



CITY OF  
**PORTLAND, OREGON**

**OFFICIAL  
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **16<sup>TH</sup> DAY OF MAY, 2018** AT 9:30 A.M.

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

Commissioner Fish left at 11:30 a.m.

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

On a Y-5 roll call, the Consent Agenda was adopted.

The meeting recessed at 9:57 a.m. and reconvened at 10:05 a.m.

		<b>Disposition:</b>
<b>COMMUNICATIONS</b>		
<b>460</b>	Request of John Hollister to address Council regarding housing crisis for people of Color - The Color of Law (Communication)	<b>PLACED ON FILE</b>
<b>461</b>	Request of Micelis Doyle to address Council regarding how the Council and City of Portland can better support Portland Public Schools (Communication)	<b>PLACED ON FILE</b>
<b>462</b>	Request of Lightning Super Creativity Independent Watchdog to address Council to declare state of emergency pertaining to homeless children (Communication)	<b>PLACED ON FILE</b>
<b>463</b>	Request of Brad Perkins to address Council regarding Sullivan's Gulch Trail; Cascadia High Speed Rail (Communication)	<b>PLACED ON FILE</b>
<b>464</b>	Request of Jackson McKibben to address Council regarding metro area issues (Communication)	<b>PLACED ON FILE</b>
<b>TIMES CERTAIN</b>		
<b>465</b>	<b>TIME CERTAIN: 9:45 AM</b> – Amend fee schedules for Building, Electrical, Mechanical, Plumbing, and Land Use Services (Ordinance introduced by Mayor Wheeler and Commissioner Eudaly) 20 minutes requested	<b>PASSED TO SECOND READING MAY 23, 2018 AT 9:30 AM</b>

<p><b>*466</b></p>	<p><b>TIME CERTAIN: 10:05 AM</b> – Authorize a Class Action Settlement Agreement related to the installation and remediation of curb ramps in pedestrian right of way along City streets (Ordinance introduced by Mayor Wheeler and Commissioner Saltzman) 15 minutes requested (Y-5)</p>	<p><b>188942</b></p>
<p><b>*467</b></p>	<p><b>TIME CERTAIN: 10:20 AM</b> – Authorize a loan in an amount not to exceed \$500,000 to Portland Homeless Family Solutions to purchase real property at 6102 and 6220 SE 92<sup>nd</sup> Ave for use as a homeless shelter (Ordinance introduced by Mayor Wheeler) 15 minutes requested (Y-5)</p>	<p><b>188943</b></p>
<p><b>FOUR-FIFTHS AGENDA</b></p>		
<p><b>467-1</b></p>	<p><b>TIME CERTAIN: 10:35 AM</b> – Proclaim May 13-19 to be Taiwanese American Heritage Week (Proclamation introduced by Mayor Wheeler) 15 minutes requested</p>	<p><b>PLACED ON FILE</b></p>
<p><b>CONSENT AGENDA – NO DISCUSSION</b></p>		
<p><b>Mayor Ted Wheeler</b></p>		
<p><b>Bureau of Transportation</b></p>		
<p><b>468</b></p>	<p>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 (Second Reading Agenda 440) (Y-5)</p>	<p><b>188935</b></p>
<p><b>Office of Government Relations</b></p>		
<p><b>*469</b></p>	<p>Authorize an Intergovernmental Agreement between Prosper Portland and the Office of Government Relations for Federal and State legislative and lobbying activities (Ordinance) (Y-5)</p>	<p><b>188936</b></p>
<p><b>Office of Management and Finance</b></p>		
<p><b>*470</b></p>	<p>Authorize a grant agreement with Northwest Disability Support, in an amount not to exceed \$50,000 for their think inclusion: school equity for youth with developmental disabilities program (Ordinance) (Y-5)</p>	<p><b>188937</b></p>
<p><b>*471</b></p>	<p>Authorize a grant agreement with Write Around Portland, in an amount not to exceed \$7,500 for their creative writing for underserved populations programs (Ordinance) (Y-5)</p>	<p><b>188938</b></p>
<p><b>472</b></p>	<p>Create a new represented classification of Electronics Technician III - Communications and establish an interim compensation rate for this classification (Second Reading Agenda 445) (Y-5)</p>	<p><b>188939</b></p>

<p><b>REGULAR AGENDA</b> <b>Morning Session</b></p>		
<p><b>Bureau of Parks &amp; Recreation</b></p>		
<p><b>*473</b></p>	<p>Authorize the transfer of density from Cully Park Community Garden located at 5810 NE 72nd Ave to Sabin Community Development Corporation for the construction of needed housing units on adjacent property (Ordinance introduced by Mayor Wheeler and Commissioner Fritz) 15 minutes requested (Y-4; Fish absent)</p>	<p><b>188944</b></p>
<p><b>Bureau of Transportation</b></p>		
<p><b>*474</b></p>	<p>Authorize payment to LTK Consulting Services, Inc. for \$6,348 for operator seat base modification (Ordinance introduced by Mayor Wheeler and Commissioner Saltzman) 15 minutes requested (Y-4; Fish absent)</p>	<p><b>188940</b></p>
<p><b>475</b></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 (Second Reading Agenda 447; introduced by Mayor Wheeler and Commissioner Saltzman; VAC-10089) (Y-4; Fish absent)</p>	<p><b>188941</b></p>
<p><b>Mayor Ted Wheeler</b></p>		
<p><b>476</b></p>	<p>Appoint Shea Flaherty Betin, Paul Delsman, Helen (Holly) Huntley, and Lauren Golden Jones to the Development Review Advisory Committee for terms to expire May 8, 2021 (Report) <b>Motion to accept report:</b> Moved by Saltzman and seconded by Eudaly. (Y-4; Fish absent)</p>	<p><b>CONFIRMED</b></p>
<p><b>477</b></p>	<p>Appoint Vivian Satterfield to the Home Forward Board of Commissioners (Resolution) 15 minutes requested  (Y-4; Fish absent)</p>	<p><b>37354</b></p>
<p><b>Bureau of Environmental Services</b></p>		
<p><b>478</b></p>	<p>Authorize a competitive solicitation and contract with the lowest responsible bidder and provide payment for construction of the Sunnyside North Reconstruction &amp; Green Streets Project No. E10367 for an estimated cost of \$9.9 million (Ordinance) 10 minutes requested</p>	<p><b>PASSED TO SECOND READING MAY 23, 2018 AT 9:30 AM</b></p>
<p><b>Office of Management and Finance</b></p>		
<p><b>*479</b></p>	<p>Ratify a Letter of Agreement with the District Council of Trade Unions to authorize a 4% wage increase to each step of the Water Bureau Operating Engineer III Classification (Ordinance) 20 minutes requested</p>	<p><b>REFERRED TO COMMISSIONER OF FINANCE AND ADMINISTRATION</b></p>

May 16-17, 2018

<b>480</b>	Accept bid of R&R General Contractors, Inc. for the SW Vermont Street - SW 65th to SW Capitol Hwy Pavement Rehabilitation Project for \$2,434,922 (Procurement Report - Bid No. 00000855) 15 minutes requested <b>Motion to accept report:</b> Moved by Saltzman and seconded by Fritz. (Y-4; Fish absent)	<b>ACCEPTED PREPARE CONTRACT</b>
<b>*481</b>	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 (Previous Agenda 452) 15 minutes requested (Y-4; Fish absent)	<b>188945</b>

At 12:24 p.m., Council recessed.

May 16-17, 2018

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **16<sup>TH</sup> DAY OF MAY, 2018** AT 2:00 P.M.

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

Commissioner Fish left at 4:20 p.m.  
Commissioner Eudaly left at 4:30 p.m.

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

At 2:00 pm Council convened as Budget Committee and recessed at 3:18 pm.  
At 3:18 pm Council convened as Prosper Portland Budget Committee and recessed at 3:25 pm.  
At 3:26 pm Council convened as Portland City Council.

<p><b>482</b>      <b>TIME CERTAIN: 2:00 PM</b> – Approval of the FY 2018-19 budget for the City of Portland (Mayor convenes Council as Budget Committee) 1 hour requested <b>Motions and amendments are listed below.</b></p>	<p><b>Disposition:</b> <b>PLACED ON FILE AS AMENDED</b></p>
<p><b>483</b>      <b>TIME CERTAIN: 3:00 PM</b> – Approve the Annual Budget of Prosper Portland for FY 2018-19 (Mayor convenes Council as Prosper Portland Budget Committee) 30 minutes requested</p>	<p><b>PLACED ON FILE</b></p>
<p><b>484</b>      <b>TIME CERTAIN: 3:30 PM</b> – Presentation by Metro staff on a potential regional affordable housing measure (Presentation introduced by Mayor Wheeler) 30 minutes requested</p>	<p><b>PLACED ON FILE</b></p>
<p><b>REGULAR AGENDA</b> <b>Afternoon Session</b>  <b>Mayor Ted Wheeler</b>  <b>Office of Management and Finance</b></p>	
<p><b>485</b>      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 (Previous Agenda 454) 15 minutes requested</p>	<p><b>PASSED TO SECOND READING</b> <b>MAY 23, 2018</b> <b>AT 9:30 AM</b></p>
<p><b>Portland Housing Bureau</b></p>	
<p><b>*486</b>      Approve application under the Multiple-Unit Limited Tax Exemption Program under the Inclusionary Housing Program for Halsey Apartments located at 1515 NE 28th Ave (Ordinance) 15 minutes requested (Y-4; Fish absent)</p>	<p><b>188946</b></p>

May 16-17, 2018

<b>*487</b>	Increase compensation for subrecipient contracts with Legal Aid Services of Oregon and Community Alliance of Tenants in the amount of \$100,000; add a subrecipient contract with JOIN in the amount of \$110,000 for the provision of services in support of coordinated eviction prevention (Ordinance; amend Ordinance No. 188490; amend Contract Nos. 32001637 and 32001635) 15 minutes requested (Y-4; Fish absent)	<b>188947</b>
<b>Water Bureau</b>		
<b>488</b>	Amend contract with Just Bucket Excavating, Inc in the amount of \$141,860 accept contract as complete, release retainage and authorize final payment (Second Reading Agenda 456; amend Contract No. 30005802) (Y-4; Fish absent)	<b>188948</b>
<b>Commissioner Dan Saltzman</b>		
<b>489</b>	Amend City Comprehensive Financial Management Policy 2.04 (Resolution; amend FIN-2.04) 15 minutes requested	<b>CONTINUED TO MAY 23, 2018 AT 11:00 AM TIME CERTAIN</b>

At 4:43 p.m., Council recessed.

May 16-17, 2018

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **17TH DAY OF MAY, 2018** AT 2:00 P.M.

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

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

<b>490</b> <b>TIME CERTAIN: 2:00 PM</b> – Authorize the rates and charges for water and water-related services during the FY beginning July 1, 2018 to June 30, 2019 and fix an effective date (Ordinance introduced by Mayor Wheeler) 45 minutes requested for items 490 and 491	<b>Disposition:</b>  <b>PASSED TO SECOND READING MAY 23, 2018 AT 9:30 AM</b>
<b>491</b> Revise sewer and stormwater rates, charges and fees in accordance with the 2018-2019 Sewer User Rate Study (Ordinance introduced by Mayor Wheeler)	<b>PASSED TO SECOND READING MAY 23, 2018 AT 9:30 AM</b>

At 3:10 p.m., Council adjourned.

**MARY HULL CABALLERO**  
Auditor of the City of Portland



By Karla Moore-Love  
Clerk of the Council

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

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**Key: \*\*\*\*\* means unidentified speaker.**

**May 16, 2018 930am**

**Wheeler:** This is Wednesday, May 16, 2018, we are here for the Portland city council.

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

**Wheeler:** Good morning.

**Mike Abbate, 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 during the city council meetings so everyone can feel welcome, comfortable, respected, and safe. To participate in the council meeting you may sign up 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 first readings of ordinances. Your testimony should address the matter being considered at the time. When testifying, please stay your name for the record. Your address is not necessary. Please disclose if you are a lobbyist. If you are a, 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 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 that is said, please feel free to do a thumbs up, if you want 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 ejected for the remainder of the meeting. After being ejected, a person who fails to leave is subject to arrest for trespass. Thank you for helping keep your fellow Portlanders feel welcomed, comfortable, respected and safe.

**Wheeler:** Very good. Thank you, so first up is communications. 460.

**Item 460.**

**Karla:** He called and is not able to make it.

**Wheeler:** I am sorry to hear that, next individual.

**Item 461.**

**Karla:** They are also not able to make it.

**Wheeler:** All right next person, please.

**Item 462.**

**Wheeler:** Good morning, sir.

**Lightning Super Creativity Independent Watchdog:** Good morning, I am lightning. I represent lightning super creativity watchdog. One of the issues that I have is on just how many homeless children we have out through Oregon, Portland, and all different areas throughout the neighborhoods, and the reality is that I don't think that we're getting the real data, the numbers on how serious this is. In my opinion governor brown, and when you decide to come into Portland, I would love to have a meeting with you. You are failing miserably. You are failing miserably pertaining to the homeless children. And I want to see real data, updated data, real number that you are getting from the Oregon department of education, and yet that does not show the real picture of what is happening. Beaverton, 1400. Reynolds 1350. Portland 1300. Medford 1200. We're talking thousands and



May 16-17, 2018

thousands of homeless children, students, not getting into housing. Being put into hotels. Being put into shelters. Young, developing minds having stress and trauma, put upon them because they can't go to school with their friends. To you, governor brown, to not address this issue as a state of emergency, I am asking you to step down as governor. I do not want to see you get re-elected. I do not want to see you as governor. I want a governor in there that looks at this problem and says, this is a state of emergency for the children. Children and housing first, and We will come up with the money. You have failed. The homeless children in Oregon, governor brown. And I am asking you to step down. Thank you.

**Wheeler:** Thank you. Next individual, please.

**Item 463.**

**Brad Perkins:** Good morning council and congratulations commissioner Fish for last night's victory.

**Fish:** Thank you very much.

**Brad Perkins:** I look forward to your next four years of leadership. What I am here to talk about mainly is the Sullivan gulch trail, which in the future will be the rose quarter to the gorge trail. What we're talking about here is new corridors, high-speed rail will be a subject that I will bring up later. The issue that I want to be concerned about right now is the trail. As you know, 15 neighborhoods in northeast and southeast Portland have already committed their support over the years, and 2012, three of you voted on that the resolution to continue the work on finding funding and developing this was passed by you, and since then we have got a bike town program that took \$2 million of our money. There was \$10 million that was presented from Nike to make that program. We are talking about the same way, the same model to do this type of trail where we have a private-public partnership. We can form a 501c3 and get half the money for this thing because it gives us the opportunity of development along this trail. Affordable housing. As well as market rate housing, and you see such projects going on right now, but how do we get there? We get there by a will to do it. We do not have that at pbot right now. Hopefully, with the command change, with Leah treat and also mike abate at parks, we can maybe look at another way of like I said, funding this and setting up a priority to make this thing happen. Now if we are going to do congestion pricing, we need to think about other corridors along the i-5 and 84. You have got the north Willamette greenway and you have got this. That will eventually go out to Multnomah falls. This is the type of planning that we should be thinking about when we talk about congestion pricing in order to offer another alternative to get people to work or wherever they are going safely. Let me emphasize that point. This is my main topic right now. The reason why this needs to happen now is that they are trying to build or plan a bridge over 84. You cannot build a bridge halfway. I learned that in architecture years ago. You can't build it halfway. So, what's needed is a safe corridor under two major highways, that being grand avenue and MLK. It needs to go under and not through the intersection there on Lloyd boulevard. It's getting set up to be major accidents, so take that 5 million that's estimated to go along that corridor, and redirect it towards this, under the bridge's corridor instead. And in that letter, I have lined out how we can look at the 3 million as thought about using for Lloyd boulevard and Multnomah street, to go towards this project, and one last thing I want to emphasize is that there is property, private property and city owned property along there that, especially city owned property that can also be used, if that property was sold, to go directly towards the trail. I want to do a private, public partnership, and that's the way that we want to do it, to push it through. Appreciate it. Thank you for your time.

**Wheeler:** Next individual, please.

**Item 464.**

**Wheeler:** Good morning.

May 16-17, 2018

**Jackson McKibben:** Good morning, how are you guys.

**Wheeler:** Great, how are you?

**McKibben:** Good. This is my first time speaking here.

**Wheeler:** Welcome. Glad to have you.

**McKibben:** I have lived in Portland since October of 2016.

**Wheeler:** I am sorry, Jackson, could you identify yourself for the record.

**McKibben:** Jackson McKibben. Sorry. So, I lived here since October 2016. I noticed a couple of issues that stand out. I think that the homeless is really out of hand. I think they need more opportunities to show themselves in a positive light. For the people that want to make the changes. I lived. My car for a year, and I started to understand how you are discriminated when you do have different sleep arrangements from the population. I have talked to them and they say that they don't have the opportunities in place. They can't get clean or go to work. Two positive solutions would be to pay them to pick up the trash. It's an integrity gap to trust them to go out and lie about it. Also, to start to paint over the graffiti. I find it expressive, and it's not completely negative. I do think as far as Portland going through a pretty heavy gentrification process, and they are trying to clean up the streets and stuff, I do think that that would be productive and also would show, would clearly separate the people that want to make changes and want to be a productive member of society and that people do want to take handouts, so I think that that would be really good to do. I have noticed how unsafe people drive out here, like under the speed limit, it's literally like people don't have their five sense where is they are behind the wheel of a car. It's very -- it's intimidating sometimes. It's uncomfortable. I feel like you will be ticketed for going five over the speed limit, but when someone is going 10 to 15 miles per hour under the speed limit and they won't let you -- when they sit in your blind spot, things like this need to be addressed. I think we are in a day and age of segregation. We need to work together. We are people trying to make money and trying to be safe and trying to come home to our families and we need to help each other as american people. I think whether we are in a suit or sleep on the street, or wherever we are, we are all american people, we need to just come together and help each other. That's all that I have.

**Wheeler:** Thank you. A good message. Thank you for being here. Appreciate it. That completes communications, have any items been pulled from the consent agenda?

**Karla:** I have had no requests today.

**Wheeler:** Please call the roll.

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

**Wheeler:** Aye. The consent agenda is adopted. Next item is, by the time people show up, and we get moving we'll be at 9:45. I don't think that anybody will argue. Next item is a time certain item, 465. Karla read it slowly so it takes another 30 seconds.

**Karla:** Okay.

Sorry, that was the wrong one. Oh, that's the right one, exactly.

**Wheeler:** Which were you reading, 465?

**Karla:** Yes, should I read it again?

**Wheeler:** It's 9:45. Good. Commissioner Eudaly. I am sorry, I was told I would call on commissioner Eudaly.

**Eudaly:** I am mesmerized by Karla and the reading of the title.

**Fish:** We did not hear the reading of the title, could you do that again please?

**Eudaly:** Bds resets these to achieve cost recovery. I am on the right item, right?

**Wheeler:** Yes. The only area where fees are not covering the cost is land use services where we're starting to see a slowdown in the predevelopment work that the land use services team does. These were reviewed by the development review advisory committee. Kyle, Brian and Ross are here from bds to talk through the details.

**Wheeler:** Welcome. Thank you.

May 16-17, 2018

**Ross Caron, Bureau of Development Services:** Good morning. I am ross, with the bureau of development services and sitting in for Elshad Hisjashiv who is our business operations and finance division manager, as commissioner Eudaly said we are here to speak to council about proposed fee changes for the 2018-2019 fiscal year. As I believe that everyone knows, our bureau is 99% funded through fees associated with land use reviews, building permits and our enforcement Program. Every year bds represents the fee changes to council. This year there are minimal changes to the schedule and Kyle o'brien, our finance manager is here to speak to the details of these proposed changes.

**Kyle O'Brien, Bureau of Development Services:** Thank you. I will start with the fee increases. The first is to the field issuance remodel program. This is the program based on an hourly rate, and we're proposing to increase the hourly rate by \$13 from \$177 an hour to \$190 an hour for this program. This is operating below cost recovery so this increase, this increase will bring it closer to the cost recovery. The second increase we have needs a bit of background. We have the hearings officer fees, which sit within the auditor's office. We are moving those to the bds fee schedule and increasing them by 5%. The reason we are moving them is because we collect the fees and send money to the auditor's office through i.a. Every year, but we keep the fees themselves. It makes more sense to keep them on the schedule. We have a few fees for new reviews. These are associated with forth coming legislation including the central city 2035 planned district and the comp plan early implementation package. These are new land use reviews. The new fees are central city master plan review, plan development bonus review, plan development bonus review or major amendment, transportation Demand management review, transportation impact analysis campus.

**Saltzman:** Those are new fees?

**O'Brien:** New fees associated with new reviews. We also have minor language changes on the hearings officer schedule to bring it to our land use fee schedule and also to the other schedules to comply with the Oregon building codes division administrative rules. Finally, we have exhibit I, which shows seven projects and shows the cumulative impact of fees across the development bureaus on the seven projects to allow council and the mayor to develop the fee changes across all bureaus. This is meant to make it easier to see the changes and bring the fee changes to council in a more holistic way. If you have any other questions I would respectfully ask you address the other bureaus when they present their fee change ordinances.

**Wheeler:** Thank you. Colleagues any questions?

**Saltzman:** I was intrigued, the bonus review? That would entail bds confirming a project complies with the bonuses it is seeking to use? Is that right?

**O'Brien:** I will have to get back to you on what services are performed under that review. I can talk to the land use division manager and get you that information.

**Saltzman:** Okay. Thanks.

**Wheeler:** Very good. Public testimony?

**Karla:** One person signed up.

**Wheeler:** Good morning, sir.

**Chuck Crockett:** My testimony gets to the assessment of fees and the process are based on the fact that there are no checks and balances to what you do. You do whatever you want, and the public has no say so. The public of the low income and African American community, we have no say so. They don't get to review these things about what may happen as a negative effect to what your process is, so I would have to basically deny you guys should even proceed in any way, shape or form until you have a system set up for low income and African American communities can review and speak and say they disagree with you and stop this process. You are sitting there high and mighty but I e-mailed you -- I have e-mailed all of you to get you guys to implement this system so people

May 16-17, 2018

negatively affected and everybody from every community is speaking and has a power in the decisions of what is going on with their government. You are not just allowed to run away and do whatever you want because in your own mind you may think it's good but there is no checks and balances to what you are doing coming from the community itself. I know you are elected officials but under the circumstances of being elected that is not fair. The 14th amendment right of a lot of people are being violated from the way the system is set up. I think you should halt what you are doing, review the 14th Amendment and implement the system, so it is fair what people are receiving from the government and not just paying money and being fees assessed from different parts of the government. You talked behind closed, you could have agreed to have these fees passed through and I know that, so I will sit here and testify for the community, for the low income and African American community and everybody in general, all communities, you need to halt what you are doing and set up the review systems for the public to completely challenge the decisions you make so if they catch something you don't or don't agree, they can stop you and you are not doing whatever you want.

**Eudaly:** I would like to briefly respond to that. Bds is largely funded by permit fees. We have an obligation to recover the cost of the services from the developers and this policy was reviewed by our development review advisory committee which includes members who represent minority construction contractors and low income housing developers as well as neighborhoods. It's not an invitation to come back.

**Crochett:** I don't care. You have a police chief that's part of a sex trafficking case.

**Wheeler:** Okay. Thank you for your testimony. I thought you gave good testimony. She's responding and now you are going off on another tangent.

**Eudaly:** I would like to thank The bds finance team and drac for their work on this and we will vote on it.

**Wheeler:** Not today. This is the first reading of a non-emergency ordinance. It moves to second reading. [gavel pounded] would you please turn off the music? It's disruptive. Do we have anybody here from parks and recreation for 473 yet?

**Fritz:** Our invited guests here?

**Wheeler:** Do we have anyone here from the bureau of transportation for 474 yet? Come up. Please read 474 next.

**Item 474.**

**Saltzman:** I will turn it over to Katherine Lavigne of the bureau of transportation.

**Kathryn Lavigne, Bureau of Transportation:** Good morning.

**Wheeler:** Is your mic on?

**Lavigne:** Thank you, so the ordinance before you today would authorize the payment to a vendor that provided service to us, in short, at a staff level we used an incorrect procurement process. We followed goods and services when we should have been following professional, technical and expert services. So we will correct that in the future. And follow the correct path, but in order to pay the consultant for the work done, 6,348, we are bringing the ordinances to council. It's my understanding that the chief procurement officer does not have authority to do this without your approval.

**Wheeler:** Very good, any Questions? Public testimony on this particular matter. Karla is not here, one moment.

**Karla:** Nobody signed up.

**Wheeler:** Please call the roll.

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

**Fritz:** Thank you for the transparent explanation. It does seem reasonable to pay the people who have done the job. Aye.

**Wheeler:** Aye. The ordinance is adopted. 475, please, second reading.

**Item 475.**

May 16-17, 2018

**Wheeler:** This is a second reading. We have had this read, a presentation has been given. Testimony has been taken. Any further discussions? Please call the roll.

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

**Wheeler:** Aye. The ordinance is adopted. Do we have anybody here for 476? How about -- well, I don't want to go without nick on that one. Could you read 479, please.

**Item 479.**

**Wheeler:** Colleagues this will be referred back to my office so we will take 479 off the agenda. Going back, we will take a seven-minute recess, and we will reconvene at five minutes past 10:00 for the time certain. We are back in session, please read 466, Karla.

**Item 466.**

**Wheeler:** Commissioner Saltzman.

**Saltzman:** Thank you mayor. Before us this morning is a Legal settlement that will dramatically accelerate the Portland bureau of transportation's efforts to come into compliance with the Americans with disabilities act. It is also a way for us to provide, to recognize our legal obligation to provide more curb ramps on our sidewalks. We have nearly 40,000 street corners in the city of Portland, and each one represents an opportunity. If built with the correct curb ramps, each corner represents a chance for our city to provide safe and accessible mobility for all Portlanders, regardless of whether they are living with a disability or not. For many years now, we have been working to provide these opportunities. Each year the bureau of transportation has been building hundreds of curb ramps to ada standards. But the fact remains that we have not been building them fast enough. Thanks to this settlement, we will double the number of curb ramps we build each year and have reached the solution without having to engage in costly and lengthy litigation. That's good for the city, and that is good for all Portlanders because instead of being in court, we are going to be up there on the streets building curb ramps. In a moment we will hear from director Leah Treat and after that -- excuse me. We will hear from Eva from the bureau of transportation, who will walk us through the settlement. We also have Kim from the city attorney's office here to answer any questions and Nicolle Sherone, our disability program coordinator with the office of equity and human rights, and she has comments as well. We will ask the claimants and civil rights and enforcement center, otherwise known as creek, to address council, and after that we can turn it over to general testimony, so I will turn it over now to director Treat.

**Leah Treat, Director of Bureau of Transportation:** Thank you, commissioner Saltzman and the rest of the council. So good morning. I am glad that we are here today to hopefully approve the settlement. This is really important for many reasons, and one of them is the city's policy commitment to equity. Equity is something that I am really passionate about. It's one of the reasons I loved working for the city, so this settlement is incredibly meaningful to me. You know in the realm of transportation, equity can take on many meanings, and one of them is access. That's what we are talking about is access to our system for all users. We launched a vision zero initiative in 2015 to eliminate the traffic fatalities on our roads. As part of this, we have focused on investments in programs and communities that have been historically underserved in the city, and thanks to the commitments and investments, Portlanders are safer to our Investments. We have also committed to traffic enforcement without racial profiling. This is a signature piece of equity work that we are doing at the bureau, as well. I think we are one of the few visions zero cities in the country that has made this pledge, if not the only one. Internally we are building up our equity initiatives. In 2016 we hired an equity and inclusion manager. We completed our five-year racial equity plan and have been working on its implementation. We have an active equity committee helping to lead our interim conversations about achieving transportation equity across our many projects and programs. And thanks to these initiatives we have made signature progress in integrating equity into everything that

May 16-17, 2018

we do. There is an area where we have not done as well. We need to be building more curb ramps, and we need to do it in a more timely fashion. When you compare the curb ramp to a bridge or a streetcar, it seems like a humble piece of infrastructure, but it isn't. Make no mistake curb ramps are critical for people with disabilities. That's why we are here today. We are taking a major step forward in providing people with disabilities with the mobility and connections that they need and deserve, and it's our obligation to provide that. In reaching the settlement with creek the city has pledged to build an upgrade of 18,000 curb Ramps over the next 12 years. That comes to about 1500 ramps a year and double the number that we have been building and upgrading in the past. I believe this is a profound victory for our disability community and for all of Portland. Thanks to the settlement we're going to be a more mobile, more connected, and more equitable city for all Portlanders. Now I will turn it over to Eva who is going to walk you through a slide deck with the proposed settlement.

**Eva Huntinger, Bureau of Transportation:** Thank you, director treat. Good morning commissioners and mayor wheeler.

**Wheeler:** Good morning.

**Huntinger:** I am Eva Huntinger, and I am lucky to serve as the supervising engineer with the Portland bureau of transportation. I am happy to present this settlement for your consideration. As a matter of fact, I am truly honored. The settlement was the work of many hands, and with me are some of our key partners. Jeremy Patten, our PBOT business services group manager. Deputy city attorney ken Mcare, Nicolle Sherone from the office of equity and human rights, and randy, from Scott and Linda from the attorney's office. All of which somewhere provided extraordinary service to get us to this point. To begin, I would like to provide you with a previous overview of the anatomy of a curb ramp. Insuring the curb ramps meet the Needs of all users of our sidewalks and streets, we must consider four separate elements. These elements are summed up with the acronym, swap. S refers to the slope of the ramp, which is a maximum of 8.33%, and that's a strict requirement. Where it absolutely came from, we're not sure. We think it goes back to the days of one inch per 12, 8.33%. W is for the wings on either side of the ramp which has a maximum of 10%. A is to make sure that the ramp is accessible, meaning that it is free from obstructions, so people in wheelchairs or crutches can get up and around the ramp to make their turns. And then finally in Portland we use p for perpendicular so when a wheelchair user comes down the ramp to the street they don't tip because they are coming to the street in a perpendicular fashion. In addition to meeting these requirements an ada compliant ramp must also have the yellow bumps at the bottom of the ramp. The official name for these bumps is called the truncated domes. They provide an important signal to people with visual impairments that they are entering or leaving a traveled way. Here is one of our inspection forms. So, you can see how these elements actually work and translate onto a project. We have approximately 27,000 corners with curb ramps in Portland. Many of these ramps are in need of repair. In addition, there are approximately 11,000 other curb ramps without -- I am sorry, approximately 11,000 other corners without ramps. To address this situation, we have had a sustained program of curb ramp installations. For the last few years we have been installing ramps like these at an average rate of 750 ramps per year, and this is quite an accomplishment. Unfortunately, as Tim fox, the executive director of the civil rights education and enforcement center, called creek, and Linda Dardarian, who specializes in disability rights, have brought to our attention that the city is falling short of what the ada requires of us. In 1991 the Americans with disabilities act became effective. It requires curb cuts be built so that people with mobility devices can get access to and from the street onto the sidewalks. Without curb ramps, people are forced to travel in the street, which poses significant safety risks. According to the centers for disease control and prevention one in eight people have or have had

May 16-17, 2018

serious difficulty walking or lifting their feet to clear a step or a curb. Curb ramps remove that barrier. A curb corner brings us and people so that they can more easily reach the sidewalk. To address the shortfall and our efforts, we entered into a settlement negotiation with creek starting in the year 2016. The settlement before you put into practice our commitment to bringing an accessible Portland. It also demonstrates that when we find a common goal in a higher purpose, parties that would be adversarial can, indeed, collaborate to find a positive, productive way to address the issues as partners without resorting to expensive litigation. We found a way to put more dollars towards building an accessible city and providing a plan that makes it more manageable for the city in lieu of it being mandated by a court order. Because we had been constructing ramps over the years and we're transparent, and since Portland does not dispute that we aim to be an accessible city for all, creek was agreeable to help us as a partner to make this happen in a more manageable way. They were open to working with us to find a way that would allow the city to get compliant over time. This settlement agreement calls for 1500 -- I am sorry, 1500 curb ramp builds or upgrades for the next 12 years for a total of 18,000 curb ramp improvements. This calls for an inventory of all ramps within two years, and a transition plan that describes the plan for addressing upgrading or installing the remaining ramps required to make the city fully accessible. The city will provide the creek team with an annual report summarizing the number of locations, and locations of accessible ramps installed or upgraded along with access to our GIS system for their own Tracking. Curb ramp installations and upgrades will be prioritized for public services, schools, parks, hospitals, and bus stops through the view of an equity lens. The Portland bureau of transportation, the bureau of environmental services, the bureau of development services, and the Portland water bureau, and parks are all working together to upgrade the curb ranches when a utility and, or pavement work is performed, and our pavement restoration standards reflect that when a curb corner is touched it must be brought to standard with a curb ramp. The bureau of technology services has made our curb ramps by request system now accessible by moving the link to the intake form to our primary city web page. Our maintenance operations paving operations now construct 450 ramps annually and are highly proficient in both laying them out and constructing and finishing them nearly year-round. Electronic inspection reports are well underway, and our ADA curb ramp program is one of the first in the country to be certified by the federal highway administration. And our construction specifications require that accessible routes be provided in construction areas. This ordinance is to approve the settlement agreement and any documents necessary to implement the agreement. The city budget office, PBOT, and chief financial officer Jennifer Cooperman have in Tandem and together identified a tentative plan to fulfill the financial terms of the agreement pursuant to the city's budget approval process. Those of us who do not currently have the disabilities are fortunate, and it's easy to take our own mobility for granted. As you will hear from our guest today this is not something that everyone enjoys. We need to do everything we can to remove barriers to safe and equitable access for our fellow Portlanders and those who live with disabilities. We are doing that with the settlement today. We are living up to our ideals of equity and accessibility today. I am so proud of our city, and I am honored to present this settlement for your consideration. Thank you.

**Saltzman:** Thank you. Nickole, did you want to?

**Nickole Cheron, Office of Equity and Human Resources:** So, I think it's important that we support the settlement. I think one of the pieces that have been mentioned and needs to be highlighted is that we, as a city, adopted the Americans with disability act in 1993. When something like this comes up we really don't look at what we are doing now, but what have we done from 1993 until now? And so, we are grossly out of compliance with curb cuts, and so this is something that we have to do. It's something that we should have

May 16-17, 2018

been doing. It's unfortunate that it had to come out of a settlement. It is happening, which is great. I think that as we see equity Moving forward in the city, it is important as Leah said that we need to include disability equity in the racial equity conversation, not just because disability equity is important, but our people of color with disabilities, so I think that this is a great step forward for us. It's something that I hope continues to keep on our radar the things that we need to be doing to make Portland more inclusive for everyone.

**Wheeler:** Thank you.

**Saltzman:** So the panel is happy to take any questions or we can invite up our next guest.

**Wheeler:** Okay. Great. Thank you. Thank you all.

**Saltzman:** Thank you. So now I would like to invite the claimants and the civil rights education enforcement center attorney to come to the table. If you could each give us your name.

**Tess Raunig:** I am Tess Raunig

**Tim Fox:** I am Tim fox with the education enforcement center.

**Wheeler:** Good morning. Thank you for being here.

**Linda Dardarian:** I am Linda Dardarian.

**Wheeler:** Good morning, Linda.

**Dardarian:** Thank you.

**Fox:** So good morning council members. I think I will lead off. I will be very short, and Linda and everyone else will have a few words to say after that. I was thinking of what I wanted to say here today. I was injured and started using a wheelchair as a result of a Sports injury when I was 21 years old. I have had the experience of not being disabled, and then I have had three decades of experience using a wheelchair. It occurred to me that it might not be obvious to someone who doesn't use a wheelchair the benefits of existing and compliant curb ramps. I thought that I would speak to that. There are two categories, there is corners that don't have any curb ramps at all. Those, obviously, are problematic because if you are driving along and you are trying to get to the sidewalk on the other side of the street, you encounter a corner with no curb ramp, you have to either go some other route or usually just drive on the street until you can find a spot to get up onto the sidewalk. It's also difficult when there are existing curb ramps that are non-compliant. So, for example, there are some curb ramps that are kind of steep, and where they meet the gutter or the street, that can have the reverse slope. The consequence of that is that as you are going down this steep curb ramp and encountering the opposite slope, you can pitch forward. All of that has real life consequences. One thing it causes me in a new city, of which I am not very aware, to want to have somebody with me so if I am going down a ramp that I think is ok but might not be, I have got somebody who can hold my upper body from pitching forward at the bottom of the ramp. So, it impacts my independence. It also can be difficult in a variety of settings in which as a person with a disability you are trying to integrate with other members of the community. So, for example when I was a summer associate many years ago in los Angeles we all went out and we were walking several blocks to a restaurant, I think it was. We came across a corner that did not have a curb ramp. I separated off and went around the block while everybody else went on their way. It's those kinds of experiences that when you are already in the process of trying hard to kind of feel like you are part of an integrated group, you can encounter something like that and it emphasizes the differences rather than the likenesses. In this settlement, it really goes a long way towards addressing those issues in that it will result in new ramps being put in at corners where there are no ramps, and it will result in ramps that exist but are not compliant being run to compliant. And that just means a tremendous amount to me as a person with a disability who is kind of growing to fall in love with the city. I love Portland, and I have not had the opportunity to come here until we have had these discussions and it's just a wonderful place. I urge approval of this agreement



May 16-17, 2018

because it really make this city accessible to all persons regardless of Disability. I want to say one other thing that Linda will touch on as well. We worked with a lot of cities about curb ramp issues over the years. The folks in Portland have just been amazing. We have really enjoyed getting to know the folks, Eva and everything else on her team. I just wanted to personally express my thanks to them.

**Saltzman:** Thank you for those kind words.

**Dardarian:** Thanks, Tim and thank you for having us here today to discuss the settlement and for you to approve the settlement. We all have a lot to be very proud of today. Under this agreement the city of Portland will make substantial improvements to the accessibility of the pedestrian right-of-way for residents and visitors with mobility disabilities by installing and upgrading about 18,000 curb ramps over the next 12 years. Double the rate of installations and upgrades of recent years. This really is a very remarkable commitment that Portland is making. This commitment was achieved in a remarkable way by remarkable people. How was this achieved? This is a settlement but there was no lawsuit. Instead it started with a letter. A letter that described how the lack of accessible curb ramps in the pedestrian right-of-way prevents individuals with mobility disabilities from Independently and fully participating in the sidewalk system that Portland makes available to the general public. The letter also acknowledged that the people who make up the government of the city of Portland are well intentioned. Portland has a commitment to disability equity and wanted to be a leader in insuring that Portland is accessible to residents and visitors with disabilities. So, the letter invited Portland to work together with the community of people with mobility disabilities and us as their representatives to address this urgent civil rights and safety issue and to achieve Portland's goal of embracing the letter and spirit of the Americans with disabilities act and other civil rights laws. In other words, instead of throwing a punch to begin a big fight with a lawsuit, we offered Portland an outstretched hand to sit down together and to work on problem solving. To the city's great credit, the city saw this as an opportunity and responded positively to the invitation with a message that yes, we can do better. We very much appreciated that. So instead of engaging in costly and expensive and protracted litigation, we worked together with representatives from the city attorney's office and PBOT to problem solve, and that involved frank discussions, open sharing of information, meetings with us and our clients who are here today to talk about the issues with the existing pedestrian right-of-way, corners that are problematic, how to Prioritize what needs to be fixed most urgently, identifying funding sources to help Portland achieve the goal of a fully accessible pedestrian right-of-way, and developing a schedule for making the pedestrian right-of-way compliant and accessible on a much more rapid schedule than was being pursued before, but in a way that the city can realize that is workable for the city and for the residents and visitors with the disabilities. And this was all done very collaboratively. Without an adversarial process, which often results in tension and great expense and ruins relationships. Instead this process resolved the matter much more quickly than litigation, much more efficiently, and at the fraction of the cost of litigation. Best of all relationships were forged and built and strengthened throughout this process. Working together we built a relationship of trust and open communication between the city representatives and the community's representatives that will continue for many years. And this was due to the remarkable people involved. Two of them you will hear from soon. Tess Raunig and Alan Hines, and then also carol zoom, who is a resident of Portland but also lives part-time in Maui, and that's where she happens to be right now, so she couldn't join us today. There are three Portland residents who took it upon themselves to represent the Interests of people with mobility disabilities to ensure that all can safely and independently move throughout the city's pedestrian right-of-way. And we also had remarkable champions and partners in problem solving. Eva from PBOT, who you heard from, Kent, Scott, and Linda

May 16-17, 2018

from the city attorney's office, randy from risk management, and initially David, who is also here today. They welcomed the opportunity to do the right thing for Portland and its residents, and visitors with mobility disabilities, to do so efficiently and effectively for everyone concerned, and in a way that works for Portland, in a way that makes Portland a community partner and a leader for the future. This really is a remarkable achievement. One that we are extremely proud of, and you should be proud of, as well. You should show your pride by approving the ordinance, approving the settlement. Thank you.

**Saltzman:** Thank you.

**Wheeler:** Thank you very much.

**Raunig:** Again, I am Tess Raunig. I just wanted to share a personal story about my experience with non-compliant programs, and hopefully emphasize the importance of the settlement. When I first moved to Portland I was downtown with some friends. It was just off Burnside, I think, on 9th, and I went down to very steep curb ramp but didn't see it had an edge on it. It was not flush with the street. The front of my wheelchair caught on that, and I was tipped into the street out of my chair. It was very, very fortunate that I had people with me, and that there was not traffic at the time. I got a few scrapes, but I could have been much more seriously hurt. It's just very -- I am grateful that the settlement is happening. It will prevent other people from having to experience that. And then when I lived in southeast Portland, there were lots of non-compliant curb ramps, and just nonexistent curb ramps in my neighborhood. It made it really, really hard for me to navigate my neighborhood. It made it difficult to get to know my neighbors. I just couldn't move freely around my neighborhood. It is -- the settlement is a blessing for all our residents with disabilities.

**Wheeler:** Thank you. We appreciate you being here.

**Allen Hines:** My name is Allen Hines and I think it is important to live independently in our community. It means a lot to me. There are place this is the city where I am proud to live freely, and I hope we will make Portland accessible to people with varying needs. So thank you for considering this, and I hope you will approve it.

**Wheeler:** Thank you. Appreciate you being here.

**Saltzman:** Thank you all for being here. That completes the invited testimony.

**Wheeler:** Very good. Our public testimony, Karla? Do we have people signed up today?

**Karla:** Yes, we have one more. Joe Walsh.

**Wheeler:** Mr. Walsh.

**Joe Walsh:** Good morning. My name is joe Walsh. I represent individuals for justice. This program and settlement are something that you should all be very proud of. In the future I will most likely be in a wheelchair, so obviously I have a bias when it comes to this. My radius of movement is slowly being taken away from me, so you should be proud of this. The program itself I sit with a great smile on my face, but I was also haunted because I am an activist. Why in 2018 are we where we are? Why do we have so much work to do? You always get that feeling when these things come up. You know, why -- where were we in 1991? When the ada was being passed, and everybody that had a brain knew that a wheelchair cannot go over a curb unless you have a ramp. I know we all knew that. Where were we? Why didn't we do it? And why are we now catching up in such a drastic way? I am just pleading with you. When you deal with ada, and you are dealing with it today, and it's on your mine, think of ways that you can really help? The sidewalks also are really in Bad shape. I know that because I pulled my friend along with me, and often he will arise and the sidewalk, it will pull right out of my hand, so I am aware of that. The sidewalks are bad. Your building, you should figure out a way about getting people in the back. I know that that's going to be expensive because you have no ramp there. You have to figure out a way to get passed those steps. You have some really bright, talented people, either working for you or volunteering, and you just heard from them. They can figure that out.

May 16-17, 2018

You draw people out front, which happens to me a lot, I have to get out on a traffic side because in no way, you can park and get me out on the non-traffic side, but in the back. It's perfect, except when you walk in the door. Then you have got a problem. But you can figure that out. Mr. Mayor, you have got three more years to figure it out. What I am suggesting to you, I can't believe I used all my time. What I am suggesting to you is don't let this be just another one, another issue. This should be something that you look in the mirror and say how can I help? What can we do today? This is a big one. And similar praising you, which I don't do very much. All five of you, with no exceptions, I am praising you for this. So thank you for it. Thank you for listening.

**Wheeler:** Thank you mr. Walsh.

**Walsh:** I am getting older, by the way.

**Fish:** Could -- I have a couple questions for staff.

**Wheeler:** Gentlemen, please, commissioner Fish.

**Fish:** If we could have the team come back for a second.

**Fish:** Thank you for the presentation, and I look forward to supporting the ordinance before us, and it includes authorizing the commissioner in charge to enter into a consent decree, which has certain provisions, including some ongoing financial obligations, which seem reasonable. The primary financial obligation that we're incurring today, that's clear to me is in the consent decree which obligates us to cover the attorney's fees for the plaintiff's lawyers for a period of time, and there is a cap that seems to be set for us so we can calculate that obligation. The impact statement, though, says we are still about \$52 million short of figuring out how to pay for this, and that's in addition to moneys which apparently were identified through build Portland and other general fund sources. I don't know that I have seen any document that lays all that out, mayor, and because we are today not being asked to actually formalize how we're going to pay for it. We're entering into the resolution of the dispute, I think that it's very important that the council have a complete understanding of all of the Conversations, the various options. I want to be very clear this is a huge prior to for me that we do this. Someone other than commissioner Saltzman is going to be in charge of pbot at some point and have the duty to find the resources to implement this. But when I read that, you know, that excuse me, when I read that 61 million has already been identified, including general fund and build Portland resources, that's news to me. And then when I hear that we have a 52 million gap that has not been discussed by the council, and it concludes by saying all of this will be addressed as part of the mayor's office budget proposal, which it clearly has not, I want to make sure that we are all clear about our obligations, the options before us, and how to pay for this. I am not saying that we have a bad habit of signing onto agreements and not funding them, but I do think that this is going to require some very tough choices going forward on budget time, and I think that it's very important that the council have all of that information. So, if there is a document that identifies everything pbot has identified as potential funding sources, and then the balance due and options for that, I would ask for a copy of that. Issue the mayor has an ask -- has part of his budget includes, I think half a million or a million eight aside, but these are bigger numbers. Issue today is not the day we are going to figure out how to Pay for this, but I would like to know what the road map is, and our options are because these are very big numbers. Any comment to that?

**Jeremy Patton, Bureau of Transportation:** Good morning council and mayor, this is Jeremy Patton with PBOT. So, we did work on the memo with the chief financial officer and CBO and ourselves to kind of try to find the right split. Hopefully that memo reached your office, it came out at the end of April, but I can describe quickly some of the bigger level components of that memo. And what has been included in the mayor's office proposed budget, which is up for vote. So, starting with the pbot component, so we have

May 16-17, 2018

the \$113 million problem, and what we have done with pbob is identified \$60 million of internal resources over the next 12 years to address that.

**Fish:** You say internal pbob resource, is that non-general fund?

**Patton:** Non-general fund, yes.

**Fish:** I have the budget office shaking their head, that's not what it says so I want to get a clarification on that. That's not what the impact statement says. Impact statement says that the \$61 million includes general fund and build Portland resources so that would clearly be general fund resources.

**Fritz:** May I make a suggestion? I share your concerns about the financing plan. I was going to say in my closing statement that I don't agree with the financing plan. I think that it would be helpful to approve the settlements because we have to, and then have a further discussion, perhaps a work session about how to pay for it.

**Fish:** I am all for that. Because it's before us and this document says that there's been these conversations and potential splits, I want to make sure that we have all the information that we need because a future council will be responsible for making sure that we honor the commitment we're making today. It looks like there is a lot of -- it was news to me that there are build Portland resources. That's, that's a pot that's going to come under a lot of strain, but to the extent there is general fund resources, we can't commit future councils to that, but I want to make sure that we honor whatever the framework is. Otherwise we could end up being in disputes over implementation of this quickly, and I don't want that to happen. You said that there is a memo that was issued in April?

**Patton:** Yes, a memo issued in April that outlines the larger pots of money that would help to fill that gap.

**Fish:** I will take commissioner Fritz's advice that we will separate these two things, but just speaking for me and now that it's clear that the city is stuck with me for another 4.5 years, I want to make sure that what it is that we are committing to so I can do my part at budget time to make sure that we are allocating the money, and right now I am not so clear about how we are going to fund this, so I hope that we have a robust discussion about that.

Thank you.

**Saltzman:** Thank you all.

**Wheeler:** Thank you. And we have completed the public testimony. Please call the roll.

**Fish:** Well first dan, thank you for bringing this forward and thank you to our professional team and thank you to the plaintiff's lawyers and the plaintiffs who joined us today. It's very rare that we have the benefit of having the plaintiff's lawyers and the plaintiffs coming and testifying, and I think that it's very refreshing. And I particularly appreciated the comment that was made that it simply took a letter to engage the city in problem solving, not years of litigation, which is expensive and time consuming and often does not move the ball. I create everyone involved that they reacted to this in a positive and proactive way rather than a defensive way. The truth is that curb cuts are just one of the sorts of canaries in the tunnel, but there is so many other examples of facilities and public spaces and other things in our community that are not ada compliant. That's one of the reasons that -- one of the ways the ada was constructed, the Americans with disabilities act, is that it has a mechanism for putting people on notice that they have to fix it, and it's not designed to be punitive. It's designed to be corrective. So here's an example of where a watchdog group has said we're falling short, and the city has stepped up and said, we're going to do better, and I compliment everybody for the spirit in which they entered into this. We want our city to be welcoming and accessible to people of all ages and abilities. We want to be the leading city of our size in that way. Today I think that we are taking another step forward. I am pleased to vote aye.

**Saltzman:** I have a lot of people to thank. If I was I want to thank the claimants for what you have done today, for bringing this before us but also for sharing your experiences with

May 16-17, 2018

our sidewalks and our curb ramps. I think that first hand perspective is something that really helps me appreciate that we need to do better. And I think that -- I want to thank creek for sending us that letter rather than a tort claim. And engaging in a conversation that is leading to the settlement today, which is a major obligation but also a major responsibility that we have to our residents. I want to thank director treat for her commitment to equity and her receptiveness to the idea of trying to work this out in an amicable manner. Eva Huntinger, of the Portland bureau of transportation who led the discussions with our city attorney's office on this settlement, and I think she has the benefit of being both not only a professional engineer but also an attorney, so those Perspectives really, I think, helped us to get through where we are today. I wanted to thank the people in our city attorney's office, ken, Scott, Linda for their work on this, nickole, as well, and I think that I am not leaving anybody out. Randy, yes, randy from risk. Always an important voice, and Jeremy Patton, too, so thank you all for the settlement. This is the right thing to do. Aye.

**Eudaly:** Well, thank you to pbot, the city attorneys and commissioner Saltzman for a launch into my broader comments, I want to say how pleased I am to hear about how you are thoughtfully prioritizing this work because it is a daunting task. There is greater need in some areas more than others. I am going to be checking out your curb ramps by request and maybe putting in a few in my neighborhood. So, disability is a natural part of the human experience. There have always been people with disabilities. There always will be. And as our life expectancies increase the number of people with disabilities, especially mobility challenges, will increase as well. I want to note how unusual it is to see multiple people in chambers using mobility devices. I also want to note that having four or five people in the room is actually more reflective of our population with one in eight people who have or have had experienced mobility challenges, and the fact that this is a rare Event highlights the challenges that we are here to talk about today. Sorry. I skipped ahead in my notes. That challenge is navigating the world in a city that would not built with wheels in mind, at least not that are not attached to a combustible engine. So many people with disabilities do not view their disabilities as negative or unfortunate. It's the disabling environment both physical and attitudinal barriers, but is unfortunate, and nearly three decades after the ada passed, it's inexcusable. I want to thank the advocates who are here today for their grace and their patience and their understanding. I don't think that we deserve it as a city. It is greatly appreciated nevertheless. Thank you. As noted the city of Portland is woefully behind on ada compliance. I hope that the lawsuit will inspire us to be more proactive and do the right thing without the threat of a lawsuit in the future. Our bureaus have had 25 years to plan, budget, and implement their ada compliant plans. I know that we're not voting on a funding plan today, but I want to echo commissioner Fish's concerns about how these improvements will be funded. They are ada compliance is neither sudden nor unanticipated. And I look forward to that conversation. Aye.

**Fritz:** Thank you everybody who has been involved. I vividly remember about 20 years ago when I was a registered nurse working at Oregon health and sciences university taking a person using a wheelchair outside for some fresh air and encountering a curb ramp that was not flush with the pavement. Having to take a run at it to get over it. It was only a little light, like half an inch to an inch lip, and yet it was very difficult even with the non-electric wheelchairs to push the person up it. And ever since I have noticed when I am walking around where curb cuts are obviously not going to be very helpful for people who are using the mobility devices. I am very pleased we have gotten to this settlement today. Thank you to the claimants and their attorneys for their approach. I really appreciate hearing about the letter and the outreach, and then I appreciate that hearing there are attorneys and staff responding with the welcoming and with talking together. It made me very happy that of all the equity initiatives nation-wide that I believe that ours may be the

May 16-17, 2018

only one to have a secondary focus apart from racial equity on disabilities. I want to credit Joe Vanderveer and Isla McCarthy on the Portland commission on disabilities at the time when we established the office of equity and human rights who insisted that disability has to be part of what the city does. I think that that's one of the best decisions that I have been a part of on the council, and that was spurred by Nickole Cherone and Amalia Alacandamaras establishing the commission on disability, which I got to oversee, one of the first things I got to do on council in 2009. And Danielle and Dora were also a big part of that, so this is -- it was good to hear the recognition that the city has been trying. I also hear the recognition that we have not been trying hard enough and we need to get to do more. So, this is a historic settlement. I do want to discuss the financing of it. That's a conversation that should not detract from today, so thank you Leah Treat. I know you are going to be moving on this legacy that will be appreciated citywide for a very long time and thank you for your leadership. Eva, you have done an amazing job on this entire project, and the explanation today was extremely clear. The city attorneys, the civil rights education and enforcement center, all the work that's been done on the age friendly cities, commissioner Fish and your leadership for that, and of course commissioner Saltzman for your guiding of this process. Mayor Wheeler for being willing to say yes, we will have to figure out how to pay for this, and we will. So, thank you so much. This is a good settlement for everyone, and I am happy to move it forward, aye.

**Wheeler:** I would like to thank the claimants. I would like to thank you both for the substance of your approach. You are right. You always were right. I would like to thank you for the tenor and the style of your approach, which was to approach the city of Portland in a collaborative manner and see if we could work together to find a solution that will bring us both into compliance with the law and provide us the opportunity for a fiscally achievable and fiscally responsible approach to funding this solution. So, thank you, and I agree with all the positive things that my colleagues have said. I am glad commissioner Fritz just added to the mix that while the disability community is front and center in this conversation, I don't want to lose sight of the fact that we have declared that we are going to be an age-friendly city. With an aging population that means these kinds of access and mobility and accommodation issues need to be more highly prioritized than they have been. I would not be me if I didn't slightly rain on the parade. I want to remind us what we heard today. What we are doing is we are working to come into compliance with federal law. This has been federal law for decades. A former city council back in 1993 made it very clear that we were going to adhere to federal law. It is only through the large generosity and the approached Partnership with the claimants that we were able to get to that point. Commissioner Fish raised a question that's been really interesting to me since I got here however many months ago. The question of how do we pay for things, number one. Can we bind future councils, number two? When the city council in 1993 said that they were going to uphold federal law, ADA, they bound this council. The reality is that there are not a whole lot of great financing options out there. There are financing options. It's going to take a ton of hard work for us to be able to realize the potential of those financing options, and we're here today to recommit to working to find whatever that right package is, and I want to work with my colleagues to find the package that we collectively agree is the right package. The bottom line is that for 25 years we have been ignoring our requirements here. I understand the city has been committed and individuals have been committed to this and policies have demonstrated that, but in terms of actually complying with the letter and the spirit of ADA we didn't do it. Therefore, every year we did not do it our legal and financial risk has grown. I think that part of my job coming in as the mayor is to direct all of our city bureaus to clearly identify our legal and financial risk so that this city council, because we are committed to it, so that this City Council can actually put plans on the table to address our legal and financial risk. I do not want to be in a position where 25 years

May 16-17, 2018

from now some mayor sits in this chair and says holy cow what did you do to me? Why did you leave this exposure on the table for us? That is an inner generational transfer of responsibility and resources, and it's not going to continue to happen, not under my watch. So, I want to thank the partners who are here today. This is great work. It moves us in the right direction. I am grateful that we are lucky enough to have such fabulous partners in this. I vote aye. [gavel pounded] the ordinance is adopted. Thank you all for being here. [applause] next item, 467.

**Item 467.**

**Wheeler:** Last year the city council allocated 1.25 million for new shelters and we have requested Portland housing bureau to direct \$500,000 to this project. The item in front of us today is to authorize \$500,000 in funding to the Portland homeless family solutions to acquire a new shelter augmenting shelter capacity here in the city of Portland. This project will add to the available temporary housing options for families experiencing homelessness, serving homeless families at their most vulnerable. With us today is of course Shannon Callahan, who is the Portland housing bureau interim director. We have Brandi Tuck, executive director of Portland homeless family solutions, and I'm sorry, could you remind me --

**Sally Erickson:** Sally Erickson with the joint office of homeless services.

**Wheeler:** Sally, I'm sorry. Just one of those moments. Thank you for being here. We appreciate it. Good morning.

**Shannon Callahan, Director Portland Housing Bureau:** Good morning, mayor, commissioners. Shannon Callahan from the housing bureau. I'm pleased to support joint efforts of the city, county and community to find more safe spaces for families without permanent housing. The Portland housing bureau will be contributing funds from the Lentz urban renewal area to close the gap needed to purchase this building. Family solutions has done extensive private fund-raising and we're pleased to join them with the final needed funds for this purchase. Shelter is not the solution to homelessness, housing is. We're pleased to create 458 new units of affordable housing in Lentz and have an additional 259 in the pipeline. We will also ensure if this property is not used as shelter or for affordable housing we can secure the land for affordable housing in the future. We think this is a wise investment helping kids and families stay safe while we work together to move them into permanent housing.

**Brandi Tuck, Executive Director Portland Housing Bureau:** Good morning. Mayor wheeler, city council members, thank you for having me today. I'm Brandi tuck. I have been executive director of Portland homeless family solutions for 11 years. Our mission is to empower homeless families with children to get back into housing and stay there long term. Our roots go back to 1994 when a group of committed volunteered created the goose hollow family shelter which houses eight homeless families with children every night of the year. Families come at 6:00 p.m. And they leave by 7:30 next morning. Over the years phfs has expanded the goose hollow family shelter to include robust social services that help over 200 families every year. Today we operate several programs. We operate a housing first program that helps families experiencing homelessness move back into housing. Last year we helped 185 families or 653 moms, dads and kids, move back into housing. In our homeless prevention program families with 72 hour eviction notices get help keeping their housing and preventing homelessness before it starts and we operate shelter programs with the goose hollow family shelter for eight families with children every night of the year, family winter shelter at congregation Beth Israel for 75 moms, dads and kids during the winter months and the family center, the day center, for both night programs. Over the last year we served 700 individuals, 61% of those people were children. Half of those children were under the age of five. Everyone in Portland can see that we are experiencing homeless crisis and housing state of emergency. But what

May 16-17, 2018

everyone doesn't know is how many people who experience homelessness are children and their parents. Last school year, there were 4317 students that experienced homelessness in Multnomah county alone. 4300 students experienced homelessness in one year. That number doesn't count little brothers and sisters. We know at phfs half our kids are under five so presumably there's another 4,000 little kids plus all their parents. The wait list to get into the family system is a yearlong. Our shelters are full and over capacity. Kids don't have a place to eat, do their homework, sleep, or just relax. If a family became homeless tonight in Multnomah county there is literally nowhere that they could go to find safe shelter. We need to do better. Phfs has a plan to do better. It's called our family's first campaign. That's why we're here today. We have an opportunity to buy a 16,000 square foot building and eight adjacent apartments in the southeast neighborhood Lentz neighborhood of Portland. The campus would allow us to provide shelter for 26 families with children at a time, about 75 to 90 moms, dads and kids. Each would have their own private room with share bathrooms, living spaces and a big kitchen with three meals a day. The new site would provide 24 hours of continuous service for families. No longer will families need to be out the door by 7:30 in the morning. The Lentz campus is closer to where families actually live. Our programs are all downtown and families come downtown just because we're here. Families we work with don't live downtown. Sometimes they have never even been downtown before, maybe once to go to the courthouse. Our families live out east. Their kids go to centennial, Reynolds, park rose, and David Douglas school districts and they want our services closer to where their lives are centered. There are eight units of two-bedroom apartments. We plan to run those apartments as shelter, two families per apartment, one in each bedroom. There's room for growth. There's a large back parking lot that we would plan to develop into affordable housing in the future and we would invite other social service agencies to provide wrap-around services like mental health, domestic violence advocacy, child care and employment. Phfs has a track record of success. Over the last ten years to show that our approach to services works. We have a strong fund-raising program that allows us to stretch our public dollars really far and has allowed us to build a sustainable infrastructure sophisticated enough to support growth. Our staff are experts in the field and rigorously trained in evidence-based practices. We pay a living wage. We have an 85% staff retention rate because of that. Today Portland homeless family solutions asks you to vote in favor of a \$500,000 equity gap contribution to help acquire this great family shelter campus in the Lentz neighborhood. Thanks so much. I'm happy to answer questions.

**Wheeler:** Thanks. Any questions?

**Saltzman:** I was curious what that building was.

**Tuck:** Great question. It used to be a russian church. It kind of looks like a castle. But for the last five years it's been run as an inpatient men's addiction recovery program by a national nonprofit called teen challenge international. They have bought a new program, a new building in estacada and have moved their services over to estacada for the sale of the building.

**Saltzman:** Thanks.

**Fish:** You said there's room to grow on this campus, so we looked at that slide. Is the zoning on that property particularly in the back where there appears to be a parking lot flexible enough to allow you to do some additional housing there?

**Tuck:** It's cm2, so it's very flexible. We can do residential housing there.

**Fish:** Terrific. Thank you.

**Wheeler:** Public testimony?

**Karla:** We have three people signed up.

**Wheeler:** Very good.

**Wheeler:** Come on up. And thank you. Good morning. Would you like to start?



May 16-17, 2018

**Ellen Vanderslice:** Yes. I'm ellen van der slice. I reside in northwest Portland. I'm very recently as of less than three weeks a property owner in the lentz neighborhood association where my husband and I bought a small vacant lot hoping to develop some naturally affordable housing. For the last little more than a year and a half I have had the honor of serving on the board of directors of Portland homeless family solutions. I'm here today to urge approval of this ordinance and make the case that this is a sound public investment. I'm convinced that this new family center will be a success. This is the right organization at the right time, in the right place. Phfs is the right organization to take family shelter and housing to a new level. In my decades as an advocate and a bureaucrat, I have had to deal with a lot of different nonprofits and I founded some of them as you know. But phfs stands out for having its actions based on its values. It lives out its mission. It's thoughtful and strategic. It's really good at fund-raising. It's very agile in responding appropriately to opportunity. Brandi put up the slide about the moon shot. I was present at the board retreat where we came up with the moon shot idea. That was just a little over a year ago last april in 2017. That time the board -- it was way out there. Here we are today so close to buying this actual site and i'm just so excited about this. The lentz property is ideal for expanding services. Brandi went over the housing, the programs, the shelter. I have been a volunteer at phfs for more than a decade. I started with my husband volunteering overnight as hosts. Being present when families have to get out at 7:30 in the morning, it's just traumatic. What we want to provide for families who are already experiencing the homeless -- the trauma of homelessness is trauma informed care. Something where people don't have additional trauma forced on them and having to get up at 6:30 in the morning seven days a week and be out the door up the back stairs and not be seen by anybody at 7:30 in the morning is really just not very conducive to a pleasant day. So I think this is is a great opportunity. It's amazing how quickly this has come together. Finally you have the opportunity to leverage this investment. They are getting \$1.5 million bank loan. They have raised nearly \$1.5 million privately, and you're asked to put in an extra half million. Please do it. Thank you.

**Wheeler:** Great testimony. Thank you.

**Mary Sipe:** I'll jump in. I too want to urge you to approve this loan. I can't tell you how excited I was to see this on the agenda this morning. Especially in lieu of the work that i'm now doing with the Oregon harbor of hope and navigation center. I was real excited to hear about the potential of the 458 affordable units and the focus on families. I find it just so interesting how timely after lightning spoke this morning about his concern about homeless families, and we just -- this -- it just speaks to what the private sector can do and how quickly these things can move along as well. I just want to say kudos to the Portland homeless family solutions for what they are doing. We at Oregon harbor of hope may be reaching out to you as one ever the agencies that we look to help in our endeavors. I just also want to throw a little shout out as you're designing affordable housing to also be thinking in terms of how you kind of find a way to put those people who are homeless and unhoused at the top of the waiting list, in the front line, before people who are housed move into those buildings who are just moving from one home to another home. Right now the affordable housing projects around the city are tightening up their eligibility criteria. They want people to have two years of rental history. We all know that people currently living on the streets are not going to qualify under those kinds of tight restrictions. They don't have two years of rental history. They are denying people that have delinquent debt over \$1,000. They are denying people that have felony convictions and not even doing any kind of special review or anything like that. So as you're moving forward with this, think in terms of how can this affordable housing reach out to the people who are unhoused right now. Put them at the front of the line. Again, I urge you to approve this loan.

**Wheeler:** Thank you. Appreciate it. Good morning.

May 16-17, 2018

**Joe Walsh:** Good morning. My name is Joe Walsh. I represent individuals for justice. This is -- we're speaking in favor of this. The \$500,000 loan that will eventually be a gift down the line someplace. However, we hate emergency shelters. They are necessary. We have to have them. However, many people tell us that they don't want to go to emergency shelters because they fear for their safety. They don't want to go to emergency shelters because they are going to lose their animals. They don't want to go to emergency shelters because they can't spend the time with their loved one. There are all kinds of regulations we have that are really negative and counterproductive in emergency shelters and that's what they should be. Emergencies. They should not exist for 40 years. If they exist for a long period of time, haven't we failed? Emergency shelters is somebody is cold, they are in the street, and we get them inside. That's the concept. But we keep them going. And we create these institutions. Those institutions have two criteria. One is to serve the clients, which is people on the street. The other one is to survive. And if they need to survive, the way in our culture is to expand. That's where we get into trouble all the time. So when you think of an emergency shelter, you should say emergency shelter should be disbanded after a couple of years. The other thing is every emergency shelter should have private spaces for every human being we put in there. So there's some sense of safety. Not bunk beds. Not mats on the floor. They have their private little area. It would not be that difficult to do. Some two by fours and some plywood. They would be safe and that's what they are asking. They want to be safe. We hear it over and over again. They are afraid to lose their stuff. You know -- I go nuts with the sweeps because they lose their stuff. They lose their stuff in emergency shelters also. The other thing is human beings have a tendency to be very authoritarian when it comes to power. We have shown that in a number of studies. So these things are necessary. We got to get rid of them. And they got to be in their own little place.

**Wheeler:** Thank you. Last testimony.

**Lightning Super Creativity Watchdog:** My name is Lightning. I represent lightning super creativity watchdog. Again, my biggest concern is when you're dealing with the homeless children, children need to be first to get into permanent housing. Children need to be first to get into any beds in a shelter. Children need to be first and there's no negotiating on this. If you don't allow that to happen, in my opinion, I'll address this to commissioner Fritz, who is smiling, would be considered child abuse. From federal law, if you don't think children should be in housing first, I don't think you should sit up here. Now, issue number 2 on this, I approve of the money going to this organization. They do good work. They are focusing in the right area, but I think they would also agree that data pertaining to the homeless children and students that are homeless and the kids that are sleeping in cars two blocks from their school with their parents to go to school because they don't have housing or any other opportunity, do they lose their kids when the police officer drives up and sees two kids in the back seat and they are two blocks from the school trying to take their kids to the school? That is something that we need more data on, how the police respond to this situation, and understand we have to have systems in place to protect the children first. We do not need to allow this trauma to happen to them at a young age. Developing minds. Trying to go to school. Trying to do things with their friends. We need to have systems in place. We need to talk about it. We need to see real numbers. We need to see real solutions such as this group is doing but as you can see by the numbers that were presented it's just a small part of the big problem out there that I feel hasn't been addressed. We need to get that metro bond pushed through. We need to figure out how we can use money from the city bonds toward these type of groups, toward their redevelopment of more permanent type housing on their back lot. We need to work with these groups and come forward with the funding but understand there are no excuses for not having children first into housing. If anybody in this room ever wants to challenge me

May 16-17, 2018

on that issue i'm more than glad to challenge you. I will assure you I have the ability to make sure you don't get reelected and trust me, talk to mr. Cogan from Multnomah county and ask if I can do that, I will assure you you won't get reelected. Children first, no negotiating. Get them into permanent housing. No more excuses. Thank you for your time.

**Wheeler:** Thank you. Appreciate it all three of you. Thank you. Call the roll.

**Fish:** Well, i'm pleased to support this. It is a 60-year loan that is forgivable. I assume the decision was made for strategic reasons but it's a good investment. The Portland homeless family solutions is one of our best partners and brandi tuck a recipient of the skidmore prize is one of our brightest lights. Aye.

**Saltzman:** This is a very exciting and necessary project. I appreciate Portland family solutions for undertaking this. It's appropriate for us as a city to put in an amount that will help push this over the finish line and get this open as soon as possible. Aye.

**Eudaly:** I'm very excited about this. Happy to support it. Would just like to say that regardless of whether we're in a housing emergency and regardless of the state of our housing market we will always need emergency shelter. So I vote aye.

**Fritz:** Well, thank you, especially to Portland homeless family solutions for the presentation about your work which addresses everything we heard in testimony. Thank you, ellen vanderslice for coming to support this resolution. Thanks to the housing bureau for partnering in this and also the Portland development commission and prosper Portland and the lentz urban renewal district. Appreciate also support of the community. Aye.

**Wheeler:** So this is a great day. I appreciate Portland homeless family solutions. Brandi, always a pleasure to see you and to appreciate the great work that you and your organization are doing. Shannon callahan and the housing bureau, thank you. There's a couple of points I would like to make. First of all people ask me as mayor what hills are you willing to die on. This is one of them. You heard the passion from some of the people who are testifying. I share that passion. I would not be sitting in this chair but for the fact that for many years I was an overnight volunteer shelter host at the goose hollow family shelter now Portland homeless family solutions. My impression was the impression that was shared from the dias a few minutes ago that that 7:30 you're up you're out, anybody here with small kids knows what that is really like. That's in good circumstances. Now imagine that you're living in a homeless situation, your kids are under a lot of stress, the parents are under a lot of stress. You're in an unfamiliar environment. There's a lot of people in close proximity. And you have to do all of those things. They are often difficult as a parent in the best of circumstances. This actually improves the quality of the shelter. I do hope there will be a day where we do not need shelter in our community. Today is not that day. We have over 4,000 students in Multnomah county who are sleeping either in shelters or in cars or on the street. There are probably many, many others doubled up in homes and apartments with other people. I'm proud of the work Portland homeless family solutions does because they are really good once somebody is in the shelter at getting them out of the shelter and into housing and collectively through a home for everyone last year we moved 5,000 people from shelter into housing. That doesn't even count the 6,000 people who received preventive homeless services to prevent them from falling into homelessness in the first place. So the key is quality shelter. Services in the shelter to move people out of the shelter and into permanent housing. Therefore by the way freeing up capacity in the shelter for other people who might be in a real pinch who need that support. We are going to vote on our budget later today or at least the proposed piece of this or step after step in this budget process, but I believe this council has reached a consensus around 3 million additional dollars in the budget to go specifically towards the transition from shelter into housing. With regard to youth in particular, I just want to remind everybody that this council went down to the legislature in the short session with Multnomah county, with the support of the governor, we were able to secure \$5 million for

May 16-17, 2018

the youth family shelter services that we provide here. That was one of the few instances during that short session where dollars were actually allocated for a purpose like this. I feel like there is that consensus in that push and that passion to address homeless youth in our community. I'm very happy to vote aye. This is one of the easiest votes I'm ever going to take. Aye. The ordinance is adopted. Thank you, Brandi.

**Wheeler:** So colleagues, we have a four-fifths agenda item. Could you please read it?  
**Item 467-1.**

**Wheeler:** We have Jeff Chang, who is going to come forward and talk about contributions by Taiwanese Americans. We have an invited panel of testimony. Jeff will close this out and then I will read the proclamation and if people would like I think it would be fun to get a photograph at the end of the proclamation. Welcome for being here, sir.

**Jeffrey Chang:** Mayor Wheeler, city council, I'm Jeffrey Chang. I have called Portland home for the last 18 years. I'm both very humbled and proud to be here to have Taiwanese Americans celebrated by city council and proclaim Taiwanese American heritage week. I'm senior advisor to Taiwanese Association of Greater Portland and professionally I'm a director of the by Nike it's only fitting would like to share a couple stories about the contributions made by Taiwanese Americans in North America. So the first story is YouTube, an application and technology platform everyone has on their cell phone. It fundamentally changed how humans interact, communicate, learn, conduct marketing, and doing campaigning. It shaped how we as a society talk to each other. Now, while everybody has the technology at their fingertips not a lot of people know that a company was co-founded by Steven Chang, who is Taiwanese American. Another story would be Dr. David Ho, again not a household name, but Dr. Ho is probably the most renowned HIV and AIDS research scientist in the world. He came to the United States at the age of 12 from Taiwan and has earned 12 doctoral degrees. Treatment technique called the combination anti-retroviral therapy has cured and helped countless patients around the world. So, couple stories that would be important to share as we take up the celebration to acknowledge contributions of Taiwanese Americans.

**Wheeler:** Thank you. Good morning.

**Anny Hsaio:** Good morning, Mayor, Commissioners. I'm Anny Hsaio. I'm 1.5 generation Taiwanese American as well. My family moved to Portland in 1996 and the first few years of our move here our family experienced some cultural isolation and I also felt how challenging it was to adjust to a new environment. My mother, who is a social butterfly in Taiwan, could no longer easily talk to just anyone that she meets and ask questions. Without the internet back then, it was also challenging to find community space easily like how we do nowadays. Eventually she found the Taiwanese communities and organizations, so we started to build our roots here in Portland. So with that experience, I understood personally how important it is to foster community space so that people from all over the world can find support and community and to celebrate their cultures and their traditions living in a new space as new Portlanders. Because of that importance I have dedicated my life, my professional life and my volunteer life, fostering and building community. I serve as the chapter president of the Formosan Association for Public Affairs and advisor for the Taiwanese Association for Greater Portland and on the board of the Taiwanese Association. I also want to introduce a couple of members of our community who took time off from work to also be here today and thank you all for celebrating with us. Their contributions may not be as glamorous as Dr. Ho, or Steven Chen, but they are making positive contributions to our Portland every single day. We live, work, form families, pay taxes and partner with everyone in the room to make our city a better city. We're Taiwanese innovators, medical professionals, city workers, engineers and we're Portlanders. Cherry and Dr. Lee will introduce themselves.

May 16-17, 2018

**Cherry Chi:** Hi, mayor, commissioners. I'm so glad to be here. This my first time to be in the city of Portland. I'm glad to be here. I came to Portland in '91 as immigrant. Very thankful and grateful to be living in Portland. Receive education in Portland. Able to finish college same as my brother. My brother graduated from Oregon state university. Later we were able to find a job in Portland. I'm currently working as a nurse at ohsu, my brother works for pbot. So even though we moved to Portland my parents not forgetting our homeland of Taiwan. Get involved with our local communities, the community I am involved with a lot is Portland Lutheran Church. So, this church has been helping assist the immigration for Taiwanese community to settle in Portland. Also hosted multiple events in Portland to promote Taiwan and also local events like rose festival and boat races and chance for local community to get together and bond. Helped me to act as school organization -- headquarters in D.C. And local chapter here to get involved with u.s. And Taiwan relations. So I feel welcome in Portland. Also, I found out that city of Portland is a sister city of Kaohsiung, Taiwan that's where I was born and my mom's hometown. So, I'm very glad to live in Portland. Taiwan and U.S. share the same background of human rights, freedom and Democracy. I hope this relationship continues to grow. Because Taiwanese U.S. is a strong support facing challenges in international organization like wha and united nations. I'm glad to be here. Thanks for recognizing Taiwanese American Heritage week.

**Wheeler:** Thank you for being here.

**Easton Lee:** Good morning. I'm Easton Lee. I came to the united states from Taiwan in 1995 to seek the higher education. I was a student at the university of Wisconsin Madison. I was material science Ph.D. program. After graduation I relocated to the Portland metropolitan area for work. At that time, I still remember one of my professors talked to me, you are going to Portland? It is the silicon forest. Such a very beautiful place. So, I just today also this is first time come here. I also notice we have the forest and the city hall. We have very famous Columbia gorge and forest park nearby. So, the environment is definitely better than Silicon Valley in California. Web tech is the company I work since 2000. We have created the ten thousand employee and making the mobile computer and medical and automotive chips. This company is owned and invested by the Taiwanese semiconductor manufacturing company also called tsmc. The companies making for the customer design to their product. You may not know this iPhone 10, the chip inside, the device inside, a lot of chips is made from my company, tsmc. Microprocessors. In this silicon forest region, we have very also a lot of great high-tech companies such as intel, Tektronix, microchip and amazon. The region has very strong relationship with Taiwan. Hundreds of Taiwanese Americans as my background relocate and are working here. We start our family, our career, our social network here. We live here, shop here and also bring volunteer work here. We have outreach for the community. Finally, thanks for this community to offer us with open environment and also treat us with quality. We feel like at home, and we all try to make our home here. Thank you, mayor, and city commissioner.

**Wheeler:** Thank you.

**Fritz:** Two questions for anny. Could you explain what you meant by 1.5 immigrant?

**Hsaio:** I was born in Taiwan and grew up here. I came here as a ten-year-old, so I went through the Portland public school system, to Buckman, Fernwood and grant high school. 1.5 meaning that first generation is immigrant generation. .5 or 2 is if you're born here. So I'm in between because I came at a young age.

**Fritz:** Where do you work now and where did you work before?

**Hsaio:** I work at Portland parks and recreation, as a community engagement coordinator. My goal every day is to connect immigrant refugees and just underserved populations in Portland to connect to our parks, our community centers and also be part of the planning process for opening new parks and construction of new parks. Before that I worked at irco, doing a lot of community leadership capacity building. Also doing a lot of advocacy so

May 16-17, 2018

empowering community members again to be connected to local government like city hall, Oregon state legislature, Multnomah county budget processes so that we as a vibrant community that's growing can see more diverse communities here at these types of spaces.

**Fritz:** Thank you.

**Wheeler:** Very good.

**Chang:** I want to say quickly here that as we're sitting here celebrating the Taiwanese American heritage week it's critical to understand that Taiwanese innovation is American heritage. Taiwanese American history is part of American history. It's more important than ever especially under the current white house administration to cherish and celebrate diversity and inclusion. Celebrating diversity is not a celebration of division but a celebration of true American legacy. So again, we're very honored and humbled to be sitting here as Taiwanese Americans. I want to thank the mayor and city council to taking the time to proclaim the week.

**Wheeler:** We appreciate your testimony. It's my honor to read a proclamation on behalf of the Portland city council. Whereas our city of Portland has been continually renewed and enriched by communities of diverse backgrounds who make their journey from near and far to build a home here. And whereas there are more than 500,000 Taiwanese Americans in the united states and in Portland it's the third fastest growing Asian American population. And whereas Taiwanese Americans have made enormous contributions to the diversity and prosperity of American society, preserving the core values of liberty, democracy and human rights. And whereas Taiwanese Americans have been consistent and significant contributors to the advancement of tech industries, creative industries, and others. And whereas Taiwanese Americans can be proud of their roots and of their vital role in the continued growth of our nation and our city. And whereas the year 2018 also marks the 30th anniversary of the Portland sister city association demonstrating a long friendship between Portland and Taiwan, and whereas during this special week, Taiwanese Americans embrace their multi-cultural heritage and celebrate with all of Portland in the spirit of community that binds us together as one city. Now, therefore, i, ted wheeler, mayor of the city of Portland, Oregon, the city of roses, do hereby proclaim May 13 through May 19, 2018, to be Taiwanese American heritage week in Portland and encourage all residents to observe this week. Thank you. We'll suspend the rules. [applause]

**Eudaly:** I would just like to thank you for being here. Thank you for the contributions both cultural and economic and innovative to our community. Personally, thank Steve chen for bringing us all cat videos. I think we can agree -- [laughter] I was hoping that wouldn't go by. Definitely has raised the quality of life and happiness of all Americans. [laughter]

**Wheeler:** Very good. Would you mind if we took a photo up here? Thank you.

**Wheeler:** 473, please. Commissioner Fritz.

**Item 473.**

**Fritz:** Colleagues I'm extremely excited to present this exciting technical and wonky way of providing affordable housing. Combines all of my passions of housing, parks and planning. I'm very excited about this. As the most recent Portland parks and recreation commissioner I was asked to donate development rights on Portland parks and recreation's cully community gardens to Sabin community development corporation to build more affordable housing units on their adjacent lot. This will help more families and bring down cost of the development and Cristina will explain the technicalities of how this works and what we're doing.

**Cristina Nieves, Commissioner Fritz Office:** Thank you, commissioner. Mayor. I'm Cristina Nieves, office of commissioner Fritz. As commissioner Fritz said this would transfer development rights from cully community garden to Sabin community

May 16-17, 2018

development for affordable housing units. It's located south of the community garden. This provides the ability to transfer two more dwelling units to the Sabin development to increase.

**Fritz:** All of the brown part we're rezoning to open space. That's Thomas cully park. This is in the cully neighborhood. Killingsworth is the main cross street. 72nd, residential street. Thank you.

**Nieves:** This is time sensitive because the zoning as you said of the community garden is scheduled to change effective this month. I will hand it off to our community partners. Willie brown and Cameron Harrington.

**Cameron Herrington, Anti-displacement Coordinator Living Cully:** Thank you, good morning. Mr. Mayor, members of the commission, I would like to thank commissioner Fritz and her staff, Cristina, also puja bat for their responsiveness. I work for living cully, a community development coalition based in the cully neighborhood. I want to tell you how we found out about this at any time in the first place. Last summer I got a phone call from a realtor who said that his client was selling a property adjacent to the new cully park that Verde, one of the living cully partners, is currently building on 72nd avenue. Is there any way that we could find a way to buy it for an affordable housing project before we put it on the market? They reached out to us because the wife of the realtor had heard a story on opb radio about living cully's advocacy for tenant rights in the cully neighborhood. So, from there we started knocking on every door of every affordable housing provider and cdc, and we were thrilled when Loulie and her colleagues at Sabin said we would like to figure out a way to add affordable homes adjacent to the park. These homes that are going to be developed, their backyard will be a 25-acre public park. Their side yard will be the community garden. It's going to be incredible spot for families to make their homes. When we started looking more into this property initially, I think even before we reached out to Sabin, we realized the parks bureau had the community garden right next door that had several units of residential density attached to it because it was still an r3 property up until the time the comp plan changes next week I think. So, we thought, well, if we could get some of that density transferred next door, we could make affordable housing opportunities available for even more families than would otherwise be allowed on this land. So that was really our motivation for making the connection with commissioner Fritz and the parks bureau. In addition to creating more opportunities, the ability to add density specifically for affordable housing projects makes it more likely for those projects to pencil out because a cdc like Sabin can spread land acquisition cost across more units. Doing that for an affordable housing development makes nonprofit cdc, affordable housing development, more feasible and easier to compete on the open market. We really hope that this will be a precedent, replicable model where the city can look at other properties owned by all bureaus that have unused residential density even on properties that are never going to be used for housing like a parks community garden, and really I think an inventory could be done of what other instances where this same dynamic exists where that density could be made available for nonprofit housing developers to create more opportunity especially in a place adjacent to an incredible new amenity where not only do we want low income families to have access to housing at that location but we know that the development of this park is going to raise property values and increase displacement pressures in the vicinity. So being able to add affordable homes right next door to the park now is a win-win for everyone. Thank you very much, commissioner Fritz, for helping make this happen.

**Loulie Brown:** Good morning. I'm Loulie Brown. I'm the housing director at Sabin cdc. We would like though to thank you, the commission, and Portland housing bureau for vigorous efforts to preserve and enhance Portland's affordable housing. We would like to thank commissioner Fritz and her staff for shepherding the zoning density transfer through the

May 16-17, 2018

planning process. What I would like to share with you are details about Sabin and the populations that we serve. Established in 1993, it's worked to provide stable affordable housing and community programs to thousands of families who would otherwise have been displaced by the forces of gentrification in northeast Portland. Currently our resident demographics resemble what northeast Portland looked like in 1990. So, our population is approximately 70% African American. Most of whom have lived in the neighborhood for over 20 years. Sabin cdc established Portland's first land trust and equity lease programs and developed 115 units of rental housing that allows low-income families and individuals to stay in their neighborhoods. It's incumbent to create unique partnerships and approaches to the development of affordable housing. When living cully approached Sabin with the idea of purchasing the property and increasing its potential density we welcomed the opportunity as a chance to further our mission and provide much needed affordable homeownership opportunities in the cully neighborhood. Also, we allowing for a nine unit housing development as opposed to seven units of housing will ensure that this project is feasible and sustainable. We look forward to its fruition. Thank you again for your consideration and support of affordable housing.

**Wheeler:** Thank you.

**Fritz:** Are you still planning to do the family size single family homes?

**Brown:** That's actually the point of limiting it to nine as opposed to ten units. That will allow us to do three bedroom units which are in huge demand but have very little opportunity at this point in time. In part because folks can't get the developments like that to pencil.

**Fritz:** Really exciting. Thank you.

**Eudaly:** I have a question, mayor.

**Wheeler:** Please.

**Eudaly:** Thank you. Why couldn't this property be upzoned to r1, and you could double the number of units on it? Any thoughts on that?

**Brown:** Well, first of all, it would have had -- upzoning to r1 is an expensive process. It costs approximately \$30,000.

**Eudaly:** Not while we're in the middle of the comp plan.

**Brown:** If we had known about this property about a year and a half ago and we could have submitted it with the new comp plan it would have been -- we would have been all over it.

**Eudaly:** Deep sigh. Thank you.

**Fritz:** It's a relatively small parcel, though.

**Brown:** 16.5, 17,000 square feet. Because of the restrictions of the street width I would be leery about doubling the density there. I think that given the neighborhood it just -- as a small community development organization we want to be good partners, good neighbors. That's part of our mission.

**Fritz:** They want single family. We could have transferred another unit to get ten units but nine is what fits to the kind of development they are planning to do that will be family friendly.

**Wheeler:** Very good. Any public testimony on this item?

**Karla:** No one signed up.

**Wheeler:** Please call the roll.

**Saltzman:** Well, this is great. Thank you, commissioner Fritz, parks bureau and sabin for being so innovative. Aye.

**Eudaly:** Aye.

**Fritz:** Thanks to community development cooperation, Cameron Herrington, living cully, just thank you to Cristina Nieves and Puja Batt on my staff and Brett Orner in Portland parks and recreation. Linda lord, city attorney's office. Commissioner Eudaly's staff in development services who are also being very helpful in figuring this out. I want to take a



May 16-17, 2018

pause here. This is going to change things throughout the city. This one request, this opportunistic looking at how can we increase density next to a park when we're changing the zoning anyway, how can we make sure we don't waste those units, that led to our whole concept of we could do this downtown as well. So in the comprehensive plan process central city plan we have said that development transfer can happen from open space in the future. We have said that -- in the central city. That's going to open up hundreds of units of housing which the city can decide how it is allocated and which will make inclusionary housing feasible like this. Since you mentioned, we're going to do another zoning code change later this year saying that for all the properties that were previously residentially zoned and are now going to be open spaced outside of the central city that those units don't just disappear. We'll be able to do that so that we can do this again in other locations. Thank you for your innovative thinking. It's going to I think make a huge difference for affordable housing throughout our city. Aye.

**Wheeler:** So I am unabashedly a huge fan of this. Thank you, commissioner Fritz, to you and your team and the other bureaus who worked so hard and to all of you for your efforts. This is taking air and turning it into housing for people who desperately need it. I think it's nothing short of brilliant. Thank you. I vote aye. The ordinance is adopted. Next -- what is next? 476.

**Item 476.**

**Eudaly:** Thank you, mayor. The development review advisory committee fondly known as drac was established June 2001 as the primary advisory body regarding development review. The drac seeks to foster timely, predictable, accountable review process and advocate for consistent, fair application of regulations. The 17 members represent groups with interesting in development and development review processes. Drac members are appointed by the city council to one three-year term with a possibility of a second three-year term. Four individuals have been nominated to fill vacant positions on the drac as previous members have completed their terms and or stepped down. These four nominees bring significant experience in the development industry and familiarity with the development review processes. Appointing them will bring the drac closer to full strength and allow it to continue its works on behalf of Portland. These are shea Flaherty betin, nominated for the small business position p. Paul delzman, nominated for the large construction contractor's position, Helen holly Huntley has been nominated for the frequent development review customer's position, and Lauren golden jones nominated for the large developers position. I don't believe any of them are in the room today. We have someone from bds.

**Mark Feters, Sr Mngmt Analyst Bureau of Development Services:** Good morning, mayor, commissioners. Mark feters, senior management analyst with bureau of development services. I provide staff support to development review advisory committee. Want to thank commissioner eudaly for the summary of the four appointments. I would note with these four appointments there would still be two vacant positions on the drac. One representing city-wide neighborhood interests, the other representing minority construction contractors and development professionals. We are actively seeking applications and reviewing applications for those two positions so hopefully we will be back soon with recommended candidates.

**Fritz:** How would somebody volunteer for those two positions? How would they go about applying?

**Feters:** They would contact me, actually. Or they can go through the office of neighborhood involvement as well on the oni website there's information their cities boards and applications form is there. They can submit that to oni or to me at bds.

**Fritz:** Presumably call and ask for that information.

**Feters:** I'm sorry?

May 16-17, 2018

**Fritz:** They could call 823-4000 and they would be put in touch with you.

**Fetters:** That's correct.

**Wheeler:** Very good. I'll entertain a motion.

**Saltzman:** Move the report.

**Eudaly:** Second.

**Wheeler:** Please call the roll.

**Saltzman:** Thank you for your work. Thanks to the new members of the development review advisory committee. Very important. Aye.

**Eudaly:** Thank you, shea, Paul, Helen and Lauren, wherever you are. I look forward to working with you all. Aye.

**Fritz:** Thank you for staffing the committee and thank you, commissioner Eudaly. These are great appointments. The development review advisory committee is set up to be a balanced group with development interests and neighborhood interests. So it's particularly important to have somebody representing city-wide neighborhood associations and also the minority contractors. I do hope if folks are watching and think that might be interesting it's very interesting committee and very important in advising how development services raises and spends its money and various policy issues about development services. Very happy to support it. Aye.

**Wheeler:** These are great appointees. If you read through their bios, the statement they provided, these are very strong appointees. I'm always gratified people with this level of skills and frankly people who are so busy are willing to step forward and serve with us. I'm grateful to them and I vote aye. The appointments are approved. Thank you. Next item is also an appointment. 477.

#### **Item 477.**

**Wheeler:** Today I have the privilege of appointing a community member to the home forward board of commissions. Vivian satterfield, currently deputy executive director of opal environmental justice are Oregon, has had years of experience creating affordable housing opportunities, economic development and community building. She believes a home is the most important place, where we all start and where we all end our days. Having safe, decent, affordable housing is obviously an essential foundation for any individual to actualize their full potential in our community. So we are lucky today to have vivian satterfield, who is the -- we have michael here, executive director of home forward. Michael, why don't you be acknowledged. If you could just briefly first of all we're so grateful for you stepping forward. I appreciate it very much. Could you just tell us a little bit about your work in affordable housing and economic development and what you hope to accomplish being part of this important committee.

**Vivian Satterfield:** Such an exciting day for me. Thank you so much. Thank you to home forward and the current board of commissioners for considering me and bringing me on board as the newest commissioner. I was in reflection of this last night as I was at the planning and sustainability commission offering testimony on the residential infill project. I arrived here in Portland ten years ago and got my start actually in affordable housing working with nick sovi and the crew at rose cdc, in outer southeast. Affordable housing was a critical issue for low income residents and people of color ten years ago. Clearly from our agenda items in front of you is also critical today as well. I have been grounded in community since that time. Now of course continuing my work at the intersection of transportation and housing at opal environmental justice Oregon. I'm so excited to be bringing that perspective and adding to the great capacity that's at home forward. I believe in the leadership and the work of home forward and of course in the mission that everyone deserves a safe, affordable place to call home here.

**Wheeler:** Michael, do you have anything to add? You're a smart guy. You always have something important to say. [laughter]

May 16-17, 2018

**Michael Buonocore, Executive Director Home Forward:** Thank you, mayor wheeler, commissioners. I'm the executive director of home forward. I would love to just offer the thought that it is my belief that housing authorities should be standing shoulder to shoulder with community advocacy groups around the issues of affordable housing and social and racial justice and all of the issues that impact folks both who receive our housing assistance and those who need it. Unfortunately, that dynamic is not common between housing authorities and the advocacy community. Often that is adversarial. To the extent that I can ever influence any of my colleagues across the country, that we share a commitment to the same population and should be working side by side, I will make that effort. I think that that is important both in terms of organizational relationships but also in the very fabric of the organization and our staff and in our governing body. Commissioners who have background and experience in community organizing and social and racial justice and other justice movements are as critical to I think well rounded effective governance as backgrounds in development and real estate, finance. I feel very fortunate to have a well rounded, passionate board who is really committed to our mission. I have had the pleasure of knowing and admiring vivian's work for years in the community. She has had some opportunity to already engage with our board and with our staff and I can tell you that all of us are thrilled to welcome her aboard. So thank you for considering her nomination.

**Wheeler:** Thank you both. Colleagues, any further conversation? So this got put on as a resolution. I'm not sure how that happened. That's my fault. I'm sorry.

**Karla:** It's required to be.

**Wheeler:** Very good. We're doing what we're supposed to. Any public testimony on this item?

**Karla:** No one signed up.

**Wheeler:** Call the roll.

**Saltzman:** Well, want to thank the mayor's office and home forward for recruiting vivian to serve on the home forward board. I think she is a very qualified candidate. Not only does she possess a deep, substantive knowledge of everything housing and land use but she has a great demeanor. I don't know how, but you're very effective in your ability to talk to people on all sides of an issue and to find solutions, to find common ground. I'm sure home forward will be well served by your skills and abilities. Thank you for serving. Aye.

**Eudaly:** Well, I could just reiterate what commissioner Saltzman just said. I'll just thank you for your willingness to serve. Thank you, michael, for your commitment to bringing more focus on racial and social justice. I have to say although the challenge ahead of us is daunting and the climate is surreal, that we are functioning in right now, I honestly feel more hopeful now than I did a couple years ago about our ability to rise to this occasion and meet the challenges. Aye.

**Fritz:** Thank you for your willingness to add yet another responsibility to all of the things you do in our community. Your depth of experience and your knowledge of the intersection of transportation equity land use planning housing is going to be invaluable. I really appreciate your willingness to spend the time necessary to pull all these things together in partnership with the commissioners on the board. Thank you. Aye.

**Wheeler:** Vivian, thank you for being willing to serve on the board of commissioners. I obviously am a huge fan of yours. I think you're a fabulous addition to the home forward board of commissioners. So thank you for your willingness to serve. I'm sure at some point somewhere you have told somebody no when it comes to serving the community. But I have not seen it yet. You have just unbounded energy and you're extremely knowledgeable about these issues. I think you bring an excellent perspective to the table. So I look forward to many years of incredible service on your part and as the mayor of the city I'm very grateful in your willingness to serve. Michael, I don't want you to miss the

May 16-17, 2018

spotlight here either. You've done an exceptional job at home forward. I know you have big plans for the future. We all look forward to continuing to work with you on those plans. So thank you. You're the right person at the right place at the right time. Now with Vivian on the team that only strengthens it. I vote aye. Next up, 478.

**Item 478.**

**Wheeler:** Very good. Colleagues, obviously commissioner Fish had to step aside but we have Brandon Wilson, engineer, and Scott Gibson, principal engineer for the bureau of environmental services. They have a brief presentation about the ordinance. Thanks for being here. We appreciate it.

**Scott Gibson, Bureau of Environmental Services:** Thank you very much, Mr. Mayor. I'm Scott Gibson. I'm here to ask for approval for a construction contract on the Sunnyside north reconstruction project. The Sunnyside north project is part of our neighborhood to the river program. These program goals are to plan and implement collection system projects that provide both watershed health and sewer system improvements through innovation, collaboration and integration of efforts. Using this project delivery method makes sense in the Sunnyside north basin. Working collaboratively to develop and implement project St. Luke's to most efficiently deliver the greatest system community and watershed benefits. They are best achieved through integrated planning approach which includes a combination of capital projects, private property retrofits, vegetated improvements and education community outreach and public involvement all delivered through an equity lens. The three pictures we show are our standard green streets. We also have some community involvements including planting of green streets and street trees and the lower photo shows what we call our private property retrofit where we get volunteers from the community to retrofit their own private property to make it more sustainable with our system needs. With that I'll turn it over to Brandon Wilson, our project manager.

**Brandon Wilson, Project Manager Bureau of Environmental Services:** Thank you. I'm Brandon Wilson for the record. This project is primarily capacity driven with goals to reduce basement sewer backup risk and reduce storm flows entering combined sewer. This is accomplished by upsizing undersized pipes and constructing vegetative stormwater systems with planters. You can see an overview of the project area, geographic location bounded roughly by 20th to the west, Cesar Chavez to the east, north is stark and southern boundary is roughly Taylor. You can see the cemetery nearby as well as Laurelhurst park to the north. There's also a subset project area that we have added six additional stormwater facilities that will be combined as part of this project around 30th and market. There's night work for one block in this project along 25th between Belmont and Morrison. We anticipate that taking three weeks. We only have one block because of the early coordination with bureau of transportation to minimize night work and other impacts along Belmont. So this project is recommended through as part of the bes system plan 2012, more detail about some of the scope, 9700 linear feet of main line pipe down to eight inch up to 48 inch, and again it's mostly capacity driven but there are some poor condition pipes that we're fixing as well as well as 13 new sewer extension mains and the third point is the 33 stormwater facilities as part of this project. Public involvement representative is Debbi Castleton. There have been several mailings sent throughout the project life informing surrounding community of updated project information. Several neighborhood meetings, public meetings including those with neighborhood association allowing for education and interaction and as well as continued ongoing close coordination with residents and businesses regarding specific concerns and impacts. Project schedule and budget, you can see that ordinance is for \$9.9 million. Advertisement we're anticipating next month. Level of confidence is high. Purchasing agent to report back to council after this with the lowest responsible bid after the advertisement. Notice to proceed in

May 16-17, 2018

construction if everything goes well is this October. Construction duration is approximately 15 months. That concludes the presentation. Are there any questions?

**Saltzman:** Yes. All the curb extension work will be fully compliant ada, result in ada-compliant curbs?

**Wilson:** Absolutely.

**Gibson:** We're also working closely with bureau of transportation to understand the interaction of our curb extension with the ada ramps. We have expanded the level of involvement we do on ada ramps, we do a lot of repaving. As you repave you have opportunities to fix or improve ramps. We're working on some ways to work better with pbob so that they can prioritize where those improvements get made.

**Saltzman:** That's good.

**Wheeler:** Is there any testimony on this item?

**Karla:** No one else signed up.

**Wheeler:** This is a first reading of a nonemergency ordinance. Moves to second reading. Thank you, gentlemen. Item 480, please.

**Item 480.**

**Wheeler:** We have Larry. Come on up.

**Larry Pelatt, Procurement Manager:** Good morning, mayor, commissioners. You have before your procurement report recommending a contract award to R&R

**Wheeler:** Your name for the record.

**Pelatt:** I thought you knew me. I'm Larry Pelatt. [speaking simultaneously]

**Wheeler:** Start all over. [laughter]

**Pelatt:** Okay. For the record, I'm Larry Pelatt, procurement manager. You have before you a procurement report recommending an award for the southwest Vermont street southwest 65th to southwest capitol highway re-pavement rehabilitation project. The bureau's confidence level was moderate. Bids were opened March 15, 2018. Two were received in response to the solicitation and r&r is the lowest responsive and responsible bidder at \$2,434, 922.09. Where they get the 9 I don't know. Which is actually 13% under the engineer's estimate. The bureau of transportation procurement services identified an aspirational goal subcontractor and supplier utilization of 20%. There is a total of \$250,703, only 10.3% of the dmweb certified subcontractor participation on this project. Disadvantaged business enterprise 172,620 flagging and trucking and emerging small business \$78,083 concrete cutting and signage. However, r&r is a state certified minority business enterprise contractor making the total participation including the prime contractor 54.24%. R&r is in general compliance with all city requirements for contracting. Another small note, r&r is a member of our prime contractor development program which has open opportunities or confined opportunities for projects under 1 million. However, this project they were successful bidders in the open market against all other contractors regardless of size. It's kind of a nice thing for our program people to grow out of the program. Council has any particular questions relative to the procurement aspect I can answer those. I don't think there's anyone from transportation here.

**Wheeler:** Commissioner Fritz.

**Fritz:** Very detailed questions thanks to Jeanine gates on my staff. The presentation said that the total disadvantaged business participation is 63.5 and you just said 54.something else. So I was just wondering --

**Pelatt:** Unless I did the math wrong, I am pretty sure it's 54.24.

**Fritz:** Maybe you could get back to me on that.

**Pelatt:** I will certainly clarify that, commissioner. I absolutely will. I did the math this morning and maybe I missed.

**Fritz:** I don't know if it is incorrect in the documentation if that needs to be changed as a scrivener's error or not. I would be interested to know.

May 16-17, 2018

**Pelatt:** Absolutely. I'll fix it this afternoon.

**Fritz:** Very impressive. Thank you.

**Pelatt:** I'll let your office know.

**Wheeler:** Further questions? I'll entertain a motion.

**Saltzman:** Move the report.

**Fritz:** Second.

**Wheeler:** Please call the roll.

**Saltzman:** Well, this is entitled pavement rehabilitation project is really much more than that on southwest Vermont. This is a project that is being funded under the votary proved fixing our streets program, and not only will it be rehabilitating the pavement they will be adding sidewalks along sections of Vermont, widening curb lanes on the other side of Vermont. Adding bike lanes and fixing curb ramps. It's a great project. Aye.

**Eudaly:** Aye.

**Fritz:** Thank you, commissioner Saltzman, for highlighting that this is so much more than a paving project. In fact, it's really exciting because it goes by the southwest community center which has long lacked adequate access, sidewalks, et cetera. This is a project that the southwest neighborhoods, Inc., transportation committee has been dogging for a long time. I also credit mayor Sam Adams who put money into the sidewalks that have already been done so little by little we're patching together very challenging streets in southwest Portland where stormwater impacts have to be considered and often greatly increase the cost. I'm happy to hear this one came in at 13% less than estimated. Thanks to everybody for your good work. Aye.

**Wheeler:** Larry, this is fantastic. Thank you.

**Pelatt:** I take full credit. Absolutely.

**Wheeler:** As well you should. Commissioner Saltzman, thank you. Commissioner Fritz, thank you. This is really great work. While there will undoubtedly be inconvenience while the work goes on at the end of the day I think it will be a very, very positive transformational and well received set of improvements in the community so thank you for your thoughtful holistic approach to this. I think it's great. I vote aye. The report is accepted.

**Pelatt:** Thank you all very much.

**Wheeler:** Last but not least, item 481. Thank you for being here.

**Item 481.**

**Randy Selleck, Office of Management and Finance:** Good afternoon, mayor, commissioners. My name is Randy Selleck, facilities construction project manager with omf. You have another ada compliance project. This is a request for competitive solicitation for our construction bid process for the 1900 building toilets project. The basis of this project is an ada improvement project to meet current code. In addition, the project includes plumbing and lighting, energy efficient upgrades. We have added as you'll recall from our previous meetings gender-neutral rest rooms in each floor of the building. We currently only with one rest room being used as gender-neutral rest room, that's on the second floor. That will change for ada improvements, but it will remain gender-neutral. We will add to the other floors. Each floor will have a gender-neutral rest room. We're also including finish upgrades per bds's request and funding to finish upgrades on the project. We'll be doing an add for janitor closets with mop sinks. I discovered we do not have any janitor closets with mop sinks. I'm reusing the current closets which are really just storage closets for the gender-neutral toilet rooms so we're going an add-all to see what to see what the price comes in at. The estimate is 1,325,792. I think that's really it. It's a pretty basic maintenance project but it's going to be great to get the ada improvements as well as energy efficient and gender-neutral into the project.

**Wheeler:** Questions? Very good. Is there any public testimony?

May 16-17, 2018

**Karla:** No one signed up.

**Wheeler:** Very good. Please call the roll.

**Saltzman:** Aye.

**Eudaly:** Thank you for your work on this. It's great to have it happening. Aye.

**Fritz:** Basic services and done in a really splendid fashion. Thank you for your work. Aye.

**Wheeler:** First thank you for your great work. Second thank you for your patience. You've been sitting here a long time.

**Selleck:** Again.

**Wheeler:** I don't know how that keeps happening to you.

**Selleck:** Thank you for noticing.

**Wheeler:** I just assume you're learning a lot and pretty soon you'll be the most educated employee of the great city of Portland, Oregon, sitting through all of this testimony. Thank you. This is really important work and it's solid work. We have you to thank for it. So thank you. Aye. The ordinance is adopted.

**Selleck:** Thank you all.

**Wheeler:** And we're adjourned.

**Recessed at 12:24 p.m.**

May 16-17, 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 16, 2018 2pm**

**Wheeler:** Call the roll, please. [roll call taken]

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

**Robert Taylor, Chief Deputy Attorney:** Welcome to Portland city council. The city council represents all Portlanders and meets to do the city's business. The presiding officer preserves order and decorum during city council meetings, 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 speak briefly about any subject. You may also sign up for public testimony on resolutions or the first readings of ordinances. Your testimony should address the matter being considered at the time. When testifying please state your name for the record. Your address is not necessary. Please disclose if you are a lobbyist. If you represent an organization, please identify it. The presiding officer determines 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 a thumbs up. If you want to express that you do not support something, please 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 ejected for the remainder of the meeting. After being ejected a person who fails to leave the meeting is subject to arrest for trespass. Thank you for helping your fellow Portlanders feel welcome, comfortable, respected and safe.

**Wheeler:** Very good. Thank you. Karla, could you please read item 482.

**Item 482.**

Very good. I'm now convening this meeting of the city of Portland budget committee. I'm now opening a hearing to discuss possible uses of state revenue sharing. This hearing is being held by the city council of Portland, Oregon, in compliance with the provisions of the state revenue sharing regulations ors221.770. It's to allow citizens to comment on the possible use of these funds in conjunction with the annual budget process. As proposed for council adoption fiscal year 2018-19 budget anticipates receipts totaling \$20,310,436 from state revenue sharing. As has been the case in prior years it's proposed this revenue be allocated in equal parts to support fire prevention and police patrol services. Is there anyone here today that wishes to be heard on this subject?

**Andrew Scott, Director City Budget Office:** This is just for the state revenue hearing. There will be time for testimony on the full budget later.

**Wheeler:** I'm now closing this hearing to discuss possible uses of state revenue sharing and I'll turn it over to budget director Andrew Scott. I want to publicly congratulate you on what is a really tremendous opportunity over at metro. They could not have picked a better person for that role, and we're all very proud of you. I have always said that our objective at the city of Portland is to recruit top notch people, cultivate their leadership skills, then have them go out to the rest of the community, the rest of the world, and use those skills,



May 16-17, 2018

and you're an excellent example of that. We're sorry to lose you, but I'm really honored personally I have had the opportunity to work with you.

**Scott:** Thank you, mayor. I appreciate that. I'm excited about the opportunity and sad to be leaving the city after 15 years as well. We live and breathe budget, so we get a little bit emotional about it. As my last budget thank you for setting me up. So, we are here to approve the budget today. There are a number of steps to go through. I'm going to outline those then go through each of the steps in order. As those who have been through this process in prior years remember it gets confusing. You are acting as the budget committee so there are a number of things in local budget law we need to do. One was to hold the hearing on state shared revenue, which we did. That is taken care of. I want to remind you about the steps taken so far in the budget process. On April 30th the mayor proposed his budget and held a press conference. The actual document was delivered to council on Monday, May 7th. Then council convened as the city budget committee on Thursday, May 10, to officially hear the mayor's message and to take public testimony in hearing. Those are steps that are necessary to follow before we get to this stage. Today council will consider any changes to the proposed budget that the mayor put forward. Those changes are going to take two different forms. There are changes that have been included in the document filed and that you have before you now. Those are referred to in the change memo part of the document. There are also changes that can be introduced today through amendment and we have a number of those already that have been proposed and anyone on the budget committee can pro most amendments as we go through the process today as well. Those individual amendments will be put on table, seconded and considered and voted on individually. All of that will come back together at the end. Again, here's how the process will happen. First, we'll need agreement from the budget committee to consider the changes that are in that change memo. That's going to be the first action you take. Second, we're going to open the floor for amendments. Each will be seconded and -- motioned and seconded then voted on separately. Third we need an action to put all of the change memo adjustments and new amendments on the table for public testimony. It will feel like a vote to approve the budget but that's just to get everything on the table, so the public knows what they are testifying on. We open the floor for public testimony. Further amendments can be made after public testimony occurs if necessary. Finally, you'll come back together to approve the budget. Also today there will also be approval of the tax levies after today, the budget goes to the tax supervising and conservation commission. They are required under state law. They have authority to approve our budget as well, so they will spend 20 days reviewing it, asking questions. We'll have a hearing for additional public testimony on June 6. We will come back one final time, June 7, to adopt the budget. With that we will go back to the script and at this point, mayor, we just need a motion from you to consider changes to the proposed budget as are presented in the memo filed, approval of the budget.

**Wheeler:** So moved.

**Fritz:** Second.

**Scott:** So, at this point we go ahead and talk about what's in there. We had a work session just this past Monday, so we went through in some detail. I'm not going to repeat that and go through that in detail. I'll let you know that in total the approved budget is about \$5.1 billion. The general fund discretion is about 553 million with 670 million total general fund, and 6576 positions. That was in the proposed budget. In terms of the changes that were in the memo as filed it does add 20.5 fte in total across the city. It adds 12.1 million of additional one time. The bulk of that is carry over. The actions you took during the spring bump to carry over. I'm happy to take any specific questions about what's in the change memo but we had this discussion on Monday. If there's no further discussion we can move on to the amendments process.

May 16-17, 2018

**Wheeler:** Thank you.

**Scott:** At this time, we allow for individual amendments to the change memo. It can come from any member of the budget committee. Each amendment should note the amount, the bureau, the purpose and the funding source. We have a list of amendments given to us beforehand and we can start there then open the floor for additional amendments.

**Wheeler:** Colleagues, I would like to move to amend attachment d, the budget note entitled community service officer program. This is a scrivener's error. The note in the OMF section should replicate the language under the police section. It reads as follows. Community service officer program. Council directs police bureau and the office of management and finance to ensure that the community service officer program is implemented by January 1, 2019. Beginning in the fiscal year 2018-19, community service -- I'm sorry. Beginning in fiscal year 2018-19 the police bureau and OMF will provide jointly written toward the progress implementation including labor, hiring, cso staffing and identify strategies to overcome delays in implementation.

**Fritz:** You referenced the office of manages and finance. Is that bureau of human resources or --

**Wheeler:** That's a great question.

**Scott:** I think the intent was primarily on bureau of human resources. There are a number of collective bargaining issues and issues around this program. It may involve other pieces of OMF, but that was the intent.

**Wheeler:** I'll check with cao Rinehart. Tom, did that get that correct? Yes? Good.

**Fritz:** I hadn't caught that issue before. It is a bit odd having one bureau looking after implementation of a program in another. That's maybe something to think about.

**Scott:** Maybe I'm misunderstanding your question. This note will show up both under OMF, and under the police bureau. Duplicated in both areas.

**Fritz:** It says OMF is helping supervise the written quarterly report. Just checking that actually means the bureau of human resources.

**Scott:** Yes, I believe that's the case.

**Fritz:** Thank you.

**Wheeler:** He's perfectly sat so I can't see him, but yes, the chief administrative officer is affirming that.

**Fritz:** Thank you.

**Fish:** I have a motion. I have a motion to amend attachment d to say the following. Title street sweeping. During fy2018-19, BES and PBOT shall work together to define under the interagency and detail cost of street cleaning arterial streets for BES to remain compliant with MS 4 permits. Bes and PBOT shall define quantifiable benefits of sweeping to the stormwater system over all. Based upon the results of this analysis BES shall propose appropriate realignments to the PBOT BES interagency in its requested budget for 2019-20.

**Wheeler:** Second. Commissioner Fritz.

**Fritz:** I move to amend attachment d, the budget note titled ada compliance Cal adjustment to increase the Cal, which stands for, remind me --

**Scott:** I'm sorry -- current.

**Fritz:** To be requested by parks from 500,000 to \$1 million so the budget note will say ada compliance adjustment city council directs the Portland bureau of transportation and Portland parks and regular ration to request general fund increases of \$1 million for the financial year 19-20 current appropriation level and use it for ada compliance.

**Wheeler:** Second.

**Fritz:** I move to amend the business license tax. I think commissioner eudaly may have an additional amendment. The current language says council commits to avoid further

May 16-17, 2018

increases in the business license tax and I would suggest we change that to will strive to avoid further increases.

**Fish:** Second.

**Wheeler:** That's seconded. Commissioner Fish has seconded that.

**Fritz:** Those are my amendments.

**Eudaly:** Thank you, mayor. Colleagues, I would like to move to amend attachment d to add the following budget note. Portland police bureau overtime. The fiscal year 2018-19 adopted budget includes new ongoing funding for 49 new officer positions that will help reduce the bureau's reliance on backfill overtime. Council directs Portland police bureau to continue to provide a monthly report of bureau overtime usage but further directs that the monthly report be enhanced with an online dynamic dashboard to act as management tool for council to track bureau overtime usage, call volume and crime rates. Council also directs that the bureau performs an annual evaluation of overtime usage that identifies structural overtime usage issues, outlines management strategies undertaken to minimize reliance on overtime and evaluates the impact of additional officer additions data driven and informed by quantifiable impacts on performance measures.

**Fritz:** Second.

**Wheeler:** Commissioner Saltzman.

**Saltzman:** Thank you, mayor. I make a motion to --

**Fish:** I think commissioner eudaly --

**Eudaly:** I'm sorry, I have a second item. I have been attempting to clarify why it's not on the list. It's a motion to strike the budget note regarding the business license tax increase. I move to strike the blt budget note because I don't support the blt if any other tax should pass and don't want to limit any future council's options.

**Fish:** Second.

**Saltzman:** I offer an amendment to allocate \$60,000 of one-time general fund resources to my office to fund legal assistance for victims of domestic violence. In particular immigration legal assistance. The funding source of this add will be \$60,000 onetime reduction to general fund contingency with correlating amendments to attachment b, c, and e as necessary.

**Wheeler:** Second.

**Fritz:** I have a clarifying question. It's not determined that the oversight will be within. [audio not understandable]

**Scott:** I think that's correct.

**Fritz:** You might want to consider whether that language should be amended to --

**Saltzman:** This is a one-time appropriation and I'll be here for at least half of the fiscal year.

**Scott:** I would also say that this would -- the program at gateway center is in the commissioner of public affairs budget. If council were to move it the additional funding would move as well.

**Fritz:** Thank you.

**Wheeler:** That is all the individual amendments? Director scott?

**Scott:** At this point every amendment is on the table. At this point council should vote on each individual amendment. You can take them in this order or any order that you desire.

**Wheeler:** Let's take them in the order we received them in. I will call the roll on what I'll call mayor wheeler amendment this is the scrivener's error around the community service officer program. Is there any further discussion? Karla, please call the roll.

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

**Wheeler:** Aye. The amendment is adopted. The next is commissioner Fish's amendment regarding street sweeping. Call the roll.

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

May 16-17, 2018

**Wheeler:** Aye. The amendment is adopted. Next is commissioner Fritz's amendment regarding ada compliance current appropriation level adjustments. Please call the roll.

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

**Wheeler:** Aye. Commissioner Fritz?

**Fritz:** May I suggest we defer voting on my amendments on the business tax to see if commissioner eudaly's passes?

**Wheeler:** That is acceptable. We will go to commissioner eudaly's first motion, which is regarding Portland police bureau overtime. Please call the roll.

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

**Wheeler:** Aye. The amendment passes. The next is commissioner eudaly's amendment with regard to the budget note regarding to the business licensing fee. Please call the roll.

**Fish:** Aye. **Saltzman:** No. **Eudaly:** Aye.

**Fritz:** I'm going to support this. Although I appreciate and it was absolutely necessary for the mayor to be discussing with the Portland business alliance and others about the business license tax increase, it is the right of the council to after taking public testimony set that license fee. So I believe that we should not be -- we can't tie future councils or even this council. Second of all that the mayor being the mayor will do the right thing depending on what happens. So I support this. Aye.

**Wheeler:** I vote no. The motion carries. Then the last one was commissioner Saltzman's amendment with regard to the gateway domestic violence center. Please call the roll.

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

**Wheeler:** Aye. The amendment carries. I believe that's it.

**Scott:** Commissioner Fritz's amendment is still on the table.

**Fritz:** I withdraw that amendment.

**Wheeler:** Thank you, commissioner.

**Scott:** At this point we need a motion and second and a vote to approve all of the budget adjustments included in attachments b, c, d, and of the memo as amended. This is not a vote to approve the budget, just to get everything on the table for public testimony.

**Fritz:** Second.

**Wheeler:** We have a motion and second. Karla, please call the roll.

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

**Wheeler:** Aye. Motion carries.

**Scott:** Public testimony at this point.

**Wheeler:** How many folks do we have signed up?

**Karla:** We have seven people signed up.

**Wheeler:** Very good. If you're a lobbyist, let us know. We find about six inches between yourself and the microphone is ideal. When your three minutes is up, please stop so that I don't have to stop you.

**Wheeler:** Good morning. Heather, would you like to start us off?

**Heather Hoell, Executive Director Venture Portland:** Sure. Good afternoon, mayor and commissioners. I am here today and thrilled that I get to start this because I came so say thank you. Thank you very much for restoring funding for the catalytic investment initiative. As you know this provides targeted support for historically underserved business districts in east and north Portland. The program has been not only a huge success but in calendar year 2018, generated \$100,000 in new privately paid payroll for business districts making these incredibly efficient public dollars being spent. Thank you for restoring that funding and creating some stability for this key program. Thank you.

**Wheeler:** Thank you. Commissioner Fritz?

**Fritz:** You forgot your name.

**Hoell:** Heather hoell, executive director, venture Portland.

**Fritz:** Thank you for your work and for the organization's work too.

May 16-17, 2018

**Wheeler:** Good afternoon.

**Juno Suarez:** Good afternoon. I'm Juno Suarez speaking on behalf of Portland democratic socialists of America. With the closing of the budget season today is the public's last opportunity to make the case about services that we depend on. Over the past six weeks you have heard from Portland residents pleading for the funding of vital services. Parents have begged you not to shut down their community centers. Young people have pled that you keep the youth paths program. Residents have demanded mental health care and addiction services rather than an expanded militarized police force. All of the constituencies who have mobilized to testify have something in common, fighting to preserve services because every year this budget process is based on a model of austerity. What does austere mean? It means a city perpetually underfunded. Even with our booming economy our elected officials operate under the premise of austerity. We have to starve our city out of funding so the wealthiest won't be burdened with paying more. Austerity means we focus on the immediate necessities every year. But what is missing from this framework is the vision for Portland. We don't ever get to fight for a vision of plenty because we are so busy preserving the scraps. The city has plenty. The wealth is here. As a first step towards redressing this divestment from our city we have presented our tax plan. This marginal tax on the wealthiest would raise \$114 million per year. Universal pre-k would cost about 70 million per year. We would still have over 40 million to improve the lives of residents in this city. We can house all of our residents. We can fully fund education. The real question is why do we limit ourselves? Why do we allow businesses to dictate the boundaries of what is possible? Why do we accept the meagerness is all that we deserve and all we will ever get? It's time to be bold. Time to reframe our economy and our politics. A budget is a moral document. This budget shows that we will keep limping along cutting to the bone because we are too afraid to tax the rich and too afraid to fund the city. Please fight for more than austerity. Fight for a vision of a city that works not just for those at the top but for all of us. Thank you.

**Wheeler:** Thank you. Good afternoon.

**Allen Rowand:** Good afternoon, mayor wheeler, commissioners. I'm Allen Rowand. I'm the president of the foster area business association. For the last three years foster has participated in venture Portland's catalytic investment initiative and with your investment and support we have launched two signature events. The holiday tree lighting which generated more than 200 pounds of donated food and clothing for a shelter in our area. And our all ages tour that makes cash registers ring and there are food and beverage purveyors. Following a slew of racial incidents in our area we partnered with 82nd avenue and neighborhood associations to create southeast Portland stands together, a statement of shared values. We have diversified our membership and leadership to bring it in line with demographics of the community which we serve. Finally, because of this funding we are able to be productive partner with the city, county and joint office of homeless services to ensure plans for the new shelter on foster will make it the best in Portland. I'm here today to thank you very much for restoring the catalytic investment of funds and to ensure stability of this. So, thank you.

**Wheeler:** Thanks all three of you.

**Amanda Aguilar Shank:** I'm Amanda Aguilar Shank. We run the national prison divestment campaign as well as freedom city movement which is a movement that builds a vision of what safety looks like for all marginalized communities. I'm here today to talk about the increase in the Portland police budget which we're adamantly opposed to. I have lived in Portland since 2001. I have lived in north Portland, St. John's and Portsmouth since 2007. I have personally witnessed intense harassment of my family and friends of color, police-initiated interactions that end in arrests that were completely unnecessary. I work at 12th and stark where there's a mission that serves the houseless, and witness

May 16-17, 2018

weekly sweeps, police incidents, responding to mental health and drug addiction issues that escalate in ways that are completely unnecessary. Right now, what I'm seeing in our city is that the budget can be used to address some of these issues. The budget can be used to address housing, mental health, equity, and instead what we're doing is looking at increasing the police budget, which is breaking my heart. I don't want to be traveling around the country and be ashamed of being from Portland, a city that divests from criminalizes and overpoliced communities of color. That's not the progressive city that I want to be part of. Increasingly that's what I hear when I leave the city. I wanted to share that we also run a training institute where we have been last year we trained over 200 community leaders of color. One of the conversations we have in that institute is looking at what safety is. I know that you all want safety. That's what we want for our communities. I wanted to share with you some of what those 200 plus people came up with in terms of what safety looks like. It looks like educating our communities on how to vote. It looks like lifting up our children. It looks like creating dialogue between marginalized communities. Like defunding the police, demilitarizing the country. It looks like funding free public education, safe housing, no gentrification, fully funded mental health. I'm frankly confused about why we're increasing the police budget when we know there are so many intense gaps in all of these areas that will actually build safety in our communities. When you hear from like you did last week dozens of folks from marginalized communities and receive comment after commenting it makes me wonder what side you're on and who you represent in the city of Portland. So, I wanted to express my disappointment and urge you to not increase the police budget.

**Wheeler:** Very good. If I could just comment, I'll make the same recommendation that I made last week, which is I encourage people to actually go through the budget, particularly the public safety budget. We're not going to agree on a need for increased police patrols and foot patrols. I think we have an honest disagreement there. But I do want people to take note of the fact that we're making significant new and record investments in mental health intervention. I don't mean policed intervention. I mean things like acute mental health treatment beds at central city concern by listening to the community particularly the houseless community which you referenced we have actually added a liaison position in the police bureau to work with and help establish policy around the homeless interactions. We have asked for data collection, auditing resources and accountability. All of that also gets funded within the bureau. Importantly we have made record investments, substantial increases around homeless service. That's prevention, that's emergency shelter. We're making the largest investment by millions of dollars that we have ever made in transition from streets to housing and last year I think we were all pretty happy with the 5,000 people we transitioned from the streets into housing and in some cases supportive housing and through the housing bureau by the end of 2019 we'll have more affordable units delivered by a factor of fivefold from the year prior to my taking office. So, I would encourage us to find the commonality in the areas where I think we're in real agreement here and see if we can't find ways to work together to address those issues rather than being confrontational. I appreciate your testimony. Both today and last week. Good afternoon.

**Tina Wyszynski:** Hi. I'm Tina Wyszynski. I run the stadium district business association and I thank you very much for your time today. We are also members of venture Portland which heather referenced. We're a pretty new organization. I ran the business district association and we have nearly 50 members who run businesses of a variety of sizes and longest. In the stadium district which actually encompasses king's hill and goose hollow and borders the pearl district and nob hill area. I would like you to reconsider and possibly opposed proposed changes to the business license tax and owner's compensation. There are concerns about ramifications to the health of my members have concerns about ramifications to the health of their businesses and I think it's in part due to perception of

May 16-17, 2018

lack of communication and lack of time to respond about the said proposed changes. Running a business isn't easy. Ask anyone, especially ask any small business owner. Large ones as well. My members have had to deal with, I'm sorry to say out loud, cleaning up human waste, including -- they have had to hire additional staff to hose down picnic areas, pick up trash which continues to cut into profitability. Several of our members have staff who have personally and physically been threatened and there's no clear-cut solution. Nor a timeline for when they will end. That doesn't include other issues they have had to deal with which you know about, consistent crime related issues such as car prowls, vandalism and theft. Campsite growth, having to wake up people and ask them to sleep in the doorway to move and being verbally threatened. The business license taxes generate more than 100 million each year to fund city services and contribute to a nice 22.7-million-dollar budget surplus for the coming year. My members do not understand why this increase is warranted. They do not want any increase really with this surplus we feel like they don't need an increase. What we would like to see is using the surplus much as you said already, to clean up the city, the trash everywhere is not helpful and it's disgusting, to make better efforts to hold the houseless and transient populations accountable for their actions and to provide an easier road for businesses and startups so they stop moving out of Multnomah county. The city that works doesn't always work for some of the businesses. Thank you.

**Wheeler:** Thank you for being here. Good afternoon.

**Olivia Hasencamp:** Hi. I'm Olivia hasencamp. Thank you all for your time. I am here -- this is my third time testifying in front of you all actually. You may remember me. I'm here with care not cops and in solidarity with Amanda and Juno who spoke. I would just like to respond to your response, mayor, that part of the reason I think that we are continuously coming to you all that so many people and the people in this room may not know this, but the people who come to the budget forums and the last hearing were probably able to come because it wasn't in the middle of the workday as this is, so it's really difficult for people to make this time and part of the reason that a lot of people are not here to also express their disapproval of the increase in the police budget. But I would just like to say that I am again here to demand an immediate freeze on new Portland police bureau hires instead of the 49 new positions proposed as well as to disarm, defund and dismantle the police to create real safety in our communities. I know that we disagree on a lot of the ways that safety is considered by different communities, but I think that part of the issue is that our -- the increases in what you were saying before, the new maybe affordable housing that might be coming in the upcoming years, it's just not enough. It's not enough. Investing so much money into the police will never, never help people actually be invested in their own communities. The police are not and will never be adequate mental health responders. They are trained to neutralize situations, not deescalate. Pretty much in my experience they have always escalated situations. Always. Never deescalated situations. I do not believe that they are ever capable of doing that, especially in a uniform, especially when people know that they are the tools of the state of repression basically. So we need life affirming community based resources, not more broken windows policing, which is disguised as community service officers. I just want to say again, we really, really do not need more policing in our communities. Thank you.

**Wheeler:** Thanks for being here. Commissioner.

**Fritz:** I want to respond to what you just said. Thank you for being here. I realize you are representing a lot of people who couldn't be here. So thank you for coming. When Mike Reese was police chief a few years ago he did a presentation for council about the number of incidents where people had been safely transported to the hospital. The number that sticks into my mind was 1,000. I can't remember whether it was a year or three years. You don't hear about those. So yes, we are all aware of the times when things have not gone

May 16-17, 2018

well and there have been tragedies. We don't hear the times that the police have been able to intervene and help people get services. I just wanted to put that on the record.

**Wheeler:** The current referral rate is about 1,000 per year. The two additional behavioral health unit teams will actually increase that by about 250. So we'll effectively be able to double our capacity in this budget. I want to be clear, while I agree with you that a budget is a moral document, and I have often used that exact language myself, I always figured if an economic archeologist digs up documents from the past it really does give you a snapshot in time of what priorities were for a community. So it is an apt description. But it is also a snapshot in time. With a new police chief on board, and i'm still relatively new here as well, I have a very clear vision in my mind about where I want public safety and where I want the community. As I said last week, I hope an area where we are in agreement is we absolutely do need a fundamentally different level to address particularly mental health and addiction services both here locally and nationally. I hope that's an area we're in agreement. Commissioner Fritz.

**Fritz:** Some of the offices that are in this budget are to team up with mental health care workers, mobile response units. We have had three teams. Now we're expanding that so when a family member is concerned and wants a welfare check often the person who is maybe having a mental health crisis may be a danger to themselves or others, so it's been the protocol to have a police officer go. Obviously, we want the first overture to be someone with mental health care training. The police officer is there as a backup and specially trained person. So that's again actually expanding services and getting people into care in a responsible way so that people increasingly can call 911 or the nonemergency number if they are concerned about a family member where now they may be concerned that that may not be the right thing to do.

**Wheeler:** Thank you for your testimony. How many more, Karla?

**Karla:** One more.

**Wheeler:** Very good. Good afternoon.

**Charles Iragui:** Good afternoon. I'm Charles Iragui. Just coming as a concerned citizen, I learned about the residential infill project through attendance at sellwood neighborhood association and also through Portland business alliance meetings. I am coming here to support the historic resource inventory funding. I think the historic resource inventory has to be fully funded it will be an invaluable tool to help make the residential infill project a success. I think this historic resource inventory will help reconcile two very important constituents regarding the residential infill project. One, advocating for neighborhood charm and stability, and the other advocating for the critical need for new units in a city and nation experiencing a housing shortage and all of the problems, social problems we know associated with the high price of housing, et cetera. Historic resource inventory will allow the residential infill project to focus incentives towards flexibility according to preservation of historic homes. This would square the circle of the conflict seemingly between charm and development. Incentives and flexibility will give historic homes the economic value to ensure their preservation and good maintenance. This will also encourage new housing in desirable locations at affordable costs and in housing types that families are actually looking for. The historic resource inventory will be critical in making the residential infill project a success as policy and in the neighborhood support. Thank you so much.

**Wheeler:** Very good. Thank you. That completes testimony. Director Scott, I think the next item is to vote to approve the budget as amended. Is that correct?

**Scott:** Yes. I think at this point unless there are additional amendments it's to vote to approve as amended.

**Fish:** Is this the final vote?

**Scott:** This is the final vote. If I could just take 30 seconds before you go into that, this is the final vote on the approved budget. We have a couple of more steps. We'll be back on



May 16-17, 2018

June 7th. I wanted to thank council for making this budget process work. Again, this is my 10th budget and throughout this process I meet and talk with each of your offices and as usual this year as in every year there is agreement, areas of disagreement. But I think throughout it all this council works really hard to get to a compromise and point of consensus. I really believe not every government does that. The willingness to work together not only makes Portland the city that it is but makes my job a heck of a lot easier. So, thank you for that.

**Wheeler:** Very good. We're voting to approve the budget as amended. Please call the roll.

**Fish:** Well, thank you, mayor, colleagues. I am pleased to support this budget. It balances the many urgent needs facing Portland while also positioning us for the future. There are a few items I'm especially proud of. For the first time ever, our utility bureaus will be able to help cost burdened renters. We're approving a handful of new tools and expanding eligibility for more struggling families. This budget includes \$ 3 million for housing placement services, 2 million of which we're investing in supportive housing moving us closer to our goal of 2,000 new units by 2027. It's a proven, cost effective way to help many sleeping outside move into a stable home. We're also funding a new position at prosper Portland to help turn brownfields, land with contaminated soil or water, into a community asset. This small investment will deliver a huge return to our community. We're not only continuing support for small businesses in east and north Portland but we have also made those funds permanent. Venture Portland which runs the highlight successful catalytic investment initiative will use our modest investment to leverage big wins for small businesses, business owners and underserved parts of our town. Every budget presents its own challenges. I thank each of you and your teams for working collaboratively. This is a good budget and reflects many of our shared values. I want to thank the community members who served on the budget advisory committee and all the people who shared their input with us. Finally, as we previously discussed our budget process is showing its age. I look forward to working with my council colleagues, staff and the community over the next year to reform and improve the way we engage the public and make tough budget choices. I also want to thank my team headed by Sonia Schmanski for their work getting to this point. Andrew, I would be remiss if I didn't add my own comments about what a pleasure it has been to serve with you. I think commissioner Fritz will agree with me when I observe that one of the things that's made our budget process work more effectively and for us to be more collaborative was the decision council made to create an independent budget office. A budget office that serves the budget committee, not the mayor sometimes and council sometimes. I think that one structural change was not only a positive move for accountability and transparency, but I think it's had a very positive impact on our budget deliberations. So, you'll be missed. Thank you for your service. With that, I vote aye.

**Saltzman:** Well, I will pick up on commissioner Fish's last remarks. I want to add my accolades for commissioner Fritz's leadership in establishing the independent budget office. That really has been a dramatic improvement in how we do business. It does -- you've recruited a very talented, capable staff to help us analyze all the bureau budgets. I really do think it was a great step and I wish you the best in your next career as deputy chief operating officer at metro. Sounds like a great position and I'm sure you'll do well. I thank my colleagues, to the staff of the budget office, to all of our personal staffs who labor long and hard and all the bureau personnel who labor long and hard on crafting these budgets that try to reflect the priorities and values of our city at a point in time, at a fiscal year point in time, and I think we strive to get it as best we can. We're all human and all capable of maybe not getting it right. That's what we're here for, to continue to try to get it right and make sure the budget does reflect community priorities. I think this budget does that. I'm pleased to support it. Aye.

May 16-17, 2018

**Eudaly:** This is the second budget cycle that I have participated in, but only the first full budget cycle. I will admit it was much more challenging than last years. I personally didn't feel the process worked as well as it could for city bureaus, the public or for council. The requests for the 5% across the board budget cuts didn't compel bureaus to really get to inefficiencies and cost savings and many of the budget cuts that were offered were cuts that were alarming to the community and alarming to us. I think just not helpful. By being forced to offer these cut packages and alarming and activating community members, they predictably showed up at community budget hearings to protest cuts to programs they care about with little or no knowledge or consideration of other budget issues. While I absolutely appreciate and respect everyone's testimony and contribution, it did leave me feeling like we live on different planets based on what people's most burning issues are. My most burning issues are people who can't afford housing, our environmental issues. Anyhow, so as we know and as we saw some groups were better able to mobilize than others and many of the urgent matters we need to address were not reflected by the turnout and many voices were barely heard over the din. When all was said and done community centers were all funded while other equally or more important programs and initiatives were not. We need a more thoughtful, meaningful process that will enable city bureaus, the public and city council to work together in understanding and prioritizing the complex budgeting challenges we face. This budget does do some great work to address our most urgent issues and I would like to highlight a few of them. We have dedicated \$500,000 to universal defense for people facing unfair and unjust removal and deportation. As our federal administration continues to target and terrorize Portland's immigrant communities I'm grateful to be in a position to do something about it. This is an important moment and I'm proud to be part of a council on the right side of history on this issue. I want to thank mayor wheeler for including this in his proposed budget and continuing to support it. We have increased our contribution to the joint office of homeless services by at least 3 million, maybe a little bit more.

**Wheeler:** About five.

**Eudaly:** Wow. I didn't get that memo. We're serving more people facing challenges around affordability, eviction than ever. What the city and county are doing to add dress house lessness gets lost in distracting debates about Wapato and other well-intentioned but not well-informed approaches. Investing 31.2 million in the joint office of homeless services doesn't make headlines but makes a critical difference for thousands of our most vulnerable community members. As previously noted we're also increasing the business license tax for the first time in decades. The rising tide of prosperity in Portland is clearly not lifting all boats. In fact, as the increasing number of people who are insecure in housing and becoming homeless demonstrates things are getting worse, not better, for many in Portland. Increasing the blt now is a great first step toward recognizing how we can divert part of that rising tide to help people struggling to stay afloat and ultimately create a safer, more equitable, prosperous city for all of us. However, I am worried about some of the expenditures in this budget. The council budget office started the budget process with an appeal to consider the sustainability of the city's finances. This budget generates more ongoing resources but increasing authorized staffing at the Portland police bureau by 49 positions comes with significant new permanent funding obligations. Business tax revenues will fluctuate with the economy. We are setting ourselves up for very difficult conversation by making new ongoing commitments to funding more police officers with a funding source that we know is subject to economic forces beyond our control. Despite my remaining questions and concerns, I do respect and want to support chief outlaw as she continues to implement her vision for the ppb. There are some wins in the police budget. We're getting two additional behavior health units' teams, creating a houseless community liaison position, funding data analytics to support equity and diversity goals and securing

May 16-17, 2018

resources for the traffic division to enforce vision zero. As well as the mayor's budget on a deadline for filling the community service officer positions which I think there's a lot of remaining confusion about in the community and I would really love true clarity on those positions and what functions those serve. As well as my budget note on decreasing the bureau's reliance on overtime which is an expensive and undesirable practice there are issues that did not get resolved in this budget. I would like to highlight a couple of the most important issues that need more work. Neighborhood coalition offices. Coalition offices are important partners in our efforts to connect community to government. The audit in 2016 on it in 2016 revealed what many have known for a long time. East Portland's population continues to grow rapidly while funding for the coalition offices remain the same. It was important that we address this disparity now which is why we requested additional funding. I'm disappointed that we were not able to secure the additional funding for the east Portland neighborhood office. I want to acknowledge that while east Portland has a rapidly growing population, all of the coalition offices are serving more people than they ever have. This is why I'm working hard to reduce fiscal impact of rebalancing that will need to occur this year. To be clear the rebalancing is taking money away from the other coalitions to fund more equitably. We identified \$444,000 in existing fund dollars that will be direct to upno in addition to the \$30,000 we received in this budget I'm working with the budget office to redirect cost savings from my office budget to the coalitions. This really is for the coalition directors and members. Oni directors are committed to working with all the of the coalitions to develop a long-term method for equitably distributing funding. Look forward to brainstorming new ways to structure this work and finding efficiencies and cost savings so we can continue to strengthen all of our neighborhood coalitions. Couple final items, I had a budget ask for adu financing pilot, which is I think a little too wonky to go into at this moment. But I do want to reiterate how important it is as we move forward with our residential infill project that we make sure that the benefits of those policies are delivered to property owners who are low and moderate income. As it stands the only people to benefit from rip are affluent homeowners and developers. I plan to spend the summer working with my colleagues and community members to develop the support necessary to fund this plan in the fall budget process. Without it I don't know how I'm going to support rip. Finally, accommodations. I'm disappointed that this item was not fully funded. I agree the city should provide accommodations as part of its normal course of business and bigger bureaus should use existing resources to comply with the law. Smaller bureaus and their community partners do not have enough resources to provide accommodations with existing resources. We need a long-term strategy to address this problem. To be clear accommodations are language translation, interpreters, bus passes, child care, the kinds of things that we need to make to ensure participation from the most diverse range of community members as possible. So, I think as you can tell from my tone and my comments this is a compromise budget for me. There have been some hard pills to swallow. Over all I'm happy that we're able to work together to get to consensus about the budget during these chaotic times in politics it's important to demonstrate that local government can work together to overcome differences and make progress on the most urgent issues in our community. So, my thanks go out to my colleagues, bureau directors and staff, my office staff, council budget office and especially to the community members who serve in an advisory capacity and all those who came to our listening sessions and are here today. Aye.

**Fritz:** Well, thank you to everybody who participated in 24. I believe it's appropriate that we spent so much time on the budget. You have to follow the money. Where this money gets allocated that's what's going to happen in the next year and for the most part if the money isn't there it will be very difficult to make other things happen. Thank you, mayor, for your willingness to work with the business community to propose the increase in the business

May 16-17, 2018

license fee which went so much better than the previous attempt. I very much appreciate that and for working with your colleagues to address our budget priorities. Thank you to each of my colleagues for working collaboratively, each prioritized within our bureau assignments and things we care about which were the most important to put into the compromise budget. Like commissioner eudaly there are things that I didn't get that I would have loved to have had yet I'm grateful we were able to get to where we are at. Thank you to mike abate, trey lamb and amy archer and park staff amazing in looking at the budget. Parks is still one of only two bureaus with a net cut in this budget. Yet it could have been so much worse without their diligence. Thank you to the advisory committee which I'm a proud participant in. It's always a process that we can do better. So, I know that we will continue looking at how can we make all of these meetings more accessible, more available to every voice to be heard. Thank you, Andrew Scott and the city budget office. As has been said I'm really pleased with how the independent city budget office continues to guide this. It's perhaps one of your greatest legacies, Andrew, that I believe it will continue after you have moved to your next job and we have sound basis that no man, no council will get rid of the city budget office or try to affect its independence because of its success in serving all five members of the council, city auditors and the community. Thank you to our budget advisors, Tim Crail, my chief of staff. This is both of our 10th budget this year. I'm happy for the most part for where this budget ended up. 15 million in additional revenue changed what would have been an extremely ugly cut into a year with many important priorities being funded or protected from potential cut. I'm very pleased we're shifting 4 million from one time to ongoing resources for the joint office of homeless services while adding nearly 3 million of new funding for alternative shelter and housing placement. Say again what the mayor has said several times already today. 5,000 people off the streets and into housing in this past year. 6,000 people who were at risk becoming homeless and are not. So while yes there are still far too many people, children outside, there are a lot of people who are not because of the work that the mayor has done in leading the housing bureau and partnering with chair Kafoury in the joint office. I have voted for increased funding for the housing bureau and for these services every year even during cut years and I'm proud about the tens of millions of dollars more that the citizens and the community of Portland are willing to dedicate to these services. It's important to note as generous as the people of Portland are we cannot afford to fix the problem of houselessness across the entire united states. This is a federal problem that has been defunded since president Reagan and continues to be so. We can do what we will do what we can. It's a statewide problem, it's a national problem. That's the real core issue that needs to be addressed. I do appreciate the person who came and testified about the stadium district business association also foster Powell. I want to do more to help Portland small businesses. I would be interested next year in supporting exploring an increase in the gross receipts exemption from the current 50,000 to 100,000 with a slight increase again in the business license tax, maybe .05%. Revenue neutral tax increase would really help small businesses. I think we have made a huge step. When I first ran which was more than ten years ago now I was asked would you support increasing the owner exemption to 125,000. In other words that is not taxed, that income. So we finally got there this year. I'm very pleased to have fulfilled that promise. The next step is to make sure the very small businesses don't pay anything at all and don't have to file. That's something i'm interested in exploring. Hiring 50 officers, up to 90 with the original proposal. We have heard about the police staffing. Let's recognize that this budget is a lot less than was originally requested. I believe is essential. I'm supporting the proposal. I know there are lingering concerns in the community that be additional officers will result in more bad outcomes. Training will be crucial to ensure that there's a cultural shift in policing in Portland. Training officers are included in this budget. The mayor has been very specific in what is being

May 16-17, 2018

funded while also recognizing that we have a severe overtime problem with the patrol officers. We have a severe shortage of people despite the generous police contract where we have finally been able to fill almost all of the vacant officer positions. Thanks to the courageous position taken by my former -- my colleagues on the council. We are getting those recruits in and they are going to be trained and out on the streets by themselves within a year or so. At the moment overtime level is unsustainable. Tired officers are dangerous officers. I don't want people out on the streets patrolling who have worked 80 hours. As somebody who worked in hospitals and seen tragedies that can happen when people are tired and more likely to make mistakes that's not safe. That's why I'm supporting this budget. The crucial community service officer program must be a significant part of the staffing solution for the police bureau. I'll be watching the progress. Very pleased we have the budget note specifying exactly what's going to happen for that and for the overtime. Thank you, commissioner Eudaly, for that. I'm happy to see expansion of the behavioral health unit to provide help for those experiencing mental health crises. Dr. Sharon Meieran is doing amazing work looking at the system to determine what needs to be done this and they are responsible for mental health care services. So the council continues the work that was done under Mayor Hales and Mayor Adams to try to work better with the county so people don't care who is supposed to be providing the services. They want the services provided. That's the other piece to remember, that while we are increasing funding for those services in the city budget, even though we don't have to, the county is doing even more. We will continue to work with them on that. I may or may not be the parks commissioner when the mayor reassigns the bureaus. I'm very pleased that the parks cuts have been restored and with the priorities funded in this budget. My commitment to a vibrant parks system began before I was elected to council and will continue as long as I'm on the council. In fact, as long as I'm a Portlander whether I'm the parks commissioner or not. Reality for parks and many other bureaus that is they are not currently on a financially sustainable path. There are ongoing costs and maintenance backlogs that need to be addressed as well as Americans with Disability Act responsibilities. There are 17 million in parks that we need to figure out how to correct. I believe we should do that. The exciting part for me in this budget is we are funding long range vision plan the parks 2035 plan, financial sustainability plan and the cost recovery plan. For the first time that I can remember we're going to be inviting the entire community to talk about not only what do we want from our parks system, where do we need more community centers, where do we need repairs to playground equipment, programs for seniors or people with disabilities. Also, how are we going to pay for those and how are we willing to pay for our parks system. To me parks are as basic infrastructure, basic services as much as public safety, police and fire. That if people don't have constructive things to do, if they don't have healthy ways to recreate and exercise that's not a healthy community and we pay for it the wrong end. I'm very happy that we'll be able to collectively, everybody, not be talking about are we cutting this community center or that community center. Are we cutting this or that program? If parks did not put forward the packages that they put forward this time totaling over \$3 million they would have had to put forward 3 million of other cuts and would have a similar number of people being concerned about different programs. We need to look collectively, all five members of the council, to decide how are we going to provide those services to the community for the next 15 to 20 years. Particularly some of the things that were saved were the operating money for the Fulton and Hillside community centers. People wonder whether going to the budget sessions made a difference. It did. Fewer police officers in response to what we heard. Community centers are funded. We did not fund youth paths. I have been a big supporter. It's a great program. No question it's a great program. Trimet and the school district should be encouraging students to ride the buses. It's a statement that the school

May 16-17, 2018

boards provide transportation, so this is for their students. That's not a city responsibility. Mayor Wheeler was very clear last year that this was the last year that the city was going to do that because we need to fund things that are our responsibility. Like housing, like services for people living outside. Like the things that are in this budget. So, I believe that the school districts and trimet need to be sitting down together and figuring out we did fund a pilot for east Portland last year. They determined it has been successful in helping students get to school even though they have far worse service than the rest of the city and Portland public schools. It's up to them to make sure those students can now get to school. We are having one-time funding for preschool so that the very popular Portland parks and recreation preschool program is continuing. That people with lower incomes can access it and have first choice at those programs. That's wonderful money for rangers and the east bank esplanade. Seemingly mundane but really important to fix culverts in forest park. You go from the high-profile things to the really -- this is a culvert repair. No parks commissioner is going to probably be going and doing a ribbon cutting for that. But still this needs to be done so we're fixing things. I'm pleased we continue to dedicate half of the one-time money to essential infrastructure in parks, emergency management and transportation. This council has been disciplined in doing that and I applaud that. There are many, many good decisions and there's additional money that needs to be reflected when people say where are we getting our funding sources. 3 million from cannabis tax money. Recreational cannabis. Over 3 million that commissioner Eudaly and I are going to have a work session later this year to start looking at every year this money seems to be coming in now on a fairly regular basis, how can we use that to fulfill the promises that I made when I campaigned for that ballot measure. Secondly, 3 million from taxing companies, corporations whose chief executive officers make more than 100 times the median income of their workers. We are actually taxing the rich and in a way that we're not allowed to do head taxes like Seattle has done. So that's against the Oregon constitution, but the CEO tax led by commissioner Novick is actually working out to provide a little bit of that balancing of equity between the very affluent and the very unaffluent. We should be looking for more opportunities to do that. In summary thank you very much. The final thing that I'm really happy is in the 1.5 million for open and accountable elections. It's crucial for the success of the program. This is the public financing matching system we were going to affect for 2020. We hope to start interviewing for the program director next week and I believe that it's another step forward for democracy in the city of Portland and for democracy in the United States of America. So thank you for funding that. Aye.

**Wheeler:** Well, thank you, everyone. This was my first budget process from beginning to end as you'll recall last year I was brought into the budget process part of the way through it. This was really a necessary first step for my administration. I regard this budget as being foundational. It will continue to work towards the priorities that I laid out when I ran for this office. I'm delighted with my colleagues and the number of conversations we had, the level of conversations we had. Yes, the disagreements and debates that we had. I thought they were very important, and I value them. Glad we were able to fund things like utilities and parks and safety. I want to thank the budget staff. You have probably spent more time with me in the last several months than you have your families. With your kids. Your spouses. I'm grateful for that. We did a lot of great work together. I want to thank my team who spent a ton of time on this as well. But who I really want to thank is the public. You may think I forget sometimes, but I never forget who I work for. That doesn't mean I'm always able to forge a consensus on every single issue, but I said when I ran, and you elected me to this office to focus on certain priorities. Those priorities are addressing the homeless crisis on our streets, addressing the housing affordability issue that continues to be a significant challenge to Portlanders. You elected me to improve economic prosperity across the board and to do so in an equitable manner. You elected me to modernize our police bureau and

May 16-17, 2018

increase accountability of the police bureau. I feel sometimes as though when I came here and sat in this chair for the first time I had died and was suddenly reborn as though I never had a past that followed me into this chair. I was thinking about this this morning as we were talking about the folks from Portland homeless family solutions and the goose hollow family shelter, where I started my volunteer life as an overnight volunteer shelter host actually decades ago at this point. As we have had great conversations and terrific testimony including today around mental health services, I want to remind people I used to be the Multnomah county chair. I used to be at the top of the mental health and public health safety net in our community. I took that responsibility very, very seriously. If you go back and check the record, you'll see the degree to which that is true. I brought that with me. Here. I served for six years as a statewide office holder. I was state treasurer for the great state of Oregon for six years and I brought fiscal responsibility to this chair. That's why fiscal responsibility was the first thing I talked about when I released my budget to the press a week and a half, two weeks ago. It's because we are exposed to a recession. We are exposed to an economic downturn and people rely on the city of Portland to provide core services come hell or high water. So, we need to be fiscally responsible in our budget and fiscally sustainable over the long run to continue to deliver those services come hell or high water. This budget does that. There're no such things as a perfect budget but it's a foundation for which my administration can build on. It's as perfect as we could get it. I vote aye. With that the boring part. Legal stuff. It's my understanding director Scott we have to approve the tax levees and I have some language from state statute that i'm compelled to read. Grab your popcorn, everyone. The city shall levy full permanent rate of \$4.5770 per 1,000 of assessed value and \$1,717,921,183 for payment of votary proved general obligation bond principle and interest and \$163,748,624 for the obligations for fire and police disability and retirement fund and .4026 per 1,000 of assessed value for the children's levy. Congratulations, dan. Furthermore, the city shall levy the amounts listed in attachment e for urban renewal collections. I would entertain a motion to vote to approve the tax levies.

**Saltzman:** So moved.

**Fritz:** Second.

**Wheeler:** Call the roll, please.

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

**Fritz:** Taxes pay for services. Thank you to the taxpayers of Portland who are funding this budget that we just passed. Aye.

**Wheeler:** Aye. The motion carries. The meeting of the city of Portland budget committee is now adjourned. And with that

**Wheeler:** I'm now convening the prosper Portland budget committee for the purpose of approving fiscal year 2018-19 budget. Karla, please read item 483.

**Item 483.**

**Wheeler:** The budget committee members received copies of the initial budget approval change memo Tuesday, May 8, and revised budget change memo Tuesday, May 15 that amends resolution 7272, under consideration today. Do we need to recall the roll for this particular committee? So, pam, I'm going to ask you at this point, Karla, you get a break. Pam, please call the roll. [roll call taken]

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

**Wheeler:** I'm calling for a motion to consider changes to the proposed budget as presented in the change memo and exhibit a.

**Saltzman:** So moved.

**Fritz:** Second

**Wheeler:** We have a motion and second. Now we have Prosper Portland staff who are going to discuss changes included in the change memo. Good afternoon.

May 16-17, 2018

**Andy Shaw, Metro:** Good afternoon, mayor, commissioners. Our budget officer Tony Barnes is here to talk through the changes that reflect the changes in the proposed budget that the city put forward and we're here to answer any questions that you might have.

**Tony Barnes:** Good afternoon, mayor, commissioners I'm Tony Barnes. Before you are resolution is the revised change memo attached to exhibit a to the resolution amends the budget presented on May 9 with several adjustments necessary to balance the budget and align the budget with the city budget approved just now. Changes recommended include 200,000 in general fund resources programmed for venture Portland, 150,000 in general fund resources to support the Portland brownfields program, increase of 227,000 for community run block grant program funds associated with the economic opportunity initiative based on the budget and phb approved budget. Decrease of 1 million in expenditures in the Oregon convention center USA that won't extend next year. We're moving resources based on the timing of planned program expenditures in that district. Then finally two adjustments to housing set-aside to match the Portland housing bureau's approved budget both changes in Lentz and one on the interstate urban renewal area based on timing of set-aside expenditures and disbursement of cash for the set-aside from phb. That concludes the recommended changes. That's included in exhibit a to the resolution and the change memo.

**Wheeler:** Any further questions? I'll call for individual amendments to the memo from commissioners. If you have any. I don't believe we have any. Therefore I'm calling for any public testimony.

\*\*\*\*\*: We have one. Ashley Henry.

**Wheeler:** Come on up, Ashley. State your name again, please.

\*\*\*\*\*: Ashley Henry representing business for a better Portland. We're a membership organization here and sent you a letter and I wanted to thank you for restoring the funding to prosper Portland's budget that supports underrepresented entrepreneurs. We were really pleased with the response that we got from our members and other companies in Portland. We submitted a letter to you that had over 125 companies supporting the work of prosper Portland to support underrepresented entrepreneurs. Our members mostly have benefited from countless opportunities that often are not afforded to underrepresented entrepreneurs and it was really important to us that we utilize this as an opportunity to demonstrate that we believe that when our community thrives as a whole that's really what creates a more prosperous business economy and we wanted to call your attention to that budget item and are very grateful that you chose to support it. I also wanted to let you know that subsequent to that there was a subcommittee meeting of your council of economic advisors, mayor, and our board chair talked with some of the other folks on that subcommittee, and suggested that in honor of your call for more public-private partnerships that our members would also be called upon to meet the \$100,000 match or to match the 100,000 that prosper Portland provides in technical assistance to the beneficiaries, companies that benefit from the inclusive business resource network. We're about \$35,000 towards that \$100,000 goal from our members right now and we'll be putting out a broader request to ask for them to provide in-kind or pro bono services to the businesses that receive support from prosper Portland. I just wanted you to know that.

**Wheeler:** So is it director or president Henry?

\*\*\*\*\*: Oh, I'm the executive director.

**Wheeler:** Your royal highness? Will that suffice? You're doing an outstanding job. I really appreciate you taking up the call. Second of all, leveraging that with your membership and going out there and selling it to the community, selling it to business owners and operators and building that network of support. Means a lot to me personally. It means a lot to the community at large. Thank you for that.

\*\*\*\*\*: Thank you. We look forward to working with you again.



May 16-17, 2018

\*\*\*\*: Thank you. So that is that for public testimony. I'm calling to entertain a motion to vote to approve the amendments to the resolution 7272 as amended.

\*\*\*\*: So moved.

\*\*\*\*: Seconded.

**Wheeler:** We will vote to approve the budget as amended. Please call the roll.

**Fish:** Aye.

**Saltzman:** Aye.

**Eudaly:** I'm particularly pleased to see the programs for underrepresented entrepreneurs funded. I want to thank ashley for her advocacy and for being here today. It's just really a pleasure to have progressive business voice in city hall. So thank you. Aye.

**Fritz:** Thank you, executive director kimberly branham and the prosper board. This has been a lot smoother than in the past. We still have long term questions about the future of prosper Portland for another day and this budget does prioritize the work we want to see out of prosper Portland. I'm happy to support it. Aye.

**Wheeler:** I vote aye. The budget is approved as amended. Thank you all. Thank you, kimberly, thank you to your team, to the budget folks. The meeting of the prosper Portland budget committee is now adjourned. Colleagues, our next item is a time certain at 3:30. Why don't we take a five-minute break. We're in recess.

### [CAPTIONER CHANGE]

**Wheeler:** Karla, could you please read it.

#### **Item 484.**

**Wheeler:** Very good. Colleagues as you well know, Portland is in a housing emergency. In addressing this we as a council have worked diligently with the community, with advocates and activists to craft policy and incentive development to create more housing stock while simultaneously approving methods of stabilizing both renters and owners of housing units with a specific emphasis on affordable housing and low-income renters and homeowners. We have approved a historic housing bond, which up to this point is put into our housing pipeline for development over half of the promised housing, nearly 600 units, within the first year of our five to seven-year schedule, and Portland housing bureau continues to aggressively move to create affordable rental opportunities. We have continued production through our use of tax increment finance and urban renewal areas and partnered with nonprofit organizations to create additional housing for the homeless with the commitment to supportive housing, continued to produce housing for our veterans, Portland families, and our youth aging out of foster care, and of course we look to do a lot more. Our housing emergency is marked by four consecutive years of 5% or more rent increases to the Portland area with a smaller overall rent increase of 2% in 2017. We know that high opportunity neighborhoods are becoming increasingly inaccessible for many families. We know that our Portland families and residents of color are all but priced out of our most, according to our most recent state of the housing report that outlined this. We know that Portland's population is increased by over 83,000 people between the years of 2000 and 2015. That growth is expected to continue. I think that we all agree that we are experiencing some growing pains as a city. Colleagues as one of our governance partners, metro created a draft framework plan in an effort to add additional resources to the tri-county area through a potential housing bond. To present this framework, we will congest Larson and Andy shah from metro.

**Andy Shaw, Metro:** Thank you very much. We have a brief presentation and would love to get your questions and feedback on the framework. You outlined the nature of the housing crisis here in the city of Portland, and as this map shows, it really is also a regional challenge. The growing pains of our region have created rent increases across the metro

May 16-17, 2018

area, across many other regions across the country as well. So, a couple years back metro Began a process of examining the nature of the problem across the region and what cities like Portland and others in our jurisdiction are doing and what role metro could play. This last fall we were directed to move ahead to examine a potential bond measure for November of this year, as the most, one of the most appropriate things that metro can do to supplement the work that cities and counties are doing. So, jess I think is now going to do that.

**Jes Larson, Metro:** Thank you for the chance to be here, I am Jes Larson and I am in the government affairs department with my colleague here Andy Shah at metro. So, reiterating a couple of details and diving more deeply into the elements of the framework but doing so quickly so we can indeed hear from you, your feedback and advice from metro as we move forward. We are looking at a general obligation bond as the revenue mechanism, which will allow for a capital financing of newly constructed affordable homes, as well as acquisition of existing housing, that may be affordable today but may be lost in affordability on the market as the market changes throughout our region tomorrow. We also recognize that metro is not a housing developer and has no intention of creating a bureaucracy to become a housing developer. We intend to lean on the existing capacity across the region here, especially the city of Portland and your partners at home forward, but also the other Two housing authorities in Washington and Clackamas County, and three additional cities that act as cdbg entitlement cities, the city of Hillsboro, Beaverton, and the city of Gresham, which has much of this capacity already in place, so.

**Fritz:** Tell people what cdbg is.

**Larson:** Community development block grant. Thank you, commissioner. We've been convening this process for the last six months. Especially located at two advisory tables, one technical expert from across the region and another of the community stakeholder experts from across the region, totaling over 50 brilliant partners in this work to help give shape to the framework that we're going to present today. We have also had community engagement partnerships with many organizations across the region, and we are having briefings such as this one across the region over the next few weeks to continue that refining the framework, and there is also a survey, and we have had a couple of thousand community members weigh in on their advice to us as we convened this framework. So, these are the elements of the framework, and I am going to move quickly through them. We'll start with core values, the ideas that have really framed, given us the guiding principles for us as we set forward to do this work, and as all of the work at metro is led with racial equity, the work of creating more affordable homes must be led by advancing racial Equity in our communities. We know that much of the need for affordable housing is more -- is disproportionately experienced by communities of color, and that the history of housing discrimination is long, and dates back to the origination of our country, and so with this measure, we must begin to correct for those wrongs, otherwise risk perpetuating those inequities, so absolutely every part of this framework and all of the work going forward and implementation as a region will be led by racial equity. We have also committed to prioritized community members, not other side served by the market. Of course, the need for housing affordable is wide in our region, and all sorts of community members are struggling in this current market of ours, and becoming a high cost city, but we know that the needs are disproportionately felt by communities of color, low income community members, families with low wages, and senior citizens on fixed incomes, and community members with disabilities, and etc. I have also heard a balance of priority around where to locate the new affordable homes, both in creating new access to new opportunities, alongside transportation investments, for example, and job centers and also investing where communities with low incomes live today to prevent further displacement and neighborhood instability. And lastly insuring that we are being good stewards of limited

May 16-17, 2018

resources with strong public Oversight and administrative caps, which we'll talk further about here. And we are proposing in this framework that with a, an investment. A 516.5 million general obligation bond we can create homes for as many as 10,000 community members across the region, and really tens of thousands of community members over the life of these future homes. We, as a plan a and b, accounting for the possible outcome, two possible outcomes with the constitutional amendment with which voters will take up in November, so without the constitutional amendment passing, we can anticipate to build 2,000 homes for about 6300 individuals, and with the amendment we can leverage those partnerships of our nonprofit partners, but also housing tax credits and other rescue tools with the general obligation bond, and thereby increase the outcomes of those in homes and individuals serve.

**Fish:** Jess, just hold this slide for a second. You know, this is very important to see because what you are saying, and I am assuming this is reasonably conservative, is that with the amendment, with the constitutional amendment and the allowing us to be more flexible with the dollars, we could potentially produce about 50% more housing, and I think it's very important that we all stick to this script because there's been a range of numbers that I have heard in the last couple of months, and I operate under the assumption generally That we should under-promise and over-perform. This says 50%, and I hope that is the baseline for our public conversation.

**Larson:** Thank you. We appreciate that, and yes, indeed, we are working to set high goals, but to ensure that they are achievable goals. Certainly, there are opportunities for local jurisdictions to look at leveraging even farther than what our modeling has proposed, but we did not want to require leveraging of all of our jurisdictional partners, so we model the modestly, if you will, to make sure that we are achieving further outcomes but that are within reach across the region.

**Wheeler:** So, I want to second that. I would rather we go out with a conservative or more conservative estimates of what we can actually produce in terms of volume and prove ourselves to be better than that rather than going the other way. So, I would ask for us to make sure that we are very conservative. What we are running into through our housing bureau is increased construction costs, increased housing stock costs, increased land costs, and general inflationary factors. There is nothing that the public hates more than being told they are going to get one thing and then find out that they bought something less than that. So, I would really -- and the press will latch onto whatever our initial numbers are, they will hang onto that like a dog on a bone. They will not relent. So, I would encourage us to be very conservative as we roll this out.

**Fish:** I know we will --

**Fritz:** I know we will have to be careful about the things on the ballot, as an elected official I have a little more leeway so let me explain that to folks who may be watching at home. You can correct me if I am wrong, the constitutional amendment that we'll be voting on in November is to allow local bonds to be used for affordable housing created by non-profit or non-governmental entities, the constitution says if it's a public bond, the public entity has to own that in perpetuity. Is that approximately correct?

**Larson:** Yes.

**Fritz:** And that's the difference between whether we own and operate it, is more expensive than if a nonprofit or some other entity owns and operates it?

**Larson:** That is one element of the difference and the goals that can be achieved. Another is the requiring of the lending, the current requirement that government shall not lend credit, and because of that it makes it difficult to leverage or financing mechanisms like low income housing tax credits under the current constitution. There are a couple of reasons why the constitutional amendment will allow for further outcomes.

May 16-17, 2018

**Shaw:** We want to be clear that we are not advocating for or against the amendment as public servants but trying to accurately reflect what we think The outcomes would look like.

**Fritz:** Thank you.

**Larson:** A quick reminder, the eligibility activities and the general obligations on our capital financing only, so we're anticipating acquisition of buildings, acquisition of land, and the new construction of homes, and this is just further iterating the public ownership element that commissioner Fritz just reminded us all of, so we can move forward in moving along. A finer point on these regional outcomes, beyond the number of homes and the number of people that we aim to serve with this measure, we want to focus the goals to specifically serve those community members who struggled the most in our community to find affordable homes, so that means a focus on achieving as many homes at 30% median family income and below. We know that these are the hardest homes to create because they take the deepest public subsidy. Additionally, we have a goal to create at least half of the home for families, again, families are most struggling to find homes that they can afford in this market. A lot of the construction to date is one bedrooms and studios, and we need to make sure that there are two, three, and four bedrooms available for larger families and inter-generational families in our community. In our measure in this regional measure we are recommending affordability up to 80% mfi but limiting that higher affordability range from 60% to 80% as 10% of the total bond proceeds to only construct at that level this allows for further cross subsidizing for deeper affordability, and also allows for some home ownership opportunities in the event that the constitutional amendment pass says.

**Wheeler:** Can I ask a question? I don't know if this is a Jess or an Andy question or both. On the 30%, 45% of homes below 30%, mfi. First of all, shamelessly say I am not camp that says the more 30% and below the better. I would like to see it be a majority. I think that it's a better talking point. And I think that it gets at several issues that we're experiencing around housing affordability here locally. As you know, many people in the zero to 30%, particularly closer you get to 30% are people in ssi, older adults, retirees, they don't necessarily need the housing support, then there is the permanent supportive piece of zero to 30 where we do have to talk about housing support. Do we have clarity yet? Is there a process through which the housing support piece of this would be clarified around permanent support of housing for those that need housing support at the zero to 30%?

**Larson:** We are not, and thank you for that question, we are not at this point requiring or recommending any specific goals around supportive housing. Partially because of the general obligation bond allows for only capital financing, so the supportive housing programming will be made possible with our, especially our county, our three counties who will help to partner and to leverage those Services in conjunction with the future homes, but we absolutely agree, and metro is committed to finding -- to creating those partnerships and to committing those resources in conjunction with the future homes that we can ensure that we are serving the community members we intend to and ensure their success in affordable housing.

**Wheeler:** Great. My suspicion is that is a question that will have to be well baked. Particularly, with regard to the county and the support services that are to be provided. Commissioner Eudaly, did you have a question?

**Eudaly:** I do, yeah. I have a whole list of questions, but I think that I will just jump in as the subject arises. I agree with the mayor. I would really like to see the majority of the funds focused on 0-30, 50 at the highest. I think -- I know there is an issue of the mix, I guess, of the rental levels and the ongoing funding and all of that. I would love to gain a greater understanding, but in my reading of all of the data, it seems that what we really need to do is focus our scant public dollars on the extremely low-income households who are at zero to 30. 30 to 50 would be the next range. That means that we're getting people, not just off

May 16-17, 2018

the street and into that zero-30 housing, but out of the unaffordable housing. Into affordable housing, which then opens up the range of the 50-80 that we still see a need. A much, much less great need in that 50-80 range. So I guess, you know, I am interested in your thoughts on that and why, why -- I think that we can do it. But if you think that we can't, why. And I guess -- yeah. I will stick with that one question for now.

**Larson:** Thank you, commissioner. That goes back to mayor your question as well. You are absolutely right. The goals should be, and we believe is to maximize the creation of homes at 30%, mfi and below, and it does take additional rent incomes to help cover those lower rents because the rent that is 30%, mfi household brings in is not enough to cover the monthly operating costs that the tenant requires. Even if a building itself carries no debt and is fully financed or paid off, the operations are not enough in the case of a 30%, mfi apartment, so it does require cross subsidy. In the case of the Portland general obligation bond, there was a, an opportunity to leverage the cross subsidizing with a commitment of vouchers from the Portland housing bureau. Pardon me, from the home forward. And that helps you to achieve the goals of 45%, mfi in the Portland bond. In our case, those vouchers are already committed from home forward to the current Portland bond. We have a commitment of that 200 vouchers from Washington and Clackamas county so far to help achieve those goals. Each. And so, and yet we're trying to achieve even more homes on the regional level, so that is part of the reason for needing a higher percent, mfi, and actually recognizing that there is more work to do to identify the ongoing operating expenses to achieve these goals.

**Eudaly:** I think it's just -- it's a challenging equation because I also don't want exclusively, low income housing, I want mixed income housing, we all know that that's the standard to strive for. It's just tough to see any dollars going towards housing that I think that we could incentivize in the private market, and I am talking about 60-80. Couldn't we feasibly come up with another funding, another revenue stream to be able to divert those dollars? 0-30?

**Shaw:** Certainly, there are other sources to talk about. Our challenge is going to be working with you and others to identify the supportive housing services to match with these dollars in the months and years to come. That's where we're focusing our energy on new resources. As a regional program, we're hearing from nonprofits across the region who practice in this field. This is a pretty audacious goal to achieve. Getting some trepidation about the ability to have those rents maintained, these buildings at Those affordable levels for the duration for the, you know, for permanently, so we're trying to balance that deep affordability, larger bedrooms, with an ability to put some that are 60-80 and bring more rent into the picture for a particular building. That's the advice that we have heard from our technical table who worked through some significant modeling work to understand how we can get to the place where we are making a bold promise but a promise that we can actually achieve.

**Eudaly:** Okay. I am sure I will have more questions.

**Fish:** Let me jump in for a second. So, I have the same concerns, I just want to approach it differently. First, I want to do a disclosure. I set three goals this year, one was to win the primary, two to beat cancer, and three is to work with our partners to pass the regional housing bond. Maybe not in that order. We have one down, and I will serve on the pac board and do fundraising for this effort so that's the next challenge. I realize in setting the framework for the bond we have to be responsive to what our partners think, we have to be responsive to what we think will pass the majority support from the voters. And we obviously want to set goals that we can achieve. That said, I can't remember a time when we did not get pushback around permanent supportive housing. Let's be clear. Every time that this issue comes up, we get pushback, and it is not from any -- it is not just from one corner. Our nonprofit partners push back because sometimes the tenants that they serve are more challenging than others. Sometimes there are gaps in funding. Both in terms of

May 16-17, 2018

the affordability and services, which they don't want to be saddled with. There is a whole host of reasons why even the nonprofit partners sometimes are resistant. My concern with the number of 45 is that, as with my colleagues, I think that should be more like a floor than a ceiling. I think that the one thing that I am hearing clearly from this body is that we're not sure that 45 is the right number but we would certainly not want to go below 45, and we would like to see if there is an argument for going above. The question -- so the answer is why. Right. Why. We are not actually here talking about housing. We are talking about poverty. We are talking about very poor people that don't have choices, and either we provide them with stable housing, or we continue to fund the most expensive and least efficient service delivery system every devised by government, which is what we have as a default. So that's the choice. And I think that the public now understands that, which is why permanent supportive housing has taken on. It's why the mayor, and I compliment him, set aside 3 million in his budget for services of which 2 million will be really targeted to permanent supportive housing, so let me follow up on commissioner eudaly's question and ask you, an obvious candidate for where we get those service dollars is the transient lodging tax, and so we are in conversations, with the county, the city, and metro, and you know, there is millions of dollars that could be allocated to this. Are we getting close to a deal with the three jurisdictional partners to have a big chunk of that set aside to cover the service dollars?

**Shaw:** We are having a positive conversation. In fact, on monday, I will be meeting with your staff and county staff to flush out what a bucket in that bucket system might actually look like.

**Fish:** So, mayor, having been to this rodeo a few times with our colleagues here, and I am talking, looking at dan who probably has been to this rodeo more than anyone else here, but just to put a fine point on it, I remember that every time that we ever talked about a bucket, involving the hospitality industry, it got complicated because people, too many hands started getting into the bucket. And we started trying to solve too many worthy, you know, laudable goals. Through the bucket, and I would urge us in this moment to be really focused on the challenge that's in front of us, and not be seduced by the idea that a bucket can serve lots of needs. If you do the math, and the math I am operating under is for a typical unit where we need to buy down the affordability and provide the services, we are talking plus or minus 16, 000. So you do the math on that, that's 1.6 million to get 100 units, so this is not cheap. Again the alternative is so much more expensive, just that it's distributed to the system and we pay for it in many ways that I would hope that building on the mayor's office budget, with the money he's set aside, and that three jurisdictional partners can really focus on the tilt side and carve out a big chunk for that, and I think that it's incumbent on our other metro regional partners to throw some money in the hopper. They are being benefited by this, as well, so I would hope that the conversation extends to what can clackamas and Washington county, for example, do, and what resources can they bring to the table? Because we cannot fund a big chunk of this -- of these affordable units without the service dollars, and while it's not going to be the question before the voters, I think that we have an obligation to identify the sources, and I will close by recalling, I think, the first conversation that I ever had with dan Saltzman about transportation. I had been lulled into a false sense that dan was the fiscal conservative on the council. And we were being asked under the adams administration to go forward with the orange line, and yet we had no plan to pay for it. Dan was enthusiastically voting To move forward. I turned to him because I thought he was our fiscal conservative, I said dan, how can we say yes, you know, give the yes sign to this orange line without knowing how to fund it, and he said well, he said, invariably once we set the direction and the policy we find the dollars. It becomes our priority to get those federal dollars, the local dollars, the match. He said we're resourceful but we have to set the vision. Well, that's what we have

May 16-17, 2018

done with the 2000 units of supportive housing, we set the vision and said we are going to fund it. And I think that we should take the same approach to these service dollars here that we should commit collectively to find those dollars so that this works. I am seeing a nod so I hope that that's a positive.

**Fritz:** I want to go back to the lodging tax because we are getting off track from this bond measure. But make sure I am in the loop for the transient lodging tax. I am on the development fund board. We already get 6%, I believe, for the city's general fund from that. There is not going to be any more money, so if we are going to divide it differently that

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**Fish:** Is this up in money that we are negotiating? You and I are on the board that spends it. We are talking about the revenue source.

**Shaw:** We would be happy to come and Provide a briefing. All right. So.

**Larson:** Finishing up quickly, the question of distribution of resources have been of great import across the region, wondering how the dollars will be distributed back to the local communities, and also, how the goals of achieving these, creating these homes will be distributed. We, through very complicated process have landed on a simple agreement and recommendation that the resources be distributed based on assessed value of homes, property tax base, and to the three counties, but along with those resources come the commitment of clackamas county achieving 21% of the goals and outcomes with this housing measure as well as Multnomah county achieving 45% of the goals with 45% of the resources, and Washington county at 34% of resources and goals. Metro has a unique expertise to lend to the effort of achieving these. We currently operate a transient oriented development program, specifically around land acquisition in conjunction with future transportation investments, and we are proposing our role in contributing to the region's efforts in achieving those outcomes and creating these homes across the region will be through land acquisition, so we are proposing that 10% of the resources be spent by metro, acquiring land, and partnership with 90% of those resources distributed across the region as described in the previous slide To our local partners who will be developing, and owning and operating the buildings.

**Wheeler:** Can I jump in? So this one as you know is near and dear to my heart, and I am sorry we are nerding out after 4:00 in the afternoon on this stuff. But first of all I want to applaud your focus on transit oriented development. I think that that is exactly the right kind of thing for metro to be considering as part of this overall program. I still have questions about anti-displacement strategies. Could you talk to me about that a bit? I want to give you a concrete example. There is a housing play that the housing bureau has been engaged in. It was brought to us initially by the community, and we have engaged a landlord but once the landlord realizes that the city of Portland is interested in it, he's basically jacking up the price to a ridiculous degree. So I am worried about that impact. What have you thought about or what is your strategy for thinking about how to develop an anti-displacement strategy where we're not paying top dollar.

**\*\*\*\*:** Our program has been geared towards exactly getting ahead of the market. We know where we're planning light rail lines, we're planning the bus transit and we are able to use the limited federal dollars in the tod program to acquire the lands and to work and to work with the developers to add more density, Historically that's been the focus. Recently we have supported the development of 800 units of affordable housing with the tod programming, so the concept is, and you were very close to this with southwest corridor proposal, how do we blend resources into that proposal to acquire the lands, and sometimes buildings, and to get ahead of the displacement that could occur when the values rise after the investment is made, so southwest corridor is years out before it would open and have the kind of impact on real estate, the ability to have this program in place that can work in the southwest corridor, along division, in other parts of the region where

May 16-17, 2018

we are planning the future transportation and transit improvements, that's the goal is to get at that anti-displacement approach.

**Wheeler:** I appreciate that. Thanks.

**Larson:** And then finally touching on the oversight, and administration, and as with much of our experience in pulling together the framework for this measure, we are learning from the precedent and the lessons learned through the current housing bond, and your staff at the Portland housing bureau. We have don't a comprehensive assessment of the capacity across the region to implement these resources in a near term of five to seven-year time frame. And we believe that it is very reasonable to commit our administrative costs at 7% at the regional level with all of the partners involved in administering this program, the cost of transacting the bonds and etc. We are recommending an oversight committee be appointed to oversee the regional program year by year making sure that we are tracking on the goals and outcomes that we have committed to voters, and first in order to prepare for the implementation of the measure, we will following the measure referral work with the partnering jurisdictions towards crafting intergovernmental agreements, which has a, a comprehensive, local implementation strategy of how each jurisdictions intends to achieve the goals with their reserved revenue through this bond, and set forth a plan to start implementing as soon as the -- or soon thereafter, after the measure is passed following a brief community engagement process for all those plans, so insuring comprehensive oversight and efficient administration of the resources, and then I think that the last slide is where we are right now in our time line having briefing like this one today in community groups, and other commissions and boards across the region. We convened the final two meetings of the technical and stakeholder advisory tables tomorrow and Monday. The following Tuesday the staff recommendation will be given by our coo Martha Bennett to our council for their consideration, and it is anticipated that they will take up the vote for the measure and potentially refer it to the voters on June 7. That is the completion of our Presentation, and we welcome any further advice or feedback or clarifying questions you may have.

**Saltzman:** So is your 7% administrative cap written into the ballot measure?

**Larson:** Yes. Or will be.

**Shaw:** That's the proposal, yes.

**Saltzman:** Okay. That's good.

**Wheeler:** So high opportunity areas, proximity to the schools, healthcare, parks, transportation, and the like, I assume that this will give credence to that and investments in those areas?

**Shaw:** So we heard a balance of both investing in communities where low income families live, communities of color live, where there is a common language spoken, that was one thing, and we also heard create opportunities in places where there are more jobs and more schools with lower drop-out rates and etc., so the distribution method that we landed on, the assessed value is a proxy for a very complicated set of formulas we used that map out where our opportunity neighborhoods and existing low income households, who are rent burdened, where does the resource come from, and when you balance that out it was close to assessed value, so that felt like a good way to distribute funds out to ensure that the communities in Clackamas, communities in Washington, and in Multnomah county are all building homes in both the existing communities where low income families reside and in places where people may choose To move to, to take access to other opportunities.

**Wheeler:** Thank you. Any further questions? Commissioner eudaly?

**Eudaly:** So, we talked about this, at one of the impact meetings, and I realized that some of what we want to do with the bond is contingent upon the constitutional amendment passing in the fall. I am assuming you are being careful about crafting the language to kind of allow for either outcomes, and has there been any more conversation about any of the



May 16-17, 2018

bond money being utilized for land trusts or limited equity housing cooperatives? Just to provide home ownership opportunities for low income households?

**Wheeler:** We want to craft it in a way that allows for jurisdictions to explore that space of home ownership. It really only works if the constitution is changed to allow the blending of the nonprofit and public dollars or private and public dollars.

**Eudaly:** Sorry, go ahead.

**Larson:** To clarify, home ownership in a land trust model because we are committing to voter's permanency and affordability, and that can only be achieved with that.

**Eudaly:** If the amendment does pass, does that change the equation or the balance between 0-30, 30-60, 60-80?

**Larson:** Indeed, yes. Indeed, it makes it more challenging. The opportunity to leverage debt means the responsibility to pay back that debt. And it makes the goals towards deep affordability more challenging. We are doing very comprehensive analysis of all of the potential outcomes, and opportunities and challenges of that reality, and so far, are being - working to solve for keeping the commitment to 0-30, which may mean leaving some debt unleveraged.

**Eudaly:** My final question is why 500,000? Or 500 million? It seems low to me. Early polls showed that twice that has a good chance of passing with the voters, and I am concerned, you know, we're also hearing more word of a 2 billion transit, or light rail bond. I would like to see the reverse of that, frankly. I don't know how we can support that kind of investment in light rail when we have seen a pattern of displacement around major transit projects, and the rejection in ridership because those low-income community members are being replaced by more you affluent resident who don't rely on public transportation, so a couple of different issues at play there. We shouldn't leave any money on the table with this one.

**Shaw:** On the measure size question we heard from a number of corridors. Go big. Think larger than 500. We started with 500 as a sort of place to start and a modeling exercise. We moved it to 516 million, and because that, through the modeling work that we did, we think that we could achieve a Service to 10,000 people. With the constitution changing. We think that that's audacious. We are hearing from folks look at what you could do if you asked for more money. Just a comment on the polling. We tested a ballot title, and that got good results. We tested asking people, are you willing to spend 100 or 50 or 25, and that got much more positive responses. But that's not the actual question that the voters vote on. They vote on the ballot title question so we're trying to work to understand what the appropriate amount in terms of what can get out the door through our partners, and also what the voters we think would be willing to invest.

**Eudaly:** 516 is not the last word.

**Shaw:** The initial framework proposal, that's correct. We are hearing a lot of folks suggest that we think that north of that, yes.

**Eudaly:** Thank you.

**Fritz:** There a requirement to spend the money within a certain amount of time?

**Shaw:** There is not -- I am not familiar with any of the bond measures that we have run in the past for parks or the zoo or other places committing a time frame in the measure. We have talked about trying to spend the money in five to seven years, like the goals for how many units, the voters are going to try to hear that, and will likely hold us to those commitments, but it's not something that generally we put in the requirements of the Measure itself.

**Fritz:** You have probably looked at the capacity of the construction industry to handle a billion dollars of construction in five to seven years?

**Shaw:** And multiple jurisdictions looking to acquire the right land and move through the development process make sure the zoning is correct so many steps along the way that just make it take some number of years to get these homes constructed, but we want to

May 16-17, 2018

put a time clock on ourselves and on our local jurisdiction partners to get that money out the door in five to seven years.

**Fritz:** Since it is capital on top of the property tax limitations we can do this one, get it massively successful within five years and then do another one?

**Shaw:** Correct. Because it is not like a levy. It does not cause compression, it gets paid off over time, yes.

**Fritz:** Thank you.

**Fish:** We've been watching the Portland public school board struggle with the fact that despite best intentions, there are market forces which make it difficult to meet certain commitments, or I think the mayor alluded for the inflation in construction costs. The flip side is if you hit a recession, there are projects that no longer go forward, and as habitat learned with Mr. Gray's money, they could go and acquire land, and land bank during a recession. I think that we have to be careful because I think that the general consensus is that we may hit a bump in the market in the next few years. And while that may create some opportunities, it may also make it harder for us to do deals if tax credits become less affordable and blah, blah. So, I like the fact that it gives us the flexibility and it's not committing to an arbitrary timeline because we're not smarter than the market. The second thing, going back to the service side, I seem to recall that chair Kafoury said that she had some dollars as the county chair, which linked up with people coming out of prison or people in mental health crisis, where she might be able to program those dollars a little differently to put services within an apartment. That was within her discretion. I wonder if we are having the same conversation with the other counties, as to whether they have some flexible with dollars, people coming out of jail, that could be reprogrammed to provide those services. Deborah has a clearer understanding of where those pots of money are and how they relate to state funding.

**Wheeler:** Excellent presentation, thank you for being here.

**Larson:** Thank you for taking the time.

**Wheeler:** And obviously to be continued.

**Shaw:** Indeed. Thank you very much.

**Wheeler:** Colleagues, I will shift this around because I don't want to lose our quorum, can we do 486 next, please?

#### **Item 486.**

**Wheeler:** Very good. So, this apartment building, Halsey apartments, will have eight of the 52 units affordable to households earning 80% of median income for 99 years as part of the inclusionary housing program. The units will be composed of one studio and seven one-bedroom units. The owners [inaudible] are building a total of 52 new units. The multiple unit limited tax exemption or multi-program is one of the financial incentives provided to inclusionary housing projects. Choosing to make the units affordable rather than paying a fee, each multi-application becomes, comes before the city council for approval. In addition to the ten-year tax exemption provided by the multi this project will receive an exemption of the affordable housing construction excise tax that would have been due, this will join the other 24 private sector projects in the inclusionary housing permit approval pipeline making a minimum of 167 units affordable in otherwise market rate developments. Greetings.

**Shannon Callahan, Portland Housing Bureau:** Greetings, good afternoon mayor and council. I am Shannon Callahan of the Portland housing bureau, and I am joined by our development incentives program coordinator who works closely with bds and our projects in the pipeline. I know you have heard the details from the mayor, and we are just here to answer any questions you may have about This project.

**Wheeler:** Colleagues, any questions? Any public testimony on this item?

**Karla:** No one signed up.

May 16-17, 2018

**Wheeler:** Call the roll.

**Saltzman:** It looks great. Aye.

**Eudaly:** Aye.

**Fritz:** Good to see this coming through. I wonder why we are required to have public hearings on them. It just -- it seems to almost be administrative at this point and it's really good to have it be so administrative feeling, well done, aye.

**Wheeler:** Good work. Excellent. Aye. [gavel pounded]

**Wheeler:** The ordinance is adopted. 487, please.

**Item 487.**

**Wheeler:** Colleagues the Portland housing bureau is planning to conduct an eviction pilot for specific families who face forcible entry detainers, fed's through a combination of referral services, base level legal advice, education, advocacy and support services. As part of the anti-displacement effort headed by the bureau, this specific request is to fund the eviction pilot program. We are working with the established nonprofit partners as you heard including the community alliance of tenants, legal aid service of Oregon and join this collaboration will administer intake, screening, legal advice, and representation. General support has already been expressed by the Multnomah County circuit court for this pilot program through, or though Portland housing bureau does fund existing programs that provide familiar services. The pilot program is being created to improve access in a one-stop methodology and will provide comprehensive eviction prevention services. This pilot is aimed at helping us understand whether a comprehensive approach can aid in providing long-term housing stability for households while simultaneously helping households to navigate through the turbulence of housing instability. Council if you have any questions about this program we have ken, uma, from the housing bureau, and, of course, we have director Callahan. Good afternoon.

**Shannon Callahan, Portland Housing Bureau:** Good afternoon. Just a comment. I would like to thank our staff for all of the work to develop this pilot project with our partners. Households facing eviction or who have an eviction. Our, our -- unable to rent in our market become homeless if they are able to rent, and they are usually living in substandard housing. The pilot is especially important to us to gather more information, make sure that we can help folks prevent them from homelessness and we will be happy to bring back the results of this pilot project to you and would hope that you would see a request to continue this if successful in the next budget cycle.

**Wheeler:** Very good.

**Fritz:** When would you bring that report?

**\*\*\*\*\*:** We are hoping sometime in December. It's a short-term project.

**Fritz:** Fabulous, thank you.

**Wheeler:** Is there any public testimony? I am sorry, commissioner eudaly.

**Eudaly:** I am sorry, I may have missed it, but do you know about how many households we may be able to serve in.

**Callahan:** I know that we are planning to do 53 direct legal assistance so we would represent them but we are not planning on that being the total number.

**Kim McCarty:** We estimated approximately 30 households, and then more with more indirect services.

**Eudaly:** Thank you.

**Wheeler:** Very good, public testimony on this um item.

**Karla:** No one signed up.

**Wheeler:** One person would like to testify. Come on up. Good afternoon.

**Lightning Super Creativity Watchdog:** Good afternoon. I am lightning, and I represent lightning super creativity watchdog. I do approve of the increase in compensation. One of the issues I may have is that I understand you are increasing the community alliance of

May 16-17, 2018

tenants' contract of 25,000, if I am reading this properly. Again, if you are increasing that, does that mean that they have spent their funds, or we are able to look at where the money has gone prior to this? You are asking for an increase, so that just is a question I'm posing at this time. Another issue that I have is that one of the biggest concerns that I guess, and I want to make it clear, it refers to this, is that when we were talking the state of the housing in Portland report, and. Why I am asking this, is that I really feel that by looking at all of the groups that are on here, I wanted to see neah receive additional money, and I will explain to you why, referring to this. When you look at the state of the housing report, if you go down every neighborhood, you will see a decrease for native Americans in the population. From the year of 2000 to 2015. But you don't just see a small decrease. When they were at 7,000, or 12,125 in the year 2000, they dropped to the neighborhoods down to 4,500. And then if you go down neighborhood by neighborhood, the amount of decrease is alarming to me. It's like why are so many native Americans moving out of the neighborhoods? And is it to do with their economic condition? And is the city providing any assistance, and again, I hope that you will review that report, number by number, and understanding what I am talking about is alarming to me. And it needs to be looked at very closely because if you look at the decrease in the population in the neighborhoods to the native Americans, it's almost every neighborhood. In the numbers, they are 50% and higher of the population base. It's alarming to me why this is Happening at this time. Do they need additional funding to stay in the neighborhoods? Do they need assistance to stay in the neighborhoods? Are they able to stay in their current housing in the neighborhoods? But why are we not addressing this? Why are we not looking at that data and saying, this is alarming? This is alarming, so from my position, I am hoping that neah might receive additional funding and come back with the data, and that will explain why this is taking place. In the city, in the neighborhoods, and come back with some information that will allow the public to look at this and say that this is alarming, what are we going to do about it, thank you.

**Wheeler:** Appreciate your testimony. Please call the roll.

**Saltzman:** Aye

**Eudaly:** very excited about this pile, and I hope that it becomes personal, aye.

**Fritz:** Aye.

**Wheeler:** Aye, the ordinance is adopted. 485.

**Item 485.**

**Wheeler:** So, colleagues, this ordinance authorizing the issuance of up to 10.5 million of limited tax revenue bonds to finance the replacement of aging, fueling stations at four locations in the city. I want to be clear our fleet is moving towards electrification and non-carbon-based sources of fuel, however, many of our vehicles, particularly our larger vehicles, think that fire Trucks, large utilities and the like, utility vehicles and the like, still rely on these systems. Many are extremely antiquated, and they are environmentally unfound as well as presenting potential safety hazards. The total estimated cost of replacements is currently 8.5 million, however due to certain project risks, including the potentially, the potential for the discovery of soil contamination at some of the sites, 2 million is included in this authorization in the event that remediation is required. We expect to initially fund project costs through a line of credit. Upon determination of the final cost of the project, and that's expected by July 2020. We and to issue long-term limited tax revenue bonds to provide permanent financing. While the bonds will be full faith and credit obligations to the city, debt service will be paid through charges to city fleet customers based on their fuel usage.

**Eric Johansen, Debt Manger Office of Management and Finance:** Good afternoon.

**Wheeler:** Hopefully I got that right.

May 16-17, 2018

**Johansen:** You did. Eric Johansen, city debt manager, brfs. I have nothing to add to that, I would be happy to answer any questions.

**Wheeler:** Any questions? Any testimony? This is a first reading of a non-emergency ordinance. It moves to second reading. [gavel pounded] Robert is still laughing about that one over there. 488. Second reading.

**Item 488.**

**Wheeler:** Call the roll.

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

**Wheeler:** Aye, the ordinances is adopted. 489.

**Item 489.**

**Wheeler:** Commissioner Saltzman.

**Saltzman:** You want to give it to me? Do you recognize me?

**Wheeler:** I am recognizing.

**Saltzman:** Thank you mayor. This item really comes out of my service of almost 20 years on the city council. My belief that we could improve some of our financial policies to make our budgeting process more transparent and make us more accountable to our public. The changes are relatively simple. I will outline them, and if you like I could talk more about why we need to do these.

**Wheeler:** Could I ask a question? I am not saying no. I want to be very clear. But it was my understanding that you were not going to present this today. Is that correct or obviously it's incorrect?

**Saltzman:** Oh, yeah, I was planning to do it today.

**Fritz:** Two of our colleagues have left and I have an excused absence starting now. So, if you want to make your presentation and we could set this over or something like that.

Obviously, you want to make the presentation. We don't have two of our colleagues here.

**Wheeler:** Do we have staff to make a presentation or are you going to do it on your own?

**Saltzman:** Scott was going to be here to answer any questions.

**Wheeler:** Why don't we go ahead and do -- should we do the presentation and we can continue it to another day, is that acceptable?

**Saltzman:** Okay, or we could just do it now. Do it all now. We have three of us here.

**Fritz:** As I said, I had a 4:30 excused absence. An event I am supposed to be at, at 5:00.

**Saltzman:** I can be very quick. It's very straightforward. If the preference, if I am hearing this, the preference is for this proposal to just go away, I would rather you tell me that.

**Wheeler:** I like the proposal. I do want to hear it. But I want to make sure that we give it the due consideration it deserves. I am perfectly happy to hear the presentation today. But I think that we should then leave it so that our colleagues have a chance to chime in on it.

**Fritz:** And I have chiming in to do, too.

**Wheeler:** Great. We have director Scott sitting there patiently. Thank you.

**Saltzman:** So these changes will, will do the following, one is it relates to our budget Monitoring process or bump process, as we all know it inside this building, and most people I think outside of the building don't have any idea what the bump process is, but it's an adjustment we make to our budget throughout the year, and it's been the policy, the current financial policies only to make requests for additional general fund resources for emergencies during that current fiscal year. We have gotten away from honoring that policy. We have begun to allocate excess funding in the bump process for non-emergency purposes, which when we do it that way, and I am as guilty as anybody, when we do it that way, we are bypassing any public involvement process, we have no budget committee, looking at these, no budget advisory committees or citizen mayor's office budget panel looking at this. Its totally exempt from any public scrutiny, and yet we are spending quite a bit of money lately through, of general fund new resources in the bump process. I think what really alerted me to this was when we did our fall 2017, 2018 fall supplemental

May 16-17, 2018

budget or fall bump. We created 66 new positions in city government, and I believe that we spent 28 million in new general fund resources, and again the process that is more or less invisible to our public and it just felt that we need to do something different, so what I am proposing is that this resolution would require me and other commissioners in charge who are requesting excess General funds, new general funds, in a bump process, to certify first that there is not -- they cannot find those funds through realigning within their own bureau's budget. But that is not possible. And secondly that they would need to offer that as an amendment, as a free-standing amendment during the bump process. So, it would not be part of the bump ordinance. It would have to be offered by that commissioner in the full public view of our meetings that we have on Wednesday or Thursday. And you know, be voted up or down by all of us as to whether that's a good idea. On how to spend new general fund resources, I think that's the one that is maybe the most change in how we do business, my other changes are simply to, I think bring our special appropriations process a little more discipline. I think that we have to, and this is something that we adopted at the Portland children from day one, we limit the amount of money that we grant to not exceed 35% of the operating budget. We don't want the organizations to be, to become so reliant on us alone, the children's levy or in this case I would say the city general fund. So that would be a limitation, and then we would direct the organizations seeking a special appropriation may only make that request once every three years. It is designed for the same purpose, so the organizations don't become so reliant on the City for their funding that they become a shadow, a shadow budget obligation which we have had in the past for many organizations, they are so used to getting one-time funding that really it becomes an ongoing funding obligation. So, I believe that these changes are short, sweet, and they will produce -- they will help the future city councils in managing the city's finances, and as I said Andrew Scott is here to answer any questions or do you have any comments?

**Wheeler:** Very good, come on up director Scott.

**Fritz:** Actually, I would like to defer that part because I would like for my concerns or suggestions on the table and continue the discussion.

**Wheeler:** Let's do this. First of all, I want to commend commissioner Saltzman. I think that this is a bold and proactive proposal, and I think it is worthy of a more robust conversation at the end of an eight-hour council session on a day where we've been doing budgets. There is some good stuff and worthy stuff, and I would like to have a chance to absorb this and think about it, and director Scott for as long as I have got you, I would like to ask perhaps follow-up questions off line, and then let's come back and have this conversation. I think that it's a good one to have.

**Saltzman:** Can we have a time certain?

**Wheeler:** Let's see what we can come up with.

**Fritz:** And I am the co-sponsor so I would like to Make my comments as well.

**Wheeler:** Absolutely, you bet.

**Fritz:** In discussing the financial policy changes, my initial goal was to make the capital set aside dedicated to transportation parks and emergency preparedness permanent. This is a four-year sentence on the dedication to those, after talking with commissioner Saltzman we agreed to pursue a wider set of policy financial reforms to advance fiscal responsibility and sustainability. There are some amendments to the filed resolution which I would like to discuss so I hope, I would like to put the policy changes on the table and carry it over. Some of the things that I would like to discuss in addition to the dedication of the set aside funds, commissioner Saltzman mentioned about the 35% of the operating budget, and I think that we should add to that, except when the grantee has no paid staff because some of the special appropriations, they don't have an operating budget, therefore the volunteers are doing them so that's something to discuss. I think that there is an opportunity to discuss what we were talking about this morning with the Americans with disabilities act,

May 16-17, 2018

actually would be part of the policies, and also potentially something relating to unreinforced masonry, and seismic resilience as matter of the city spending. I think the current financial policy talks about prioritizing maintenance over new facilities, and we need to add to that, unless acquisition is necessary to address the equitable provisions of the services citywide. We don't just maintain the parks. We need to provide the parks in places that don't have them, for example. And the question of whether the auditors are added to the bump discussions, and the labor costs at the time of the labor agreements, that's something that I am afraid that the system will be -- we will hear from every union where we will have to close six fire stations or cut down, not have the traffic division or whatever. So I would like to see if there is any honing of the language that we could get to make it clear that no, you cannot put the Washington monument on the table at the same time as the labor agreement, we honestly want you to think of our system of the interim reductions that you can take in order to pay for this, so those are some of the things that I think would be helpful to discuss.

**Wheeler:** So, I think that this is actually -- this will be a really good conversation because I agree that there is an opportunity here to add fiscal principles. I think that there is a -- I think that commissioner Saltzman is right to have called out the question about what the purpose of a bump is. Do we need to rein that in, and do we have a, need to have a conversation about increased discipline around the bump? I think that the answer is yes. I would like to have those Conversations. Commissioner Fritz I think you added good ideas to the table. Do you want to add those as amendments today or would you like us to continue the conversation and have you put those on the table later? What's your preference?

**Fritz:** I had proposed the amendments, and I think that for some reason we could not do it. We have to run them by the city attorney and the chief financial officer, as well.

**Wheeler:** Okay. Why don't we -- do we have space next week, Karla, where we could put this on a time certain please?

**Karla:** It would be 4:00 on Wednesday. That's after the private for hire coaching.

**Saltzman:** That's not going to work. What about Wednesday morning sometime?

**Karla:** It would be 11:00.

**Saltzman:** I would rather take that.

**Fritz:** It will be the same thing.

**Saltzman:** It will be the same thing next week.

**Wheeler:** So 11:00 a.m. Next Wednesday, time certain works. Karla can you remind me of the date?

**Karla:** May 23.

**Wheeler:** May 23, so we are continuing item 489 to next Wednesday, May 23. Time certain. 11:00 a.m. And with that unless I missed something, we are adjourned. Thank you.

**Adjourned 4:43 p.m.**

**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 17, 2018 2pm**

**Fish:** Welcome, everybody. That seems loud. Maybe I'm screaming. Karla, we have two items this afternoon. Would you please read both?

**Karla:** Take a roll call?

**Fish:** Yes. [roll call taken]

**Eudaly:** Here **Fritz:** Here **Fish:** Here

**Fish:** Let me hit reset. Thank you for calling the roll. I'm going to turn to our esteemed attorney and ask her to read the ground rules for our hearings.

**Karen Moynahan, 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 during meetings, 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 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're representing an organization, please identify it. The presiding officer determines 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 up a red light goes on. If you would like to show support, feel free to do a thumbs up. If you do not support something feel free to a thumbs down. Disruptive conduct such as shouting or interrupting testimony or deliberations will not be allowed. There will be a warning that further disruption will result in the person being ejected for the remainder of the meeting. A person who fails to leave the meeting is subject to arrest for trespass.

**Fish:** Thank you. We have two items this afternoon. Would you please read 490 and 491 together?

**Items 490 and 491.**

**Fish:** Thank you very much. We're here to hold a hearing on proposed rates. The agenda item states that this ordinance was to be presented by mayor wheeler. Some of you are wondering why I'm presenting, not mayor wheeler. Want to call to your attention we adopted a budget this week, and in one of the footnotes you may have noted that as a further cost saving measure we eliminated the position of mayor. [laughter] we decided who needs five when four can do the job. We'll be rotating among presidents of the council. [laughter] thank you, mike. The last time I tried humor in front of mike Jordan I died on the vine. So, thank you for throwing me a lifeline.

**Eudaly:** Drunk on the power.

**Fish:** Since the mayor is out I will introduce both utility rate ordinances. A little background. Together they reflect a combined rate increase of about 4.5%. To put that in context, the city uses as a baseline inflation rate of about 3.5%. So, to those who would like to see annual rate increases be more aligned with the rate of inflation, clearly, we have made progress. This marks the fifth year in a row we have held increases below 5% and I'm



May 16-17, 2018

proud of that. We have focused on core services, delivering clean, safe, reliable water at the Portland water bureau, replacing aging assets and investing in cost effective green infrastructure at the bureau of environmental services. We're grateful to our community oversight bodies, Portland utility board and or Oregon citizens utility board for their help building budgets that reflect good value at a fair price. This afternoon we'll start with the water bureau and BES presentations. Then we'll hear from the pub and the cub. We'll close with public testimony and council discussion. This is the first reading of an ordinance, so the vote will be held next week. First up is water bureau director mike store and finance director Cecilia Hume. Their budget reflects two things in particular. First the threat of earthquakes and natural hazards like wildfires and changing climate pose real risks to our drinking water systems. Following the city council direction, the Portland water bureau will continue to fix all pipes and invest in resiliency projects. The Washington park reservoirs and Willamette river crossing as well as filtration and corrosion control facility. Second, this budget launches new tools to help our neighbors most in need, building on the bureaus' nationally recognized financial assistance program with new programs to reach renters and expanded services for all customers. I guess what we'll do is start with mike and Cecilia. Then I'll introduce the BES team. Mike, welcome.

**Mike Stuhr, Director Portland Water Bureau:** Good afternoon, commissioners. I'm joined at the table by Cecilia Hume, our finance director. She is here to keep me from running astray from the presentation. We're glad to be here. The rates and charges that we're going to present support the budget that was recently passed. You can see before you a slide you have seen before that breaks down our requirements and the resources we use to fill them. About 60% of the resources that we'll use in the next year come from monthly charges. Another third comes from bond and capital, then we have some stray income that comes in through basically bds, where developers pay us to do various services. We continue to maintain our triple-a bond rating. We're one of less than ten water only utilities that have this high rating. The advantage, it allows us to borrow money as cheaply as possible. The annual cost to operate the water system is about \$90 million and the capital program is used to make improvements in the water system. Less than 20% of our total spending is to pay for annual debt service in the utility world that's considered very low leverage. Our water rate not the combined rate between us and BES but water rate alone is 8.7%. A year ago, the forecast was 6.7%. A year ago, we didn't know about the filtration plant. Our system development charges have a 9% increase. This is a factual calculation based upon the value of the system as we add new facilities to the system the sdc's are recalculated and that's what that represents. Our fees and charges which we update every year, a few years ago at the behest of developer community who wanted some certainty, we use a fairly elaborate system of calculated averages to make sure we do recover our costs but a lot of our fees and charges are now fixed so they know what they are dealing with in advance. Assistance programs presently low-income customers receive a discount of 1805 per month. That's based upon 50% of the state mfi. Right now, we have about 6600 program participants. In 2019, as you can see on the slide, we intend to expand this program a little bit. The crisis voucher will increase from 150 to \$500. We're adjusting the income guidelines. In the past we have used the state mfi. We have recalculated and now we're going to be using the Portland mfi, the numbers are a little bit higher, so they become more inclusive.

**Fritz:** Tell people what that is.

**Stuhr:** Median family income.

**Fritz:** Thank you.

**Stuhr:** Sorry. We have also added a feature to provide an 80% discount for extremely low-income customers and then we're adding something to deal with people who are in danger of being evicted. That's going to be managed through home forward contract. Moving to

May 16-17, 2018

the next slide, this lays out the finances. The left column, 3611 is what we're doing today. The middle column is covered in the budget that we just approved. That's a \$3.13 increase for a typical residential customer. 1.56 increase for low income customers. 2017 is the extremely low-income residential customers, \$7.85. Medium size customer is about a \$42 increase if you imagine what the medium size is. For a large commercial customer, a large customer like port of Portland who uses about 14,000 ccf, it's a \$5,000 increase a month. Over all, Portland water for residential users is about 1.5 gallons of water for a penny. You pay a little less if you lived in Beaverton and a little bit more if you lived in the city of Tigard. Where does our rate sit in comparison to other utilities? It's way down low. You can see the green bar there. As probably one of the cheapest utilities in anyone's suite of services that they have to buy. How do our water rates compare with our peers? We're right in the middle. We're very proud of that. I think over the last few years we have very carefully managed our rate increases to get the job done and minimize the impact on our ratepayers.

**Fish:** Hold that slide for a second if you would. The other day I was doing some sign waving on one of the bridges before the election. A young man on a bicycle yelled out a marvelous insult at me about his water bill. It reminded me that we often have to remind people that first of all, we do have a -- we offer people monthly billing, so if they would rather get a monthly bill they have that option rather than a quarterly bill. It allows some to better budget their shock and frankly the sticker shock is a little different. You can sign up for electronic bills, which we encourage people to do. The third is that the bill that people get in the mail is actually a combined water, sewer, stormwater bill. That gets lost in the discussion. Some people have gone to great lengths to confuse the public about that. But the bottom line is water is about a third of the bill and the rest is sewer stormwater. I think it's worth coming back to these kinds of slides not because we don't acknowledge we can do better in trying to keep rates down, but to provide some context, to say if you lived in another city or part of our region what would you pay for water. It's important to have that context.

**Stuhr:** Thank you, sir. Next slide, rate forecast, this year is 8.7%. We are predicting in the next few years as you can see 7.4% rates through 22-23. How do our sdc's compare? We're on the low end with our peers in the area for water. We're probably I think the lowest of the cities' sdc charges also. That concludes my presentation. We'll wait for questions until BES is done, I guess.

**Fish:** Thank you very much. Next up is bureau of environmental services director mike Jordan and finance director Jonas beery. The bureau of environmental services continues toward long term financial sustainability, confirmed by its recent ratings upgrade from Moody's investors service it. Mayor's proposed rate for BES will allow the bureau to achieve the highest priorities in the bureau's new 10-year strategic plan including replacing aging assets, investing in cost effective green infrastructure and promoting equity in operations. Bes remains on track to maintain rate increases below the rate of inflation well into the future. Mike and Jonas, welcome.

**Michael Jordan, Director of Bureau of Environmental Services:** Thank you, commissioner. Members of the council, it's nice to be here today. Thanks for the opportunity to give a brief overview of the sewer stormwater rates and charges for fiscal '18-'19. With me is Jonas biery, business services manager for the bureau, who will handle the meat of the presentation. Of course, if you have any difficult questions Jonas will answer those too. First, my job here is to give just a little bit of context. The next couple of slides will probably look familiar. They are from the presentation we made a little while back regarding our overall budget just to refamiliarize you, remind you that our budget is actually what drives these rates that are in this ordinance today. So just to reorient everybody, this slide our underlying priorities we're here for reliable service. We are always

May 16-17, 2018

open 24/7. We are also looking towards as the commissioner mentioned getting to an operational and financial sustainability over the long term and we know that a lot of that will depend on how we approach our infrastructure from a maintenance and capital investment perspective. The next slide just reminds us all that we have started this budget with just some structural changes. The underlying expectation is that we will continue existing service levels, and improve them if we can. We have reorganized the budget for the first time this year to align as best we can with our strategic plan and you can see the categories of how we have organized our expenditures. As I mentioned, the capital improvement program and delivering on that is one of our major pushes in the budget. These days. Then lastly, as the commissioner mentioned, we plan to keep our rates at 3% or lower. I'll remind you three things I asked you to remember when I made the budget presentation. Ten years to financial and physical sustainability for the system. Organized around our six strategic goals and that we will keep at 3% or lower rate increases. Again, just to remind, this is our overall budget for the coming year, 536.4 million. The really important part of this is over two-thirds of our budget is oriented towards capital investment. Either we're paying for capital investments we have already made, we are making capital investments in the current year, or we're setting money aside for future capital investments. Then this slide you have not seen before, this leads you into the ratemaking. This is where our money comes from. It's worth noting that there is no general fund money in this budget. It's entirely rates, and fee based. As you can see the majority of those come from the charges for sanitary sewer service under a third but almost a third for stormwater services, 10% system development charges, 6% other fees, mostly plan review and land use review fees, then a very small amount still for Portland harbor. We continue to work on that project. With that I'm going to turn it over to Jonas to talk about the rates.

**Jonas Biery, Business Operations Manager Bureau of Environmental Services:**

Thanks. I'll get through the next five slides quickly to get to the oversight bodies. As has been mentioned our rate increase in the ordinance for this year impact of 2.35% for the average single-family residential bill. That's an increase of about 1.70 cents per month. I want to take a minute to talk about this slide. What you don't see here is if you extended this a few years back in time, fiscal '18-19 is the 9th consecutive year BES has proposed a rate of increase lower than the year prior, so that's a pretty good and unique trend among utilities. You may recall that when we presented to you recently and beginning in last year's rate discussion, we proposed a flat rate increase profile of 3% or less every year. The bureau's requested budget did propose a rate of 3% initially or anticipated rate of 3% using cash balance, rate stabilization fund to mitigate and manage into that 3% flat strategy. The cbo recommendation advised, suggested looking at different options to utilize cash balance now to reduce rate of increase in fiscal '18-19. We did look at a wide variety of options, presented a number of those to the Portland utility board, agreed it was feasible to accommodate using some cash in '18-19, which led to the rate of increase of 2.35, lower than the 3% initially proposed. The tradeoff which I want to take a minute to highlight is if you look in year 2023, that 3% rate jumps up to 3.10. If you carried this out it would continue into the future. The tradeoff in using some of that cash today is less cash is available in the future under the current projections that means those rate increases are above our 3% maximum target. We felt like in this year, in this circumstance, that was a risk to take that we could manage the next few years into getting the long-term rate back into 3% but wanting to identify that's the tradeoff for using cash today and is a bit of a challenge for the bureau and for future councils but one we believe we can accommodate. How do we compare to peers? We're just about in the middle, much like water, just about average at least among the comparative cities listed here. Our rate of increase and our projected rates of increase are on the lower end of this list and particularly if you look at

May 16-17, 2018

the entities that are lower than us they tend to be on a trend of higher rate increases. We do expect over time if we stay our course we will continue to compare more favorably. Like water, we also have the same assistance programs. The assistance programs that are eligible that water customers are eligible for are the same assistance programs that are applicable to sewer and stormwater. I won't go over these again other than acknowledging those assistance programs, the expansions to those assistance programs impact our bureau and certainly support those expansions. We also have a separate discount program clean river rewards which provides a discount to properties that manage onsite stormwater and that program continues to provide discounts for over 35,000 or approximately 35,000 participating account holders. As is the case for water bureau we also have system development charges. Reminder for bes like for water those are on a reimbursement basis. We collect those to pay for infrastructure we have already built to accommodate development and growth. They are not a fixed sdc for bes are not a fixed amount. It's a variable formula based on conditions of the development. But generally for this year the range of increase is around two to 7%. We provided a couple of examples here. Those are lower than the rates of increase last year and on the low end of the range that we anticipated for '18-19. Lastly, we have a large number of building plan review fees, land use review fees. If you look at the exhibit, you'll see those listed specifically. Predominantly they are on 75% cost recovery target. The increases are generally due to changes in things like cola and general fund overhead that flow into the cost recovery formula. The closing slide lastly, this simply summarizes the combined bill impact of both BES and Portland water bureau, combined increase about 4.5%, which is a monthly impact to the typical single-family residential rate holder of about \$5 per month. That is where our presentations end. I believe we will now hand off to our community partners.

**Fish:** Before we do that, I want to see if my colleagues have any questions while you're up here. I do have one.

**Fritz:** Portland harbor. Are we anticipating that at some point there will be need for more resources to actually clean up the harbor?

**Biery:** On advice of counsel -- no, I'm kidding.

**Fritz:** I was going to give you permission to not answer that question if we're not supposed to.

**Biery:** I think it's practical to assume that as we move into design and the actual implementation of the remediations there will be an increase in the cost. What we don't know yet is how those costs will be allocated among all of the different potentially responsible parties of which the city is one, and then within the city there's an allocation of those among bureaus also. Different bureaus have different let's say impacts on the harbor. While we would anticipate costs to increase over the long term, over the next 30 years, it is very difficult to predict exactly where those costs will land.

**Fritz:** When you're predicting 3% or 3.1% that doesn't include additional costs of the harbor cleanup, for BES?

**Biery:** Not specifically. As you know, we fund most of our capital program now with debt. So, we anticipate issuing debt over the long term about every other year. As those costs become more of a reality, at least for BES, we believe we'll be able to manage those within the capital profile that we have now and not have significant rate impacts. I won't say no rate impact, but we think we can manage those over the long term using the debt profile that we have.

**Fritz:** Thank you.

**Fish:** It's an interesting question because we not long ago met with the epa directors, commissioner -- I guess that's his title. Mr. Pruitt --

**Biery:** The administrator.

May 16-17, 2018

**Fish:** His right-hand person that he had designated to do superfund oversight, Mr. Albert Kelly from Oklahoma. Mr. Kelly just recently resigned his office, so we're waiting to find out who is the new point person in the administrator's office assuming he continues in office. One of the encouraging things, commissioner Fritz, that we learned under this epa administrator is they did intend to move forward with the existing superfund plans so we were getting some support. Now mr. Kelly is out, so that creates a bit of a cloud. The other thing I'll share with you is that this very issue about our ability to include a charge for superfund was litigated in the Anderson lawsuit and the judge did bless the arrangement and because legal counsel has cautioned us about being too specific about potential liability because we don't want to pick up other people's tab. We want to make sure the polluters pay their fair share, we have been reluctant to quantify the potential, but we have a couple of sources to pay for things. One I think was under Hales or Adams, there was an ongoing appropriation set aside for superfund cleanup, which can be bonded, so we have a couple of tools. The judge made clear when the dust settled on superfund we have to do an accounting to make sure it was allocated proportionate to people's exposure, whatever fire was responsible for, bes and others, we make sure the dollars expanded track people's liability.

**Fritz:** Even though we settled Anderson without any agreement on whether they were right or not than obviously is the right approach, that you or any subsequent commissioner charge would follow.

**Fish:** My recollection is that was the big claim. Could we legally defend this charge and did the utilities have potential liability? That was also an underlying issue in the water district fight. Superfund has cast a big shadow over both. I had one question I wanted to ask Cecelia. That is because we are tapping the rate stabilization fund to bring the BES rate down a little bit, could you remind us, what is the rate stabilization fund and what is its purpose?

**Cecelia Huynh, Finance Director Water Bureau:** So, the purpose of the rate stabilization fund is to keep rates stabilized, to help with rates over long periods of time. It could also be used as rainy-day fund.

**Fish:** Other than having money to stabilize rates so that we don't see the fluctuations, what additional benefits does the city get in terms of its financial profile for having a rate stabilization fund?

**Huynh:** It's definitely an attribute that the credit agencies look at to be very favorable to have a rate stabilization account. It provides for stability in rates, and that's definitely -- provides a positive credit rating.

**Fish:** As part of our presentation to the credit ratings we acknowledge this fund. I think it's worth noting as you said in your presentation BES got an upgrade of its rating which means we'll be able to borrow money on more favorable terms and the water bureau continues to have the highest possible rating of any water utility in the country. We're very proud of those accomplishments. Thank you very much. Stick around. If we have any questions from the public or from our oversight bodies, we have an invited panel made up of the co-chairs of the Portland utility board, Colleen Johnson and Alan Warman and Janice Thompson, with the citizens utility board of Oregon. We'll have you all up together but start with the pub. Alan, welcome.

**Allan Warman, Portland Utility Board:** Thank you very much. Good afternoon, commissioners. I am Allan Warman, co-chair of the Portland Utility Board. Now no one knows who I am. [laughter] the pub serves as a citizen based advisory board for both bureaus, both the bureau of environmental services and the Portland water bureau. Utility bureaus make up half of the city's spending. The pub was created to provide a year-round oversight and recommendations to this council. The board has spent the past seven months working with the bureaus to review their five-year financial plan. Rate forecasts,

May 16-17, 2018

capital plans, operating budgets, decision packages, and the cbo analysis of the budget. Through this budget process pub encouraged both bureaus to be mindful of the request and make strategic choices about the core mission. Also keep the financial impacts focused on the customer as a priority. The budgets that you approved yesterday include a substantial amount of the items that were requested by both bureaus. Specifically, pub supported 15 out of the 22 positions requested by BES and 12 of the 21 requests by the Portland water bureau. Where the pub had concern, those concerns generally related to the capacity of both bureaus to absorb the number of staff being requested and deliver the ambitious capital programs envisioned. Of course, we had concerns about affordability. While the board sees encouraging changes in the process and the transparency efforts of both bureaus, we remain concerned about the long-term cost projections for the Portland customers. Current rate of increases in the proposed ordinance are 8.7 for the water bureau, 2.35 for BES for a combined rate of 4.46. Concerns. Thank you.

**Colleen Johnson, co-chair Portland Utility Board:** Good afternoon. I'm Colleen Johnson, the co-chair of pub. I should have -- we normally talk about the monthly bill impact for customers but more than 85% of Portland customers pay quarterly. At the current forecasted rates of increase for the next five years, typical Portland single family residential customers are facing \$405 quarterly bill by 2023. We thank you for recognizing the need for investment in both systems and that those needs must be balanced with concerns of affordability. If the combined utility bill increases 5% per year utility rates will double in less than 15 years. Just as a point of information, at pub's request the bureaus did a cost comparison of the combined utility rates across 18 cities. That information was presented to pub at our last meeting. In closing we want to thank both directors and their staff for their support. We also would like to thank commissioner Fish for his leadership of the bureaus and his support of the pub. Having both utility bureaus under management of one commissioner was a recommendation of the blue-ribbon commission and facilitates conversations about the combined impact of new policies and offers an opportunity for holistic thinking about efficient delivery of utility services. The council created pub to provide citizen oversight of the utility bureaus and we appreciate the opportunity to provide feedback at this point in the budget process. Thank you.

**Fish:** Before I recognize our other partner, I have two quick questions for you. You alluded to it in your prepared testimony. It's something that we ask you every year just, so we are taking the temperature of the relationship. Did you feel in this prior year that you got both the staff support that you needed and the information that you requested from the bureaus in order for you to adequately perform your oversight function?

**Warman:** Yes. I would say yes. I think since the pub was created every year has been better relationship. When you get oversight committees and new requests for information here and there, the natural opportunity is to resist it. I think we have gone beyond resisting, we have gone to a partnership.

**Johnson:** I agree.

**Fish:** Very encouraging. We are very committed to making sure you have those resources and support, and so that you can do your job independent of the bureaus. The second thing I just want to observe for the benefit of my colleagues and the public, there's been some interest in what's the next chapter of filtration. Council made a decision a hundred year bet on the Bull Run watershed to invest in a filtration plant, but the question before the council was which option and would we enter into a regulatory agreement. The decision of what kind of filtration, the technology, the cost, those details were left to be worked out in consultation with our oversight bodies. My understanding is the bureau will be coming back to you this summer with some initial presentations to get your feedback. We look forward to hearing from you around that. It would be my intention after you've had preliminary briefings maybe schedule a work session to talk about the various options and bring

May 16-17, 2018

council along in that decision. Obviously, the reason now that we talk about a potential filtration plant with a wide range of cost options is we haven't settled on what it is and what the technology is. We'll be looking for your guidance in making that decision.

**Johnson:** Thanks.

**Fish:** Thank you both.

**Fritz:** You said 85% are still doing quarterly billing?

**Johnson:** That's our information.

**Fritz:** Do you have any suggestions on how to get more people to go to the monthly billing?

**Johnson:** Well -- I would assume that the bureaus have advertised that. I think that's a good question. I think that's a question that pub could easily take up and work with the bureaus on ways to try and get more people with monthly bills.

**Fritz:** In the brief three-week period between this year's budget and starting next year's or over the summer that is something I would be interested in having your opinion on because clearly when you talk about a \$400 bill, that's a lot.

**Johnson:** Yes.

**Fritz:** 125, 130 is a lot on a monthly basis.

**Johnson:** More manageable. I agree.

**Fritz:** I would encourage us and commissioner Fish, I appreciate this having happened under your watch that now there is this capacity to do the monthly billing.

**Fish:** Mayor haes believed that the more people we got on to monthly billing, and the more people focused on the actual costs and the way they pay other utilities the way we hit reset in terms of allowing people to compare the costs. I have a son that uses a lot of internet capacity and wi-fi stuff and other things. I get my comcast bill it's frightening. If I paid my comcast bill quarterly I think I would be in a state of perpetual shock. The other advantage, commissioner Fritz, of getting people to monthly billing is to the extent we also get them on ebills it gives us a low cost and convenient way of providing information to our customers, potential discounts, service interruptions, those kinds of things in an inexpensive way.

**Fritz:** What I have noticed is it allows me to monitor my water use more clearly as well. Difference between winter and summer. Between January and February, what am I doing differently between January and February? I think that that's something I'm very interested in encouraging. I would have thought it would be fifty percent or better.

**Biery:** Is everybody finished? I have to leave. I'm double booked. My apology for hopping up. Janice, same to you. Thank you.

**Fish:** Thanks very much.

**Fritz:** Thank you for your work.

**Fish:** Janice Thompson, citizens utility board of Oregon. Are we still the only public utility that you provide oversight over? We're very pleased to be the first and not the last. Welcome. [audio not understandable]

**Janice Thompson, Oregon Citizens Utility Board:** One for the water bureau, one for BES, two initial comments related to questions that came up in terms of process. I want to highlight that both bureaus provided information here earlier in the process, which is helpful. As you know I have a kind of phase 1 memo approach. Input directed to the bureaus and the commissioner in charge during the development phase of the budget. We're in phase 2 that's more directed to the mayor and this is the wrap-up memo. But the effect of that phase 1 memo is increased when more information is provided earlier and so that continues to be a trend. Particularly with BES like there was a mention of aligning with the strategic plan. I think the format from BES will also continue to be improving and more helpful over time. The one caveat is there is -- the earlier the information comes the more likely that there will be adjustments along the way. I appreciate it but also recognize the

May 16-17, 2018

earlier the figures are the less they are cast in stone. On the monthly versus quarterly, we have advocated for a monthly billing option. It's interesting to me to see also the relatively small percentage of people who opt for that. That's been consistent over time. On one hand that needs to be pushed. On the other hand, the fact that people when it was first presented and there was publicity, people didn't flood to it, is an indication that though people will complain, hopefully not in an insulting fashion as sounds like you experienced on the bridge, but there are people who can afford it. Which is not to say that costs and cost containment shouldn't be a high priority, but I think it reflects the need to really think about, one, the low-income program, because there are folks who can afford it, but two, that the cost discussion has to be linked with value for the money. So a couple of just over all comments related to both bureaus triggered by your questions. Now turning to the water bureau memo, two points, I'm going to walk through it briefly. Two points on page 1 that were important improvements in the final budget. One is finally I'm going to be able to stop including in my memos a call for moving the cayenta take billing staff that had been housing with the -- water bureau.

**Fish:** The record will reflect you have your thumb up too. Thank you for highlighting it. I want to compliment staff for their persistence in making that happen.

**Thompson:** It just was -- when I first heard about it seemed kind of like, what, you have this billing system that you don't -- can't make optimal use of. So, I was happy to be a little persistent voice on bringing this and thanks to the many players who worked to make this improvement. The second item is full funding of the low-income assistance expansion program. The water bureau did a council work session in February that seemed very positive. Positive feedback from the members of the council that participated in the march budget session. So, I was surprised when the mayor's budget did not come out with this, so I'm pleased that between the issuance of the first round of the mayor's budget to what was adopted yesterday that this step has been taken. At the very bottom of the page I want to highlight one important element that I saw in the water bureau's requested budget that was retained is that proactively, the water bureau identified several cip projects that they had included in their last year's five-year plan. These are likely to come back, I think I want to highlight that the proactive nature of the water bureau taking a look -- well, let's reassess some of these capital improvement project priorities as commendable and in any environment but particularly since the budget impacts. The second full paragraph on page 2 just highlights a few other things that the bureau and I kind of went through and I just wanted to highlight in this environment where the filtration plant is increasing rates that they are looking at cost saving opportunities. The rest of page 2 zeros in on the filtration plant decision. The rate increases and even though it's important, the water bureau look for these opportunities to potentially rejigger priorities, at the same time last summer the council by no means said, oh, figure out -- cut your budget to cover all the filtration costs. I think that's very prudent and deserves highlighting. The bottom of page 2 the enter directional flushing discussion, that continues to be -- last year it was an unfunded request. This year it was kind of an underfunded request. It's linked to the effective corrosion control implementation. Preparing for the filtration plant. Even with what the water bureau had fully requested, I think they anticipated use of temporary personnel, it seems with the underfunding what the request was in the mayor's budget that's likely to be more the case and in general it just seems like this is an issue that may welcome back. Maybe the bureau needs to be doing a better job of kind of conveying this issue, but when something just keeps coming back I think there needs to be some thinking, what's the balance between, you know, kind of budget concerns and listening to your hired experts in this arena. Communications is unfunded request. I just highlight that I think probably this is true of any bureaus, that communications bureaus are told do more but it's a harder thing to justify amongst the priorities so I'm highlighting that. A note on the decorative fountains. The very



May 16-17, 2018

bottom of page 3 in terms of beyond this fiscal year I think I see signs that the bureau will continue to closely monitor its own cip projects and project priorities. Cub has always had particular emphasis on looking at cip projects in their first year or even in that year before, you know, they are in the plan because once a project is in its fourth or fifth year you have spent so much money that it's kind of moot. The bureau has been very helpful in that regard and highlight the filtration planning monitoring with as I recall the resolution including the need for annual report. So that's the comments on the water bureau. Shall I continue?

**Fish:** I will just say one thing. In many of our focus groups or conversations with ratepayers, what we have consistently heard back is they want good value for their investment. We sometimes focus exclusively on cost and price but our ratepayers tell us they focus on value. So it is incumbent on us to explain what we believe the value's proposition is and I think the more people that we get on electric e-billing the easier to give them regular updates and provide context and other things, allow them to monitor usage and other benefits of being connected electronically. So thank you for that.

**Thompson:** On the bes side I want to highlight two concerns about the mayor's budget. One was a little more than \$400 was increased in the payment from bes to pbot for street sweeping. It was a very troubling process without timely or adequately robust conversations. I did send a may 10 memo that I summarized briefly. That memo did include some ideas for future solutions including the possibility of budget note. That did occur yesterday so appreciate your vote on that.

**Fish:** We have the budget note. It's the so-called street sweeping budget note. It was drafted in part based on your input. When we get the information, we will review that information with both of you. So thank you.

**Thompson:** There's been mention of the use of the rate stabilization fund to drop what bes originally projected at 3% to 2.35. I think what happened, using that, this is no not the end of the world but both at the work session and today I really want to provide a cautionary note about that. On page 2 I have a chart that kind of summarizes the differences, and part of the reason it's not the end of the world is the differences are not that significant. Nevertheless, you heard mike Jordan say pretty consistently he's said we are on this 3% trajectory. That is now 3.1. Is that like an astronomically huge difference? No. But it's because of the short-term decisions. I think that is linked to this being the year that the water bureau rate took its jump up to 8.7. The water bureau rates will level off at 7.4. It was interesting to me, commissioner Fish, that you directed your question about use of the rate stabilization fund and more information about the rate stabilization fund it was BES who did it but you directed the question to the water bureau. Both bureaus have funds, but I think this raises the question of, like, how much tinkering cross bureaus do you want to do this.

**Fish:** I asked Cecelia because she was the last person that gave me a primer on the rate stabilization fund. I went with the person that helped me get up to speed. I want to say on the record, your cautionary flag about the use of the rate stabilization fund resonates strongly with me as commissioner in charge. I view this as a one-year episode which I would not encourage we do again. There's a reason to have a rate stabilization fund that's robust. I think there was a rationale for using it this year I think it would be bad practice to make it a regular episode.

**Thompson:** I would agree.

**Fritz:** That's a reason to not have the utilities both under the same commissioner. If the utilities were not under the same commissioner there might be more attention in whose fund is going to be used. I agree it's been fabulous that the work that you've done, commissioner Fish, and in this instance with this new filtration plant requirement it's an exceptional year, but I agree that we should be looking at it in the future.

May 16-17, 2018

**Thompson:** The reason it's important to really be cautious about this is, and this goes back to the Portland utility reform blue ribbon commission, obviously created in a time when there was lots of concern about city council budget decisions that were increasing rates but there was a discussion by that group that oversight groups need to look at inappropriate political pressures to lower rates. That may seem odd, but you know, there is -- this -- even though there's this long-time use, it highlights the way in which, let's do it for two years, then that year that you see the boost is in the sixth and seventh year between the five-year plan you're seeing. Being resistant to raising rates for political reasons. So, it's odd, it may seem odd but there's some downsides here. So that's the discussion. On page 3, middle of the page, there's a brief discussion about the staffing additions, BES had requested 22. Cub agreed with cbo support for only 19. The mayor's budget trimmed it down to 18. The unfunded position related to data. I want to highlight that the bureau has been really focused I think very wisely on -- really evaluating all data that comes in, data gaps and if I had to guess, this is a position request that's going to come back. Thinking beyond this year, in terms of staffing, it is a concern that those projections for the remaining four years of the five-year plan continue to be based on around 20 positions being added each of those years. Now, we really understand how carefully the BES and water as well evaluates their staffing needs and by no means do I think that, you know, financial projections automatically translate into staffing requests. Many of these staffing -- anticipated staffing requests, however, are cip related. One thing I really appreciated getting briefings on is the cip prep project. The hope is that that effort will result in efficiencies that can lower future staffing needs, and so it's one of a future topic that I'll be monitoring in particular. Anticipated challenges, identified by the bureaus in terms of just long-term risk, we have been monitoring these and again, the willingness of BES staff to answer questions and provide briefings is greatly appreciated. The top of page 4, however, I highlight something that may be coming up down the line as a future risk in financial forecasting is seismic resiliency. Bes has launched a whole seismic resiliency planning and as the result of that planning come down this might become a future issue. Green infrastructure operations and maintenance costs, something that has again been a pretty consistent theme is cub's recognition of the importance of the stormwater system planning. These ideas are intertwined. Stormwater system planning efforts continue and kind of just deepen the information that the bureau has about stormwater management needs and costs, it will just help improve the ability to predict those green infrastructure operation and maintenance costs. Something else that I have been highlighting for a couple of years now is the need to update costal case and rate methodology studies. But there's been an interesting tension. This has been something that the bureau -- I keep bringing up in the bureau is in contact with me, related to the stormwater system planning. You want to do those, update those reports when you're in kind of a sweet spot with having adequate, helpful information from the stormwater system. It's probably especially in the stormwater arena where there's going to be new thinking about what are our costs? How should we assess, figure out rates on the stormwater side? But -- I have been mentioning it. It has not seemed timely. I think -- I want to highlight I think as the bureau plans, and I think they are in agreement with this, as they plan for the next budget I think its time to put this in. It's a multiyear process. Those reports will be interesting in themselves. Hopefully it will also be membership in term of discussion that's needed about either retaining and/or reforming the clean river rewards program. Final note related to the Tryon creek wastewater treatment plant owned and operated by BES, but it serves both lake Oswego and Portland customers. There's a current design process under way related to plant reliability improvements but fairly recently, new design idea was floated from the lake Oswego side. It's worth taking a look at least for analysis. I wanted to highlight this is something we're monitoring particularly and could be an important thing for you guys to be aware of

May 16-17, 2018

because it's important that the interests of Portland and its customers are not inappropriately affected by interest in lake Oswego. One interesting angle is this potential new option has a smaller footprint, which means it opens up some development opportunities down in lake Oswego, so there could be some interesting pressures -- not pressures. Interesting dynamics behind some lake Oswego interests in this approach. We just need to be on guard to make sure those interests don't harm Portland. That's it.

**Fish:** We're going to be very vigilant on that question as you suggested. Colleagues, questions for our citizen oversight representatives?

**Johnson:** Could I make one quick comment? With respect to the rate stabilization fund, both cbo and pub did encourage BES to look at the rate stabilization fund and consider using some of it to keep those rates down this year. Mainly because it was building quite quickly, and they had a rather substantial balance. I wonder if it might be of benefit to get the various people around the table and really have a conversation about the rate stabilization fund, its use, what's too high, what's not high enough. So that there's maybe a more -- coherent and sort of consensus on what that -- what the appropriate usage is.

**Fish:** That's a good suggestion. Thank you very much.

**Thompson:** More discussion is fine. I think we need to realize that you have financial experts that really need to be heard, and at the work session even though cbo had raised this issue I heard them say that they ended up being okay with how BES was operating.

**Fish:** The reason I think the conversation could be useful, though, is a, there's a lot of misunderstanding about what a rate stabilization fund is and how do we use it. B, we have by rule established a floor but not a ceiling. And c, because of the substantial construction projects that we forecast into the future, we have taken a fairly conservative position because we truly want to keep rates stable. One of you alluded to the potential political pressures of using the rate stabilization fund improperly. I think if you look back in time you might find examples of where people so a short-term benefit but it then distorted rates in the out years. I think making sure that everyone understands the sort of approach which we take when we take this conservative approach, what's the benefits to our bond ratings, and then calling this question about whether this should be a one-time or occasional event is useful. My view is armed with all that information you do this once and I'm convinced that we can do this in a financially prudent way, but we don't do it on a regular basis.

**Thompson:** I have an additional suggestion, if I may. Is that I think there are some openings like on the Portland utility board. I think that board would really benefit by having somebody with strong municipal finance expertise who could just I think be part of those discussions and be able to operate at a little higher level. Just a recruitment suggestion.

**Fish:** Okay. Thank you both very much. That concludes our formal presentation. Karla, do we have anyone signed up to testify?

**Karla:** One person. Dee white.

**Fish:** Dee, welcome. You have three minutes. All we need is your name.

**Dee White:** My name is dee white. Over the past 20 years the core mission of the water bureau has changed from being a public water provider with public health, safety and affordability as top priority to construction and engineering outfit bent on dismantling and destroying by neglect our sustainable water system and all the while ruining our pristine water. Your irresponsible budgeting has resulted in unsustainable levels of unnecessary debt for highly contested capital improvement projects. Such as the Washington park demolition and now a long-coveted filtration plant. Coveted by unethical city bureaucrats and multinational engineering firms, that is. Filtration will provide no health benefit for the public whatsoever. It will cripple us with debt. The policy and budgeting of the water bureau has resulted in a silent public health crisis in Portland that has nothing to do with the nonissue of cryptosporidium and a \$500 million filtration plant and everything to do with the neurotoxin lead that causes irreversible brain damage due to toxic and corroded pipes,

May 16-17, 2018

insufficient treatment and poorly maintained distribution system. Portland has the highest level of lead of any large utility in the u.s. We have exceeded the epa limit twice in the last 18 months. The first priority of the water bureau budget should be getting the lead out starting with aggressive flushing and maintenance program. Despite a year and a half to follow the directive to immediately reduce the lead in our water, lead at the tap remains at dangerous levels throughout the city. Zero officials in the city, county or state government seem to be too worried much less acknowledge this local crisis despite it making headlines in the national press yet sadly and inexplicably not our local press. We do not need a new \$53 million pipe running under the Willamette. The Washington county supply line was recently inspected, is in good within and more than meets all demand for the west side. Are the other five pipes under the Willamette even being used? Tualatin valley water district and Hillsboro are building their own supply including a pipe to bring water to the west side. In fact should the need arise like an earthquake Portland could buy water from the new project because of interactions in the project. It's all in this article. Plans to spend 53 million is plain stupid like gearing up for the \$500 million filtration plant. Ratepayers cannot continue to support your hair brained schemes that continue to pile up in the heap of past and future fails concocted by the water bureau, praised by the office of management and finance. An 8.7 increase is dishonest, unethical and unfair for the community of Portland.

**Fish:** Thank you. Anyone else to testify?

**Karla:** That's all who signed up.

**Fish:** Anyone here wishes to testify? Colleagues, that concludes our hearing. This goes to a second reading next week. Thank you for your time. Thank you to the staff and the public for joining us. We're adjourned.

**Adjourned at 3:10 p.m.**