people having their say to elected officials. If the tentative decision had been carried out what would have happened would have been this application would have gone back to the design commission for their professional opinion. So this is a very unusual case. It's hardly ever happened. We don't get very many design review appeals for start, which shows that process is working. When we do we rarely disagree with them. I don't think you can say the whole system is bust because you disagreed with what we're doing in this case.

Abeel: I'm not disagreeing what you're doing in this case. I'm saying I would like to see the process go the way it should go, which is linear, not end up in front of with all due respect no one of you is either an architect and urban designer or a planner. Design commission has got them all.

Wheeler: Very good. Thank you. Thank you for the conversation. I think this is a good conversation. We agree on that. Thank you, sir. Alright, let's see. Applicant. Rebuttal. You have your opportunity to rebut. They have waived their rebuttal. Very good. So the evidentiary record, unless anyone requests that the world be held over or this hearing be continued, seeing none, the evidentiary record in this hearing is now closed. That means council will accept no further oral or written testimony on this matter. This is the opportunity for discussion or the offering of a motion. This might be the appropriate time for either staff or legal council to walk us through proposed motions.

Linly Rees, Chief Deputy, City Attorney: At this point I believe there are two potential motions. One which would grant the appeal, overturn the decision of the design commission, and ask staff to return with revised findings. That would be to deny the application. The other would be to move that council tentatively deny appeal, uphold the decision of the design commission as modified by the design revision submitted by the applicant, removing conditions of approval h, k, and including revised numbers and dates and asking the applicant and staff to return with revised findings.

Wheeler: Very good.

Fritz: So moved.

Fish: Second.

Wheeler: We have a motion and second. Any further discussion?

May 9-10, 2018

Fish: I'm going to have council now propose all my amendments in the future. Very clearly stated. Thank you.

Wheeler: We no legally it's likely to be upheld, which is a good thing. A reminder that this is a tentative vote. Correct? Legal council?

Rees: Correct.

Wheeler: Please call the roll.

Fish: Aye.

Eudaly: Aye.

Fritz: So when the findings come back, I do not want to see any references to the 2035 plan because that's not what the approval criteria are in this case. If this were being reviewed under the 2035 plan rules or even state rules we would have gotten 55 affordable units in this development. Potentially an additional 65 units under the 2035 plan. So this approval criteria not less objection than this one. I appreciate the improvements to the conditions on the greenway trail, which is the most concern. I do have concerns about the shadowing on the greenway, the 45 degree angle, which is part of the approval criteria, but which I'm not a design commissioner nor an architect or planner as was pointed out. It's not for me to say that another building would have been better. This particular building now looks to be quite bulky and would have benefited from future increases in height which could have both increased the number of units and increased the form. I do think that I'm pleased with the accessible access to the affordable art space. I'm pleased with the public drinking fountain, which I would like to see in the findings as meeting the guidelines on relating to the river and adding water features. I would not want the findings to in any way say that the river is the water feature because that then means in any future application that happens to border the river there's no attention to that design guideline on relating to the river. That's why the drinking fountain is important, and I appreciate that addition. Appreciate that the circled south plaza is not going to be referenced. It's not a plaza, it's part of the greenway, and the appropriate additional space is in front of the artists' studio behind the greenway trail. I appreciate that. The plaza still is going to be in shadow more than 70% of the plaza at noon. If a different development could have put it on the south side in which case it would not have been shaded, but given that there are now only two or three modifications instead of the six or seven on before, I think that the level of modification is such that had this been the first application that came to us I would probably have thought it was reasonable. I'm very grateful to bureau of development staff, commissioner Eudaly, your staff has done an amazing job. Benjamin Nielsen, Stacy Monroe and Karia. Brett, Linley and Tracy in city attorney's office. Probably never had a quasi-judicial process had more legal attention and a lot of work on the previous findings which I know you'll have a lot of work to say why elements of the previous findings are still there and which ones not. Thank you for the work on that. Thank you to the pearl district neighborhood association. This was an important appeal. It does set precedent for development around here, it establishes what is and what isn't in the view rights from the fields park and I thought that was a very good conversation with the neighborhood about is that a value and then your acceptance that council said actually, no, and there are other things that you brought up which were very valid. So, thank you for that. Finally, Claire Adamsick and Tim Crail of my staff for their time into this project. Thank you again. Aye.

Wheeler: Well, thank you, everyone, for your hard work on this. I agree with Mr. Abeel that the process getting to here was messy for some of us on this council this was a new path down which we have not walked. My expectation is that in the future the process is perhaps more refined. However, I want to say this. I think it got to a really good place. As I look at the work that the architects have done I think they have been very responsive, and the developers have been very responsive to the concerns of the community and I think this is a building that will be very well received both by the people living there and the

May 9-10, 2018

people living adjacent and all Portlanders. I think it sets a very positive standard not only in terms of the housing but in terms of the environment in the vicinity of the building respecting the importance of that iconic location immediately adjacent to the Willamette river and as commissioner Fritz has just indicated, it sets what I think is a very high bar for future development in that immediate vicinity and that includes, by the way, some development opportunities that will be heavily influenced and/or overseen by the city of Portland. So, it sets a high bar for us as well at the city of Portland. So, thank you, everybody, for that. The tentative vote is -- oh, I vote aye. With all that glorious outpouring I didn't vote. Aye. Now we need to pick a date for the final vote.

Karla: The May date. We have Thursday, May 31, 2:00 p.m. Time certain.

Wheeler: Thursday, May 31, 2:00 p.m.

Rees: That date is about a week after the 120-day clock expires, so I would like to have on the record the conflict concurring in waiver of the 120 days.

Wheeler: Very good. Sounds good.

Rees: We have nodding of concurrence from legal counsel.

Fish: We heard a yes from their attorney.

Wheeler: Thank you, everyone. We're adjourned.