



CITY OF  
**PORTLAND, OREGON**

**OFFICIAL  
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **12<sup>th</sup> DAY OF DECEMBER, 2018** AT 9:30 A.M.

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

Mayor Wheeler arrived at 9:32 am

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Heidi Brown, Senior Deputy City Attorney; and Tania Kohlman and John Paolazzi, Sergeants at Arms.

Item Nos. 1269 and 1274 were pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

| <b>COMMUNICATIONS</b> |   |   |
|-----------------------|---|---|
| <b>1256</b>           | Request of Star Stauffer to address Council regarding the monopoly of Portland (Communication)  | <b>PLACED ON FILE</b>   |
| <b>1257</b>           | Request of Andrea Firpo to address Council regarding the SW Capitol Highway Expansion Project (Communication)   | <b>PLACED ON FILE</b>   |
| <b>1258</b>           | Request of Lightning Super Creativity XXIPDX to address Council regarding domino effect topples the political establishment (Communication)   | <b>PLACED ON FILE</b>   |
| <b>1259</b>           | Request of Don Stephens to address Council regarding proposed regulations on diesel emissions for construction sites (Communication)  | <b>PLACED ON FILE</b>   |
| <b>1260</b>           | Request of Mary Bowers to address Council regarding the behavior/actions of Home Forward (Communication)  | <b>PLACED ON FILE</b>   |
| <b>TIMES CERTAIN</b>  |   |   |
| <b>1261</b>           | <b>TIME CERTAIN: 9:45 AM</b> – Accept district coalition plan for FY 2019-20 budget for equitable distribution of resources (Report introduced by Commissioner Eudaly) 30 minutes requested               | <b>RESCHEDULED TO<br/>JANUARY 16, 2019<br/>AT 10:25 AM<br/>TIME CERTAIN</b> |
| <b>1262</b>           | <b>TIME CERTAIN: 10:15 AM</b> – Dissolve the Socially Responsible Investments Committee (Previous Agenda 1254; Resolution introduced by Mayor Wheeler) 30 minutes requested for items 1262 and 1263 (Y-5) | <b>37401</b>  |

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| <p><b>1263</b></p>   | <p>Adopt City of Portland Investment Policy (Previous Agenda 1255; Resolution introduced by Mayor Wheeler)<br/> <b>Motion to reconsider:</b> Moved by Fritz and seconded by Saltzman. (Y-5)<br/> <b>Motion to adopt substitute Exhibits A-1 and A-2:</b> Moved by Fritz and seconded by Saltzman. (Y-5)<br/> <b>Motion to adopt Resolution as amended by Exhibits A-1 and A-2:</b> Moved by Wheeler and seconded by Saltzman. (Y-4; N-1 Eudaly)</p> | <p><b>37400</b><br/>AS AMENDED</p> |
| <p><b>1264</b></p>   | <p><b>TIME CERTAIN: 10:45 AM</b> – Authorize the Water Bureau’s Preferred Alternatives to plant capacity, location, and filtration technology for the Bull Run Filtration Project (Resolution introduced by Commissioner Fritz) 25 minutes requested (Y-5)</p>  | <p><b>37402</b></p>                |
| <p style="text-align: center;"><b>CONSENT AGENDA – NO DISCUSSION</b></p> <p style="text-align: center;"><b>Mayor Ted Wheeler</b></p> |   |                                    |
| <p><b>1265</b></p>   | <p>Extend terms of Planning and Sustainability Commission members André Baugh, Eli Spevak, Teresa St Martin, Katie Larsell to expire May 31, 2019 (Report) (Y-5)</p>  | <p><b>CONFIRMED</b></p>            |
| <p style="text-align: center;"><b>Bureau of Planning &amp; Sustainability</b></p>  |   |                                    |
| <p><b>1266</b></p>   | <p>Authorize an Intergovernmental Agreement with Metro for a total amount of \$828,523 for the Annual Waste Reduction Program, the Recycle at Work Program and for the Business Food Waste Program (Second Reading Agenda 1226) (Y-5)</p>   | <p><b>189281</b></p>               |
| <p style="text-align: center;"><b>Bureau of Police</b></p>   |   |                                    |
| <p><b>*1267</b></p>  | <p>Authorize application to accept and appropriate three traffic enforcement grants for a total of \$90,000 for FY 2018-19 from Oregon Impact for sworn overtime reimbursement (Ordinance) (Y-5)</p>  | <p><b>189282</b></p>               |
| <p><b>*1268</b></p>  | <p>Accept a grant in the amount of \$385,515 and appropriate \$250,000 for FY 2018-19 from the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance FY 2017 Edward Byrne Memorial Justice Assistance Grant Program to assist the Portland-Metropolitan area law enforcement and criminal justice community prevent and reduce crime and violence (Ordinance) (Y-5)</p>  | <p><b>189283</b></p>               |
| <p><b>*1269</b></p>  | <p>Accept a grant in the amount of \$400,000 and appropriate \$171,836 for FY 2018-19 from the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance Fiscal Year 2018 Intellectual Property Enforcement Program Competitive Grant to address intellectual property criminal enforcement in the Portland-Metropolitan region (Ordinance) (Y-5)</p>  | <p><b>189299</b></p>               |

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| <p><b>*1270</b></p>                            | <p>Accept a grant in the amount of \$779,565 from the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance and appropriate \$149,991 for the FY 2018 Innovations in Community-Based Crime Reduction Program to support the Police Bureau's comprehensive crime reduction strategies in the Parkrose and Hollywood neighborhoods (Ordinance)</p> <p>(Y-5)</p> | <p><b>189284</b></p>  |
| <p><b>City Attorney</b></p>                    |  |   |
| <p><b>1271</b></p>                             | <p>Clarify the required placarding and tenant notification requirements for unreinforced masonry buildings (Ordinance; amend Code Chapter 24.85)</p>   | <p><b>PASSED TO<br/>SECOND READING<br/>DECEMBER 19, 2018<br/>AT 9:30 AM</b></p> |
| <p><b>Office of Management and Finance</b></p> |  |   |
| <p><b>*1272</b></p>                            | <p>Pay bodily injury lawsuit of Diana Chappell in the sum of \$50,000 involving the Portland Bureau of Transportation (Ordinance)</p> <p>(Y-5)</p>   | <p><b>189285</b></p>  |
| <p><b>*1273</b></p>                            | <p>Pay property damage claim of Andrew Livesay in the sum of \$8,941 resulting from a streetcar collision involving the Portland Bureau of Transportation (Ordinance)</p> <p>(Y-5)</p>   | <p><b>189286</b></p>  |
| <p><b>*1274</b></p>                            | <p>Amend Human Resources Administrative Rule 6.03, Vacation accruals, for Bureau of Emergency Communications employees, effective the beginning of the first full pay period of January 2019 (Ordinance; amend HRAR 6.03)</p> <p><b>Motion to accept substitute Exhibit A:</b> Moved by Fish and seconded by Fritz. (Y-5)</p> <p>(Y-5)</p>   | <p><b>189300</b><br/>AS AMENDED</p>   |
| <p><b>*1275</b></p>                            | <p>Authorize an Intergovernmental Agreement with Portland State University for the Turbine Replacement Project, Urban Center Condominium for total project cost estimated not-to-exceed \$5 million (Ordinance)</p> <p>(Y-5)</p>   | <p><b>189287</b></p>  |
| <p><b>Commissioner Chloe Eudaly</b></p>        |  |   |
| <p><b>Bureau of Transportation</b></p>         |  |   |
| <p><b>1276</b></p>                             | <p>Authorize a contract with the lowest responsible bidder for the SW Capitol Highway Pavement Rehabilitation Project SW Multnomah Blvd to SW Texas for an estimated \$2,024,646 (Ordinance)</p>   | <p><b>PASSED TO<br/>SECOND READING<br/>DECEMBER 19, 2018<br/>AT 9:30 AM</b></p> |
| <p><b>1277</b></p>                             | <p>Amend application to Oregon Department of Transportation for a grant in the amount of \$6 million for the Safe Routes to School Competitive Infrastructure Grant Program (Second Reading Agenda 1234)</p> <p>(Y-5)</p>  | <p><b>189288</b></p>  |
| <p><b>1278</b></p>                             | <p>Authorize a contract with the lowest responsible bidder for the NE 148th St: NE Glisan St to NE Halsey St project (Second Reading Agenda 1236)</p> <p>(Y-5)</p>   | <p><b>189289</b></p>  |

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| <p><b>1279</b></p>   | <p>Clarify maintenance responsibilities for unimproved streets (Second Reading 1237; amend Code Section 17.42.010) (Y-5)</p>   | <p><b>189290</b></p>                            |
| <p><b>Commissioner Nick Fish</b></p> <p><b>Parks &amp; Recreation</b></p>          |  |   |
| <p><b>1280</b></p>   | <p>Authorize an Intergovernmental Agreement with Portland State University to provide population research related services for an amount not to exceed \$50,000 (Second Reading Agenda 1238) (Y-5)</p>   | <p><b>189291</b></p>                            |
| <p><b>REGULAR AGENDA</b></p> <p><b>Morning</b></p> <p><b>Mayor Ted Wheeler</b></p> |  |   |
| <p><b>*1281</b></p>  | <p>Amend Police Review Board Code to implement a tentative agreement negotiated with the Portland Police Association to modify the stipulated discipline provisions (Ordinance; amend Code Section 3.20.140) 20 minutes requested (Y-5)</p>  | <p><b>189292</b></p>                            |
| <p><b>Bureau of Planning &amp; Sustainability</b></p>                              |  |   |
| <p><b>1282</b></p>   | <p>Update Solid Waste and Recycling Collection Code, add definitions and align terminology with Metro (Second Reading Agenda 1241; amend Code Chapter 17.102) (Y-5)</p>  | <p><b>189293</b></p>                            |
| <p><b>Bureau of Police</b></p>   |  |   |
| <p><b>*1283</b></p>  | <p>Accept a grant in the amount of \$824,831 from the U.S. Department of Justice, Office of Justice Programs, Office for Victims of Crime and appropriate \$169,917 for the FY 2018 Law Enforcement-Based Direct Victim Services and Technical Assistance Program to support the Police Bureau integrated model of victim advocacy for trafficked individuals (Ordinance) 15 minutes requested (Y-5)</p> | <p><b>189295</b></p>                            |
| <p><b>*1284</b></p>  | <p>Accept a grant in the amount of \$1.5 million and appropriate \$1,065,483 for FY 2018-19 from the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance National Sexual Assault Kit Initiative FY 2018 Competitive Grant to address the issue of unsubmitted sexual assault kits at the Portland Police Bureau (Ordinance) 15 minutes requested (Y-5)</p>              | <p><b>189296</b></p>                            |
| <p><b>Office of Management and Finance</b></p>                                     |  |   |
| <p><b>1285</b></p>   | <p>Accept Firm Fixed Price of \$73.5 million from James W. Fowler Co. for the design and construction of the Willamette River Crossing Project (Report- RFP No. 00000772) 15 minutes requested<br/><b>Motion to accept report:</b> Moved by Fritz and seconded by Saltzman. (Y-5)</p>  | <p><b>ACCEPTED<br/>PREPARE<br/>CONTRACT</b></p> |

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| <p><b>1286</b></p>  | <p>Accept bid of Cedar Mill Construction Company LLC for the City Hall Restoration Project for \$4,372,700 (Procurement Report - Bid No. 00000995)<br/><b>Motion to accept report:</b> Moved by Saltzman and seconded by Eudaly.<br/>(Y-4; Fritz absent)</p>   | <p><b>ACCEPTED<br/>PREPARE<br/>CONTRACT</b></p>                                  |
| <p><b>1287</b></p>  | <p>Accept bid of 3 Kings Environmental, Inc. for the St. John's Truck Strategy Phase II Project for \$2,472,471 (Procurement Report - Bid No. 00001027)<br/><b>Motion to accept report:</b> Moved by Saltzman and seconded by Eudaly.<br/>(Y-5)</p>  | <p><b>ACCEPTED<br/>PREPARE<br/>CONTRACT</b></p>                                  |
| <p style="text-align: center;"><b>Commissioner Chloe Eudaly</b><br/><b>Bureau of Transportation</b></p> |  |  |
| <p><b>*1288</b></p>   | <p>Amend contract with Brookville Equipment Corporation and exercise an option to procure one additional streetcar vehicle (Ordinance; amend Contract No. 31001384) 10 minutes requested<br/>(Y-5)</p>   | <p><b>189297</b></p>   |
| <p><b>*1289</b></p>   | <p>Authorize an Intergovernmental Agreement with Oregon Department of Transportation to allow City construction, operation and maintenance of SW Bond Ave under Marquam Bridge and to reimburse State for associated services (Ordinance)<br/>(Y-5)</p>  | <p><b>189298</b></p>   |
| <p><b>1290</b></p>  | <p>Create a local improvement district to construct street, sidewalk, and stormwater improvements and construct a mast arm traffic signal at the NE 42nd Ave and Columbia Blvd intersection in the NE 46th Ave and Saratoga Ct Local Improvement District (Hearing; Ordinance; C-10065) 10 minutes requested</p> | <p><b>CONTINUED TO<br/>JANUARY 09, 2019 AT<br/>10:00 AM<br/>TIME CERTAIN</b></p> |
| <p><b>1291</b></p>  | <p>Vacate N Hunt St east of N Argyle Wy subject to certain conditions and reservations (Hearing; Ordinance; VAC-10121) 15 minutes requested</p>  | <p><b>PASSED TO<br/>SECOND READING<br/>DECEMBER 19, 2018<br/>AT 9:30 AM</b></p>  |
| <p><b>1292</b></p>  | <p>Authorize an Intergovernmental Agreement with Metro for participation in the Sidewalk Labs, Replica pilot test in an amount not to exceed \$152,433 (Second Reading Agenda 1235)<br/>(Y-5)</p>  | <p><b>189294</b></p>   |

At 12:38 p.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **12<sup>th</sup> DAY OF DECEMBER, 2018** AT 2:00 P.M.

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

Commissioner Saltzman arrived a 2:11 pm

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Lauren King, Deputy City Attorney; and Ryan Hintz and John Paolazzi, Sergeants at Arms.

The meeting recessed at 3:12 pm and reconvened at 3:47 pm

The meeting recessed at 3:53 pm and reconvened at 3:54 pm

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| <b>1293</b>  | <b>TIME CERTAIN: 2:00 PM</b> – Authorize the Second Amended and Restated Visitor Facilities Intergovernmental Agreement with Multnomah County and Metro (Ordinance introduced by Mayor Wheeler) 45 minutes requested<br><b>Motion to accept substitute Exhibits A and B:</b> Moved by Fish and seconded by Fritz. (Y-5)  | <b>PASSED TO<br/>SECOND READING<br/>AS AMENDED<br/>DECEMBER 19, 2018<br/>AT 9:30 AM</b> |
| <b>*1294</b> | <b>TIME CERTAIN: 2:45 PM</b> – Amend the Comprehensive Plan, Comprehensive Plan Map, and Zoning Map as it applies to certain existing and proposed manufactured dwelling parks, including the Fox Run Mobile Home Community and Family Essentials (Ordinance introduced by Mayor Wheeler) 1 hour requested (Y-5)   | <b>189301</b>   |
| <b>*1295</b> | <b>TIME CERTAIN: 3:45 PM</b> – Amend Property Tax Exemption for Multiple-Unit Housing Development Code and Inclusionary Housing Code to extend the current inclusion rate and fee in lieu for affordable units until 2020 (Ordinance introduced by Mayor Wheeler; amend Code Section 30.01.120 and Chapter 3.103.040) 1 hour requested for items 1295 and 1296 (Y-5) | <b>189302</b>   |
| <b>*1296</b> | Amend Inclusionary Housing Code to extend the current inclusion rate and fee in lieu for affordable units until 2021 (Ordinance introduced by Mayor Wheeler; amend Code Section 33.245.040) (Y-5)  | <b>189303</b>   |

At 4:03 p.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **13<sup>th</sup> DAY OF DECEMBER, 2018** AT 2:00 P.M.

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

Mayor Wheeler arrived at 2:04 pm  
Commissioner Eudaly left at 3:58 pm

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

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| <b>S-1297</b>   | <b>TIME CERTAIN: 2:00 PM</b> – Amend the Sustainable Procurement Policy to incorporate the City’s Clean Air Construction Standard (Resolution introduced by Mayor Wheeler; amend BCP-ADM-1.09) 2 hours requested<br><b>Motion to accept substitute Resolution:</b> Moved by Fritz and seconded by Eudaly. (Y-5)<br><b>Motion to delete the Portland Housing Bureau construction projects from exemption:</b> Moved by Fritz and seconded by Fish. (Y-5)<br>(Y-5) | <b>SUBSTITUTE<br/>37403<br/>AS AMENDED</b>                               |
| <b>REGULAR AGENDA<br/>Afternoon</b>                                       |  |  |
| <b>Commissioner Chloe Eudaly<br/>Office of Community &amp; Civic Life</b> |  |  |
| <b>1298</b>   | Accept report to maintain Title 18 Noise Code Exemption for Pile Driving (Report) 30 minutes requested   | <b>RESCHEDULED TO<br/>JANUARY 16, 2019<br/>AT 9:30 AM</b>                |
| <b>Commissioner Amanda Fritz<br/>Water Bureau</b>                         |  |  |
| <b>1299</b>   | Authorize the Water Bureau to acquire certain permanent and temporary property rights necessary for construction of the Willamette River Crossing through the exercise of the City’s Eminent Domain authority as a last resort (Ordinance)   | <b>PASSED TO<br/>SECOND READING<br/>DECEMBER 19, 2018<br/>AT 9:30 AM</b> |
| <b>Commissioner Nick Fish<br/>Parks &amp; Recreation</b>                  |  |  |
| <b>*1300</b>  | Authorize competitive solicitation and contract with the lowest responsive and responsible bidder for construction of the Glenhaven Park Play Area Improvements Project (Ordinance) (Y-4; Eudaly absent)   | <b>189304</b>  |

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| <b>*1301</b>  | Authorize competitive solicitation and contract with the lowest responsive and responsible bidder for construction of the Lynchview Park Play Area and Irrigation Improvements Project (Ordinance)<br>(Y-4; Eudaly absent)   | <b>189305</b> |
| <b>*1302</b>  | Authorize competitive solicitation and contract with the lowest responsive and responsible bidder for the reconstruction of the Urban Forestry Maintenance Facility at Delta Park (Ordinance)<br>(Y-4; Eudaly absent)  | <b>189306</b> |
| <b>Commissioner Dan Saltzman</b><br><b>Portland Fire &amp; Rescue</b> |  |               |
| <b>1303</b>   | Engage stakeholders in discussions and report on the fire hazards presented by existing high-rise buildings built and/or permitted prior to 1974 and the feasibility of fire sprinkler installation and other fire hazard suppression methods; direct Portland Fire & Rescue to prepare amendments to Portland Fire Code based on stakeholder recommendations and feedback (Resolution) 30 minutes requested<br>(Y-4; Eudaly absent) | <b>37404</b>  |

At 4:23 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.



**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.**

**December 12, 2018 9:30 a.m.**

**Saltzman:** Welcome to the city council meeting. [roll taken]

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

**Saltzman:** Madam, would you please give the statement?

**Heidi Brown, Senior Deputy City Attorney:** Welcome to the Portland city council. The city council represents all Portlanders and meets to do the city's business. The presiding officer preserves order and decorum during city council meetings. So that everyone can feel welcomed, comfortable, respected and safe. To participate in the council meetings, you may sign up in advance with a council clerk's office, for communications, briefly about any subject, you may sign up for public testimony on the 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, however, is not necessary, and please disclose if you are a lobbyist, if you are representing an organization, please identify it. The presiding officer determines the length of testimony. Individuals generally have three minutes to testify unless it is otherwise stated. When you have 30 seconds left, a yellow light goes on, and 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 and if you want to express that you do not support something, please feel free to do a thumb's down. Disruptive conduct such as shouting or interrupting testimony or council deliberations will not be allowed. If there are disruptions, a warning will be given that further disruption may result in the person being rejected for the remainder of the meeting. After being rejected, a person who fails to leave the meeting is subject to arrest for trespass. Thank you for helping your fellow Portlanders feel welcomed, respected, comfortable, and safe.

**Wheeler:** Very good. Thank you, and I apologize for my tardiness. I got a call at the last minute from chair Kafoury, and there was an issue that she and I very much wanted to discuss so appreciate commissioner Saltzman taking the lead for the first few minutes. A couple of housekeeping items first of all. You will notice this morning we have an incredibly packed agenda, as publicly noticed on the Tuesday memo, to best allow for full public testimony, and in consideration of our type constraints today, the following items are going to be rescheduled. Item 1261 will be tentatively rescheduled from this morning's 9:45:00 a.m. Time certain to January 16, 2019, at 10:25:00 a.m. Time certain. And that's item 1261. 1290 will be continued from the regular agenda to January 9, 2019, and at the 9:30:00 a.m. Regular agenda. Item 1298 is going to be rescheduled from the Thursday afternoon regular agenda to January 16, 2019, at 9:30:00 a.m. Again, as part of the regular agenda, and item 201299 will be rescheduled from -- 1299 will be rescheduled from tomorrow's regular agenda to this morning's agenda to be paired with 1285. That's to accept a firm, fixed price of 73.5 million from James W. Fowler for the design and construction of the Willamette River crossing project. Finally just due to the signature number of items on this morning's schedule, the fact that we also have an afternoon session scheduled, that we cannot run them into each other, we are going to limit the public testimony today to two minutes. With that communications, communications slots get the regular three minutes. Good morning, Karla.

**Item 1256.**

**Wheeler:** Next individual, please.

**Item 1257.**

**Wheeler:** Good morning.

**Andrea Firpo:** Good morning. My name is andrea firpo. I live in a home on the corner of southwest capitol highway and aloe street, and I would like to provide a comment regarding the expansion project, which is now at 60%. In a meeting with pbot, project manager steve [inaudible] on october 13, my husband and I were notified that pbot will need to obtain a temporary construction permit for the entirety of the side yard as well as the left portion of the front yard, which would, which was designed by the Portland japanese gardens landscape architect after we purchased our home in 2014. It was our goal during our design to beautify the neighborhood and give back to the wildlife that lives here. Our yard is heavily landscaped with japanese maple trees, northwest berry bushes, natural rock and stone. We have also been told our property line was incorrectly approved by the city upon construction of our home in 2008, and they will need to require an additional eight inches of our property long-term. This project will not only affect my home personally, it will also greatly affect the look of the beautifully tree-lined street and the wildlife population in this historic area. We moved here from san francisco so we could have the urban forest and street which surrounds us, we built a coy pond in our backyard. And a connecting street on the side yard which will need to be removed. I watch birds field the trees outside my kitchen windows, which are planned for removal. My daughter's bedroom windows will look out through chain-link fencing out onto the public sidewalk and bike lanes constructed outside our home. Our master bedroom is currently sheltered for privacy and street-lighting from a large ash tree on the corner of the property. It will also be removed. The two multi-family units that are behind us on southwest capitol highway will lose their street parking as well as package, mail delivery and trash services, and we will have nowhere to pull over for the entirety of the southwest capitol highway. We are consistently being told by pbot this project is required for safety concerns, primarily uncontrolled vehicle speeds, however the only safety measures that have been implemented is a speed reduction to 25 miles per hour. There is nothing in the plans such as a speed drop or a signal. I recognize roads get widened every day. However, I implore you to get involved, and I ask for a more moderate approach that supports everyone's needs in the community. Not just the city's agenda, and we have crumbling sidewalks in our neighborhood that need to be repaired, and I am told that those also cannot be addressed for this project. And I just come to you for -- to be heard because I am being affected, the homeowners around me are being affected, and we feel very unheard. Thank you for your time.

**Wheeler:** Thank you. And thank you for coming in. We appreciate it. Could I get a written copy of your testimony?

**Eudaly:** Do we have your contact information?

**Moore-Love:** Yes, it's on her request form.

**Eudaly:** Okay. My office will follow up with you, as well.

**Wheeler:** Thanks for coming in. Your garden sounds beautiful. Soon to be gone.

**Wheeler:** We will see what magic commissioner eudaly can work.

**Eudaly:** Thank you, mayor. Thanks for coming.

**Wheeler:** Next item, next individual, please.

**Item 1258.**

**Wheeler:** Good morning..

**Lightning Super Creativity XXIPDX:** Before I get started, I would. I would like to do my full three minutes, but I'll stay within your time frame, sir.

**Wheeler:** Communications you always get your three.

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**Lightning:** Three minutes, okay. Again, my name is lightning, I represent lightning super creativity. What I would like to speak about is personally the personal vendetta of robert mueller iii against donald trump. I am asking you to wrap up this investigation, I am asking you to do your job. When william barr is the a.g., I am asking him to create another some counsel. You need to go into retirement, go back to private practice. You have really missed the mark. You missed the target. You are not even a threat to president trump. Go back to your private practice. You have really failed miserably. Miserably. And again, I am asking you to go into retirement, step away, and understand this is a personal vendetta when james comey got fired, your good friend, and when rosenstein and comey signed the fisa applications to get the fisa warrant, and upon the unverified dossier, and paid by hillary clinton, and get real, mr. Mueller, you are a disgrace. You are a disgrace to the fbi. You are a disgrace to the united states. And let the president do his job. Video, please: Thank you, sir. The dominoes will begin to fall. Hillary clinton for prison.

**Wheeler:** All right, next individual, please. Next individual, please.

**Item 1259.**

**Wheeler:** Good morning.

**Wesley Ward:** Good morning. I am not don Stephens. Don stephens was here, and my colleague. Don has asked me to speak in his place. I do hope my three minutes will have the same impact as those dominoes. It's a hard act to follow. I am not sure that I will. Mayor wheeler and commissioners, ladies and gentlemen, I am wesley ward. Don and I live in brooklyn, home of the u.p. Rail yard. We are members of Portland neighbors for diesel action. We are an informal group formed almost a year ago from our neighborhood association. Our goal is to heighten local awareness of and concern about diesel particulates in particular, and to encourage you, our elected officials, to act as strongly as legally possible to reduce the diesel pollution as quickly as possible. We do this for our health and that of neighborhoods across Portland. In our work with the neighborhoods, we hear real and growing concern about unregulated, toxic diesel. As a grassroots group of volunteers, we are kindling a fire of awareness to support those working on this issue at the local and state level. We know that the state has the key to a real solution to this problem, but we think an important beginning is what Portland can do. And without that important beginning in Portland, we may never move the needle very far at the state level now, well, tomorrow, is the time to take a strong stand in Portland against dirty diesels at all construction sites funded by public dollars. Not just the city and county's own projects. Someday the same standard should apply to all large Portland construction sites as a condition of permitting. This will take continuing work and strong leadership against opposition, which has prevailed for far too long. Without your leadership, the oldest and dirtiest diesels will continue to spew their toxins into our neighborhoods. We don't want to leave this for the younger generation to deal with. Thank you for the chance to speak here today. And we will be back with you tomorrow.

**Wheeler:** Thank you. We appreciate it, and gentlemen, just to underscore a couple of finer points. We are, in fact, we did just pass a diesel procurement strategy for the city of Portland. So we are leading by example on all of the projects that we're engaged in, but you are also correct that we are preempted by state statute from actually regulating diesel beyond the vehicles and the equipment that we control. And that's something that we should be working on together down in Salem.

**Ward:** That's right. Mayor, we should loosen the state preemption as much as possible.

**Wheeler:** Thank you, sir. And thank you, dr. Stephens, don Stephens, thank you. Next individual, please.

**Item 1260.**

**Wheeler:** Good morning.

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**Mary Bowers:** Good morning. Hello, mayor wheeler, and the city council. I am here to talk to you about home forward. I have spoke with, from homelessness to tenants of home forward. As you probably know, home forward at one time was housing authority of Portland, and of Multnomah county. Home forward treats the elderly, disabled, veterans and so on like our beach. And this is uncalled for. They -- we don't deserve to have any benefits like low income housing or any kind of housing. We are low lives. We put ourselves in this mess. Why should we step down to your level, and why does home forward have property management run property that they have and they don't communicate with each other? I, myself, am now homeless. With four cats and social security disability, who has a broken foot for eight months who needs surgery? I was just hospitalized during thanksgiving with rsv. I don't know if you know what that is. But it's very serious. It takes a long time for you to get over it. I am homeless because they evicted my house. I went to them for housing. All they care is sorry. We can't help you. They have no respect or dignity for us. They need to take ada act classes to understand the laws that pertain to us. It is really important that they take these classes. They may need to take etiquette, customer service classes to understand how to talk to us. Instead of like we don't need to listen to you. We don't need to talk to you. Or they are just downright rude to us. They need to have these classes. To understand where we are. They don't care. They need to be respectful, and by the ada act. But they also need to abide by their rules and regulations that they put forth to us. They need to abide by them, too. That is the fourth, we speak of, home forward needs to listen and do what needs to be done from the safety of tenants to the black mold, and we, the homeless, comes to apply for a place, not shun us and give us respect. And listen. Thank you.

**Wheeler:** Thank you. Perfect timing, and I will pass your concerns along. We appreciate you coming in and sharing them with us.

**Bowers:** You are welcome.

**Wheeler:** Thank you. That completes communications. Which items were pulled from the consent agenda, Karla?

**Moore-Love:** We have 1269 and 1274.

**Wheeler:** 1269 and 1274, please call the roll on the remainder of the consent agenda.

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

**Wheeler:** Aye. Consent agenda is adopted. With the pulling of the time certain item, we need to find about 20 to 25 minutes of other things, so I am going to ask that we move 1281 into this slot, please.

**Item 1281.**

**Wheeler:** And mark is here. Here he is. Good morning, mark. How are you today?

**Mark Amberg, City Attorney Office:** Good, thank you.

**Wheeler:** Mark, the city attorney's office.

**Wheeler:** Did you want to give a presentation on this?

**Amberg:** Yes. Sure. I will be happy to do that. This is an ordinance amending the proposed ordinance to amend the stipulated discipline ordinance passed by council back in august of this year, which that was enacted pursuant to an agreement reached with the u.s. Department of justice under the settlement agreement with the department of justice as part of the city's compliance with that agreement. The stipulated discipline, in particular, was implemented to help bring the city into compliance with the accountability provisions of the settlement agreement. When the august, the august ordinance was passed by council to approve the stipulated discipline process, for the police bureau, there were two or three amendments that were, to the originally proposed amendments, that were proposed and ultimately adopted by council. One of the -- and the -- the Portland police association, the union representing the sergeant's criminalist, detectives and line officers in the bureau, basically, objected to the amendments on the basis that the city had not fulfilled its

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collective bargaining obligations before implementing the amendments. After discussing, and they objected to implementing those amendments, and they also threatened to file an unfair labor practice complaint against the city because of the, the city had not bargained over those amendments prior to implementing them. We did negotiate with the union, and ultimately, the agreement reached was the union agreed with all of the amendments with the exception, the exception of one provision.

**Wheeler:** Excuse me. I need you to stop shouting because you are interrupting the testimony. No. I need you to please stop interrupting the testimony. Listen, I need you to be quiet or I need you to leave. Those are your choices. Sorry, go ahead and continue.

**Amberg:** Thank you, your honor. Or mayor. One provision of the stipulated, I won't go into the details of the discipline that was a process approved by council, but one provision would have allowed for upon agreement of the union, the police chief, and the city council. They could approve additional categories of cases, types of cases that would be eligible for the stipulated discipline process, and that was one of the provisions the union objected to. The original language said it could be -- additional categories of cases could be approved by the agreement of the union, the chief, and the commissioner in charge. The amendment was to remove the commissioner in charge and say that they had to go back in front of city council, so long story short on this, the agreement that we reached with the union was to delete that provision from the stipulated discipline ordinance, so if, in the future, if there are any categories of cases that the union or the city believe might be eligible for the stipulated discipline process, we will have to go through a negotiating process with the union, and then ultimately, make a decision by counselor that needs to be made on whether to approve those additional categories of cases. So the amendment is just to remove that provision of code, which is subsection j2e of the police review board code. Portland code section 3.20.140.

**Wheeler:** Just to be clear, that has to be negotiated then, so we are not dodging the issue, just moving that to a later date? Is that correct?

**Amberg:** Correct. It means if there is a, another category of cases that either side feels workable included in the stipulated discipline process, that would have to be negotiated and approved.

**Wheeler:** Would this be negotiated in the upcoming collective bargaining agreement, or is this a separate issue when would this be negotiated?

**Amberg:** It could be either, either one. It could be brought up as part of the contract, general contract negotiations, or it could be brought up as a separate standalone bargaining issue.

**Amberg:** Okay, thank you. Any questions, colleagues?

**Eudaly:** I am struggling to remember this item because it came before us a while ago, I think, but I believe that it was my amendment requiring these cases to come back to full council. So the ultimate outcome of striking this language is that they will come back to council.

**Amberg:** The outcome, it would have to be negotiated with the union, and come back to council for approval, yes.

**Eudaly:** Okay.

**Wheeler:** Very good. Public testimony on this item, Karla.

**Moore-Love:** We have two people signed up. Please come on up. Dan handelman and maggie.

**Wheeler:** Good morning.

**Dan Handelman:** Good morning, mayor-wheeler and commissioners. Dan handelman with Portland cop watch, and I was here in september when you passed the last amendment, that says code, september 5, according to the paperwork here, and I am a bit more confused now than I was when I came in this morning. The city attorney just said,

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and confirmed to commission eudaly that this does not change anything, the city council still has to approve whatever changes are made, so I don't understand why the ppa would want to get this pulled. My speculation, and that's all that we have since the ppa won't come here like the rest of the community has to, to talk to you about what we are concerned about, is that they pulled it out because it specifically said that the parts of the code that say what things can't be subjected to stipulated discipline, are pretty much permanent and off limits for negotiation. I think that by passing this, you are giving them the back door to pull out those various discrimination retaliation, excessive force and deadly force cases. Now it does not say you can't negotiate about those. So I think that it should be clear about what it is that you are passing and what it is that the ppa's motivation was behind this. Otherwise it seems like you are back at, by pulling this out it does not review your requirement to negotiate with them or remove the city council's final approval on that. So I would call darrell turner up on the recorder to testify what they are trying to do on this. I should add last time I was here testifying about this code, we mentioned a number of things that need to be amended in the code that never get addressed, even though it keeps coming back, and one of them is in the settlement agreement, it says that the police, could send cases back for further investigation. That it is included in the directive around the police review board but never in the city code. And I don't know why. It seems like if it doesn't get included in the code, then the doj leaves town, and the police bureau decides to change the directive, that won't happen any more.

**Wheeler:** Thank you, commissioner Fritz.

**Fritz:** If it doesn't get code the doj will not leave town because they are not going to sign off on the settlement agreement having been implemented. So the previous point, it seems that this clarifies who is doing the bargaining, and it would be commissioner in charge or the whole council, and the whole council approves whatever they come up with. After public hearing.

**Handelman:** Why didn't they change the code to say that? What I am worried about is the lack of that language that prohibits bargaining around those serious cases going to stipulated discipline. That part is being removed by removing this paragraph. With the exception of those things that are outlined in the previous paragraph, all these other things can be bargained about but with the [inaudible] on that, they can go back and say we don't want these excluded any more. We want the authors to be able to go in and admit to wrongdoing in these serious cases without it going before the police review board. So I would recommend strongly that the city council leave in the sentence that says, with the exception of what's in there, everything else can be negotiated by the commissioner in charge, I mean, you just changed the city council to the commissioner in charge if that's what the goal is. Otherwise, I think you are being tricked into something that may be the negotiators and mr. Amber didn't notice.

**Fritz:** The code says what kind of case investigations are --

**Handelman:** Excluded, right.

**Fritz:** No, are eligible.

**Handelman:** Eligible, and it says what is not eligible. The previous paragraph that was referenced.

**Fritz:** Yeah. So why is that not clear?

**Handelman:** J1, the paragraph referenced, is the paragraph that says what you cannot send to stipulated discipline.

**Fritz:** If we are going to amend that, and add these cases --

**Handelman:** With the exception of those categories, these are the things that can be extended. So that means by removing that, they can bargain to get those other things put into the stipulated discipline.

**Fritz:** That would have to come back to council.

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**Handelman:** Sure it does, but I want to make it clear that the reason those are excluded, those are the cases that are important to the community and should not be subjected to stipulated discipline. The code was clear about it, and now it's not as clear about it.

**Fritz:** I guess we have a disagreement, I think it is now even clearer.

**Wheeler:** Commissioner eudaly.

**Eudaly:** I am glad you feel that way because I feel somewhat responsible for this confusion, and I agree if they did not want to accept the amendment we should have reverted to the original language. That would make more sense, but if you feel that we are in a better position, then thank you ppa.

**Wheeler:** Let's chew on this a bit and hear maggie and maybe we can have mark come on back. Thank you.

**Maggie:** I want to thank cop watch for their testimony about code wording. I think this is our democracy at work where I like to think of democracy as a car with manual transmission, and we, the people, need to manually, you know, work on it and tell you guys how we want things worded and coded, and the reason I want to compare this to federal policy 811, which was our housing policy, which was very poorly worded and written, and so many things were left out of it, and which left the contractors the ability to define what housing and social services would be, and which is why we have got so much, you know caw-caw going on in there. And we need to have a very specific -- I agree there is a possibility of retaliation. When I talk to cops, some of them want to listen to what I have to say and others, you just see the light go dead in their eyes, and they just don't -- they hate, you know, the situation with poor people, and it's like they don't feel like we deserve any rights. And I was just at the human rights commission council this past thursday, and of course, it was the universal declaration of human rights on december 10, and I think that we really need to look at the cop watch, you know, thing from a human rights' perspective. We need you guys to protect us, not to assault us.

**Wheeler:** All right, good. Mark, could you come on back up, please? So you heard the back and forth on the issue of stipulated discipline and the exception categories, can you give us your perspective, please?

**Amberg:** Yes, thank you. Again, mark with the city attorney's office. A couple of points, first of all, with regard to the union's collective bargaining rights, that's a matter of state law, and the union can always put a proposal on the table. There is nothing that prevents them from doing that. Regardless of whatsoever code provision we are talking about, we would need to evaluate whether it's something that the city is required to bargain over or not required to bargain over. So that's not going to change regardless of whatever provisions the city council might put into the city code. The second point that I want to make is that it should be kept in mind this stipulated discipline process comes out of the negotiated amendments to the u.s. Department of justice settlement agreement, which basically, contains the same language. To change, if there was going to be a change along the lines of what mr. Handelman was suggesting, even if some how council was willing to go that direction, it would require another amend to the -- at the current time, the u.s. Department settlement agreement, which would require approval of the department of justice as well as approval by the federal district court, judge simon at this point. The final point that I would make, I agree with the comments made we commissioner eudaly and Fritz, that this, actually, in my view, actually clarifies that there is taking out this, out of city code, in any way, the possibility of an, of creating an exception, another exception of a category of cases eligible for stipulated discipline. I believe the code is clear at this point, particularly with removing the section, there is certain cases, types of cases that are not eligible for discipline, and mr. Handelman mentioned, and there are very specifically defined cases that a limited category of cases that are eligible for stipulated discipline, but the more serious cases, discrimination, uses of force, desperate treatment, retaliation,

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shootings, in-custody deaths, it's clear in the code at this point in time that they are not eligible for stipulated discipline, and to change that would require further action of council as well as amendments to the u.s. Department of justice settlement agreement.

**Wheeler:** Very good, any further questions? Please call the roll.

**Eudaly:** Thank you for explaining that to us. You know, perhaps more than any other bureau, I feel with the police, the entire council is held responsible for our policies and for the actions of the police, although the mayor is the police commissioner. This item, or this disagreement just kind of highlights a couple things for me. One is the need for the council to be engaged in these conversations brings they come up on the agenda. Two is for clear legal guidance. I would have never offered an amendment if I had known it could provoke a lawsuit or that it was in violation of some other rule. So that would be appreciated. I do feel like the reaction of the ppa was unnecessary. My intent was because we are held responsible as a body for the police, that we be responsible as a body for the oversight. I don't appreciate the response. But I do appreciate their ultimate proposal, which as you explained, makes the policy clearer. So I vote aye.

**Amberg:** Commissioner, if I might, there is nothing on, unlawful so to speak about making an amendment, and the unions always have our -- a right to -- they choose whether to assert their collective bargaining rights or not. In this case the ppa elected to assert their bargaining rights here but there was nothing per se unlawful about making a proposed amendment. I would be happy to discuss it with you further.

**Eudaly:** I feel like I could use that.

**Fritz:** Thank you for your work on this and thank you for bringing this and commissioner eudaly for being supportive of it. As commissioner eudaly said, all of us are involved in police accountability, and ultimately the commissioner in charge, which is the mayor, has the most, and I can't imagine any commissioner in charge agreeing to their kinds of light sentence in an egregious case, as a matter of discipline, that would not make any political accepts, never mind moral or ethical sense, so I am very comfortable with this. Aye.

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

**Wheeler:** Thanks for your hard work on this. I appreciate it. And thank you, colleagues. I vote aye. The ordinance is adopted. Let's do a couple of time, or excuse me, second readings until we get to our time certain. If you could call 1282, please, Karla.

**Item 1282.**

**Wheeler:** Colleagues, this is a second reading. We heard a public presentation, public testimony has been taken, please call the roll.

**Eudaly:** Aye.

**Fritz:** This is an issue that people care about when the mayor and I did our legislative agenda town hall, at southeast campus, several community members shared their concerns about air quality and diesel pollution, and I support this. Aye.

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

**Wheeler:** Aye. The ordinance is adopted. Item 1292, second reading.

**Item 1292.**

**Wheeler:** Please call the roll.

**Eudaly:** Because there were concerns expressed last week, I just want to make a few closing remarks. One I want to take a moment to remind people what the data is and what it is not. It is a detailed full-scale model of how people travel through our region. It is data that can be used to augment and enhance and replace pbot's existing data collection efforts such as volunteer count programs, real-time data collection efforts, and transportation modeling within pbot's planning group, and prepost project impact studies, and it is data that has the potential to greatly enhance pbot's ability to understand how people are moving through our transportation system, as well as if and how investments in the system ultimately impact the ability and motivate transportation choices. It is not



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people's specific data that in any way compromises the privacy of Portlanders, it is not designed to track, monitor or identify the specific individuals. I want to thank Michael Kerr for his work on this and I vote aye.

**Fritz:** At the hearing last week, it was confirmed that when the councilor adopts a privacy policy early in the new year, this will be subjected to it. Aye.

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

**Wheeler:** Aye. The ordinance is adopted. According to my watch, it is now 10:15, we will move to the time certain items, we are going to read 1262 and 63 together. We will vote on 63 first when we get to it. But if you could read both those items together, please.

**Item 1262 and 1263.**

**Wheeler:** Colleagues, the city of Portland manages an investment portfolio of \$1.9 billion that the fiscal year to date has earned 11.9 million in interest earnings, which helps to fund city programs and services. Our proposed investment policies more restrictive than what state law currently requires. We have chosen to not include corporate issuers involved with the industries such as fossil fuels, financial services, and the retail sale of firearms.

Allowing only a select list of highly rated securities. Corporate securities provide diversification and an opportunity to earn an additional yield over alternative investment types such as U.S. Treasuries and agency securities. We project that the addition of the select group of corporate issuers would potentially contribute between 900,000 and 1.5 million in additional, annual, investment earnings for the city of Portland. We appreciate the time and the effort that the social responsibility investment committee members devoted to attending meetings, studying the city's investment policy, and for providing thoughtful, objective, feedback on a complex and multi-dimensional issue. Their participation has been critical in helping the city council to continue its mission of promoting a prosperous, educated, and healthy, and equitable community. In the interest of transparency, treasury posted the investment portfolio online since 2013. These month end line by line portfolio reports can always be found at [www.Portlandoregon.gov/brfs](http://www.Portlandoregon.gov/brfs). No, you will not remember that, but if you google it, you will find it. Click on the button that says review, where the city's money is invested. With that we have our finance team here, including chief financial officer Jennifer Cooperman here today. Good morning. I don't know who is giving the presentation.

**Jennifer Cooperman, Chief Financial Officer:** Bridget is.

**Wheeler:** Great.

**Bridget O'Callahan, City Treasurer:** Good morning, mayor and commissioners, for the record, I am Bridget, O'Callahan, and I am honored to be the treasurer for the city of Portland.

**Wheeler:** Thank you, Bridget.

**O'Callahan:** Thank you. I am here today, first I would like to present the investment policy that is item 1263. Oregon law pertaining to the investment of public funds requires the city to adopt an investment policy annually. I would like to highlight a few points as background. Some of these, the mayor covered a moment ago, the investment policy outlines the framework and criteria for managing the city's investment program, and the city's investment policy describes the framework and criteria for investing the city's cash assets, and the city's policies written in accordance with Oregon law, which is ORS 295.135, and it's brought before council for adoption annually. That is our purpose today. The city's investment objectives are first to preserve the principal to ensure liquidity of the funds, and then to earn a market return for the city. The earnings make a signature financial contribution to the city's budget and the programs and services that the bureaus provide. Investment earnings net an admin fee to covering the operating costs are distributed to the city funds. And fiscal year 2017-18, treasury earned 25 million, year to date, fiscal year 2018-19 through October 31, treasury has earned 11.9 million. The treasury will use the

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professional expertise and discretion to make the investment portfolio decisions on behalf of the city, and in the interest of transparency, as the mayor mentioned a moment ago, the city has posted our investment portfolio online since 2013. These more end line by line portfolio reports and can be found at the city's website, [Portlandoregon.gov/bfsf](http://Portlandoregon.gov/bfsf). The policy before you includes a number of housekeeping provisions intended to improve the clarity and readability of the policy, itself. These are not material changes. Please see exhibit a1 for a red line version of the document. The policy also contains a material change that would allow the city treasurer to invest in a select group of corporate issuers referenced in appendix a of the policy, and I would direct your attention to exhibit a2. We are recommending a select list of high quality issuers, be added to the eligible list of investments for the city. The city of Portland's treasury division analysis began first of all with the state of Oregon's law pertaining to the investment of public funds. The state parameters would have allowed the city of Portland to potentially invest in a universe of 35 issuers. Our proposal is much more restrictive than the state law requires. We have chosen not to include corporate issuers involved in certain industries as fossil fuels, financial services, and the retail sale of firearms. We are proposing to allow a much smaller list of these highly rated securities. Corporate securities provide diversity, and an opportunity to earn additional yield, and overall alternative investment types such as agency securities. We project that in addition to the select group of corporate issuers, we would potentially contribute between 900,000 and 1.5 million in investment earnings, and these funds would be available to bureaus to serve, to fund their services to the community. Thank you. With that I will answer any questions.

**Wheeler:** Commissioner Fritz.

**Fritz:** Thank you for your work and for bringing this. Could you clarify? I am sure we will get discussion about the particular securities companies that you are suggesting that we could invest in. I notice one of them is Nike, and I am wondering why not Columbia sportswear or Under-Armour or Adidas?

**O'Callahan:** It really came down to starting with the universe of available securities under the Oregon revised statutes, and then from there, narrowing the list down. So they were not on the top ten.

**Fritz:** Thank you.

**Cooperman:** I don't believe that they have securities that would qualify under the ORS. So they are just not in the investable universe even if we wanted to.

**Wheeler:** Madam Treasurer and her CFO, I want to make sure that we are speaking in a way that people watching, listening, understand. Are you talking about buying stocks?

**Cooperman:** No.

**Wheeler:** What are you talking about?

**O'Callahan:** We are talking about the debt, the commercial bond that would be issued by there.

**Wheeler:** So we are not investing directly in the company. We are not taking ownership equity in the companies.

**Cooperman:** We are not allowed to by state law.

**Wheeler:** So debt sounds risky.

**Cooperman:** Go ahead.

**O'Callahan:** Debt can be risky, but you manage that by the parameters you put around the program, first of all, so we are only limiting ourselves to a very select list of highly rated issuers. We monitor those, we are requiring that the ratings for these particular issuers be validated by two independent issuing rating agencies.

**Wheeler:** Does it matter which two?

**O'Callahan:** No, it does not presently. We are requiring two. The state law requires a minimum credit rating and we set the minimum AA. The investment policy goes one notch

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lower, and we are allowing aa minus. It does have to be two rating agencies with that or higher.

**Wheeler:** So --

**Cooperman:** Just one other, we added another criteria, which is that the bonds cannot be longer than three years. State law doesn't have a duration for those securities, we have chosen to limit it to three years and under which limits our risk in owning those securities, and we are buy and hold so the combination of a short-term plus the high credit rating increases the likelihood that we will receive back principal at the time. And that's how we get to the universe of only 35 names. And if we did not have that three-year limit, the universe could potentially be larger.

**Wheeler:** So just to sort of latch onto the question that was asked earlier, there is not a criticism of say, for example, I think somebody mentioned, columbia sportswear. This is not a criticism of columbia sportswear or the business practices or their vitality as a company but a technical question about the debt instrument that is they use? And they are not eligible under state law.

**Cooperman:** Right. There are no securities that they have outstanding within that three-year window. If they came out this afternoon and issued five-year debt, we couldn't buy that, either, even though it might have the right credit rating for us.

**Wheeler:** Any other questions? Public testimony?

**Moore-Love:** Yes, we have 11 people signed up.

**Wheeler:** Very good, two minutes each, name for the record, please. Thanks a lot.

**Hyung Nam:** Good morning, I am one of the members of the investment committee, and I am actually quite disappointed that I contacted your office to be able to give invited testimony for longer than three minutes, and despite calls and emails, never got a response. I have serious problems with this resolution. First, looking at your resolution.

**Wheeler:** Can I do this? I didn't get your e-mail, but since you are a member of the committee, let's go ahead and give them three minutes and I am sure people will have questions, but I apologize for that. Thank you.

**Nam:** Looking at the resolution, in section 13g, it's the whole column that says why the change is being made. There is no rationale, and I don't know if we could put that up on the screen right now. But I am really concerned about there is a major change being made here, and I see no rationale, and it seems like an odd time to be making this change. Treasury rates have gone up dramatically compared to what they have been at, at near zero rates. Right now investing in treasuries is sound and secure, whereas invest anything corporate bonds is, actually, risky when we talk about, you know, the three -- there are three credit agencies that rate corporate bonds. It's been well documented that they failed with the rating mortgage backed securities in 2006-2007-2008. If we had invested then, we would have lost money, the same is true with enron, which used to own pge. They were rated investment grade, and they also turned out to be bad, and so any way, I seriously question relying on Moody's, s&p 500, and fitch's credit ratings to make these decisions, but more importantly there's been a public process that has lead to the creation of the investment committee. Testimony from not only people in the climate justice movement, people in the human rights community, and so on, that have expressed serious concern, and I am glad that you are maintaining this policy of not investing in fossil fuels and financial firms and also adding on firearms, why not adopt the investment policy that the committee, that the committee submitted in september of 2016 that also added several other companies. It would have no impact because the companies, their bonds don't have the requisite credit ratings but it would do the same thing by not investing in fossil fuels and so on, it's part of a national and international boycott claim. These make a major impact in making the change that we want to see here in Portland and in the world.

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**Fish:** Your time is up. Can I ask you a question? The testimony we had prior to your testimony was, these are corporate securities of three years duration. They are highly rated and are relatively safe. Which of the corporate securities on the list that's proposed before us in your view would we have lost money on?

**Nam:** I am not sure about which of these. But all I am saying is that the whole system of these three credit ratings agencies getting paid by the same companies to rate their bonds has been well documented to be a conflict of interest. That has led to the failure of rating bonds accurately or mortgage-backed securities, that has led to major losses.

**Wheeler:** Good morning.

**Adam Segal, Jewish Voice for Peace:** Good morning. Thank you for your type, I am adam siegel. I am with the jewish voice for peace, and the next few speakers are also members of the jewish voice for peace. We are a member organization of occupation-free Portland. More than a year ago, in april 2017, the counselor voted to end investments in corporate securities as they matured. One unfortunate result of that decision was the failure to call out the nine corporations, the worst of the worst for their bad behavior, in particular, jvp believed it was important to specifically identify caterpillar for egregious violations across multiple quote, "social and [inaudible] concerns cited in the socially responsible investments committee september 30, 2016, report, these included caterpillar's role in the illegal occupation of the palestinian lands, and of indigenous people's voice at standing rock and brought involvement in the extracted fossil fuel [inaudible] and contributions to climate change. They do not support the blanket ban on securities, we support [inaudible] investment, in particular corporations based on clear and explicit criteria for socially responsible investments. The power of such a targeted exclusion is not simply in the divestment but the statement about who is being excluded and why exactly the city of Portland refuses to invest in them. This is a city of Portland's chance to influence behavior of unethical corporations for the better. Caterpillar doesn't fear the loss of one city's investments. They fear international embarrassment and a strong public statement against their complicity and human rights violations. We ask you consider a progressive city would choose to make use of this power. As a personal thing I want to add I wish that I did not have to say this, but I am proudly jewish, and there is nothing anti-semitic about me choosing to stand for palestinian human rights, so thank you.

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

**Will Singer, Jewish Voice for Peace:** Good morning. My name is will singer, also with jewish voice for peace. It's our understanding that the mayor's office new resolution and the two accompanying exhibits is that Portland will return to investing in corporate securities but only those issued by the company's listed in the resolution. Those were apparently drawn from the Multnomah county's investment portfolio. Unfortunately they were not chosen with public review. We in jewish voice for peace find this unacceptable because the resolution returns the city to the corporate investment without it socially responsible investment screen, without it the socially responsible investment's committee to review and make recommendations based on explicit, socially responsible investment criteria. It's good the sric recommendations are reflected in the list of corporate securities allowed by the mayor's resolution, but that's almost meaningless without it a clear statement of the basis for excluding those securities listed on the sric do not buy list. The companies excluded will not be hurt by losing out on the investment. It's unlikely that they will notice. We believe that the Portland should do more than just decline to invest. The city can use its voice to actively call out the unethical, destructive or exploitive behaviors of corporations. We don't want to be quiet about our socially responsible investment policy. We want to shout from the rooftops while caterpillar is on the list because we want other cities, other institutional investors also to decide hey, maybe we should not be investing in mass murder, whether it's in yemen or gaza. We should not be investing in companies that

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destroy the environment or cheat their workers. We go that if we have clear and explicit criteria for our investments, clear and explicit criteria for rejecting companies like caterpillar that profit off the suffering and dispossession of an entire people. Yes, at the hands of the israeli government and military supported by the u.s. Government and our taxes, and we should not be afraid to say so.

**Wheeler:** Thank you.

**Wheeler:** Good morning.

**Rod Such, Jewish Voice for Peace:** Good morning. My name is rod with jewish voice for peace and occupation-free Portland. And I want to start by thanking commissioners eudaly and Fish for inviting us to suggest amendments to the resolution. Concretely here are our suggested amendments. Amendment a, formally restore the seven categories that the city considers in making an investment so that the investment is evaluated on the basis of environmental concerns, health concerns, and including weapons production, and concerns about abusive labor practices, and concerns about corrupt corporate ethics and governance, and concerns about extreme tax avoidance, and concerns about exercise of such a level of market dominance, so as to disrupt normal, competitive market forces. And concerns about impacts on human rights. Amendment b, formally restore the socially responsible investment's committee so that it can receive public input on proposed corporate investments and make recommendations to the city council. And finally, amendment c, adopt and release to the media the report submitted by the sric dated september 30, 2016. And regarding the last amendment, I think that, it also touches on a point of why did you create the committee in the first place? Why did you solicit expert opinion on the investments? And then ignore the report and findings. It's not a good precedent for inviting citizen participation in city government, and when you create a committee and you simply ignore their findings. Thank you.

**Wheeler:** Thank you.

**Sandy Polishuk:** wheeler, I do know your name, commissioners. I am sandy, I live in northeast Portland, and I represent 350 pdx. 350 pdx advocates our city align its investments with the values. Just as we advocate for everyone to do. Portland has made us proud with its landmark planning and action and climate change and sustainability. Most recently by banning new fossil fuel infrastructure and vowing to transition to 100% clean energy by 2050. Proud again when this year's c40 summit, Portland was recognized with an award for the 2015 climate action plan. Despite these bold actions, it took over two years from our first path for this council to place fossil fuels on the do not buy list. While we supported that action, our ask remains a straight out resolution to permanently commit to the divestment from fossil fuels. As Multnomah county, eugene, corvallis, ashland, seattle, san francisco, berkeley, oakland, fremont, richmond, palo alto and santa monica, and many other cities across our nation have done. The fossil fuel divestment campaign was launched in the fall of 2012 by 350.org to cut off the financing and the social license of the fossil fuel industry. In these six years, divestment commitments of \$7 trillion have been made. 15% by government entities, the urgency of keeping fossil fuels in the ground has only grown with time. 350 pdx urges you to recognize this urgency and return and begin the process of drafting Portland's fossil fuel divestment resolution for quick passage. It will not be difficult. There are many models to draw from.

**Wheeler:** Thank you.

**Aesha Lorenz Al-Saeed:** Good morning mayor wheeler and commissioners. I am [inaudible]. A member of the jewish voice for peace as well as americans united for palestinian human rights and muslim community center of Portland, among other groups. The resolution does admit the nine corporations recommended for the do not buy list by sric, this is a welcomed development. However we believe that not including clear and explicit socially responsible investment criteria in this resolution, guarantees that Portland's

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corporate securities investments will not align with the values of all Portlanders. Indeed, while those corporations listed in the resolution may have not sunk to the level of the worst of the worst, there are well grounded reasonable, ethical objections to investments, even to the short select list. It's very telling that some major groups are united in opposing this. Thank you for this opportunity to present our views.

**Wheeler:** Thank you.

**Wheeler:** Dan, do you want to start please?

**Peter Miller:** Thank you, mayor wheeler and commissioner, i'm peter miller, with americans united for palestinian human rights, and I was part of the campaign to engage the social responsible committee on the investments? The do not buy list. And while I appreciate that the companies that were identified on the list are not a part of the investment I have to echo sentiments expressed already that it was highly desirable to keep social responsibility investment criteria as part of the policy, and that there is a value in calling out companies for their bad behavior because that's how one of the impacts, the most positive impact you can have, and decline to invest and explain why hopefully they would do better in the future if they possibly can, and I also suggest that the social responsible investment committee was a valuable part of the policy, the people working in that were diligent and they did a lot of work for the city, and as volunteers, and that work, the work was valuable and they provide input, and I would like to see that committee continue. One of the aspects, I think, the city council found onerous was the amount of time that it took for the city council, just like the treasurer, you give them guidelines, and the treasurer makes the detailed decisions on what to invest in, and you should empower the social responsible investment committee to make those decisions, and you, basically, you know, give them the power to make the screens, not pick up your time. That you have a good system there. I think that you should continue it. Thank you.

**Wheeler:** Thank you.

**Dan Handelman:** wheeler and commissioners, I am dan handelman, and I am talking on behalf of our -- the parent group of Portland cop watch and justice works which signed a letter last year supporting the disinvestment from corporations with bad ethics. I want to echo the statements made, this does not seem to list the criteria of what we want to see corporations do. If we are going to be investing in them at all. I can't even see if the criteria that were listed about firearms and fossil fuels listed in the ordinance itself, I am not sure where those are written down. It's within the broader sense of things, I am not understanding how buying debt works but it seems like you should be investing in something a bit less risky if you are going to invest in the people's money, and if the corporations have extra money, to throw around and give back to the corporations, they should be paying their workers better, instead. With the list of corporations that are already on there, and somebody mentioned, their reasons not to invest, we, at peace and justice works, work with people in the animal rights movement, and several are well-known to be using animal testing, and that's something that could be listed as one of the criteria that you should not invest in. If you would let the investment committee continue to meet and meet the recommendations so under have a list of criteria, ethical criteria, not just financial criteria, and that's the only thing that I heard discussed here this morning.

**Maggie:** I am united with jews for peace. I think that -- and also with the you know, the non-investment, and the fossil fuels. And here's how you can take it even further. You can melt down all those fossil, the engines that run on fossil fuels, and the state uses to get around and replace them with electric engines. Also, you can take all those fuel oil, gas, gas-run, leaf blowers, and you can get rid of those, and you can start using old fashioned sweepers with handles on them. And now, I know that cities and states like to, you know, to have people bring their latest technology and let's face it, fossil fuels, technology, and they like to support people by buying their stuff. But the thing is, you could put more

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sweepers on the street, and have them sweeping longer with just a simple broom handle and broom, and the streets will get cleaner because I see these guys go around with their leaf blowers, and you know, and they are not blowing anything away, the stuff is still there when they leave. I just think that they are an environmental hazard, noisy, and we don't need them. And it's a lot cheaper to replace a broom than it is one of those expensive leaf blowers that runs on fossil fuel.

**Lynn-Marie Crider:** Good morning, mayor wheeler and members of the council, my name is lynn marie crowder, I live in northeast Portland. And I am a lawyer retired from work in the public and private sector. While I applaud and appreciate the work that the drafters of the policy have done to clarify the 2017 policy, and appreciate the city treasurers enumeration of the criteria used to select entities listed in the exhibit a, I testified to raise concerns about two aspects of the proposal. Number one, the choice not to incorporate into the policy, the city's 2015 resolution forbidding investment in the world's largest fossil fuel dependent corporation. And the choice to improve investment in massive corporations. And to prohibit investment in all others without it that to any articulated guidelines for selecting entities in which the city [inaudible]. I submitted written testimony, and I will address only the first of my points here in 2015, the city, along with the county adopted a policy to divest from fossil fuels as part of the contribution to the urgent problem of global warming and climate change. The resolution stated that the city shall not directly invest additional assets in corporate debt securities issued by the companies on a list reference. I suggest that the policy before you should be amended to include such language within the policy. Otherwise, what you have done is to adopt a policy that fails to identify the only criteria that the counsel has adopted in the past. I believe at the very least the counsel owes the staff and it's advisory bodies as well as the citizens some confidence that you continue to abide by the resolution that you adopted previously.

**Wheeler:** Thank you. Very good. Does that complete the public testimony?

**Moore-Love:** That's all who signed up.

**Wheeler:** Can we have the treasurer and chief financial officer come back? I am sure that there will be follow-up questions. Let me ask you this question. And we have had this conversation in private, if you stipulate several criteria such as several people suggested, you raise the question of which companies, if you state the companies, I think that we can acknowledge for every company you name I can find something reprehensible about it. How do you balance those two? Why did you choose to specifically choose companies and not adopt say investment in a socially responsible bond fund that has established criteria? How did you weigh those decisions?

**Cooperman:** The state law does not allow us to invest in funds. We are only allowed to invest in individual securities. So whether it is a list of securities that were not allowed to buy, which is what we tried to do before, or a list now of the companies that we are allowed to buy, at some point, the fiduciary decision is yours to approve that list. So the sric, when it was meeting, was tasked with coming up with recommendations. There was a reference to the time that was spent in the city council meetings. I would suggest to you that the sric came up with recommendations, but at the end of the day it's your decision whether to adopt or not adopt those recommendations so the time spent in front of you will still happen. So historically, the approach was a do not buy list, which got controversial for various reasons, and we have tried to take a more positive approach this time, and say these are the names only the names that the city treasurer will be allowed to consider and have it be framed in a more positive light. If I could touch on a couple of comments that people made?

**Wheeler:** Sure.

**Cooperman:** The fossil fuel policy that the city and the county passed a couple of years ago, somewhat simultaneously still exists. So that hasn't been abandoned. That's still in

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force. Secondly, there is value in diversification. And for that reason along with the additional income, that's an underlying reason why we're proposing adding back the corporate securities as an eligible investment. And in prior years when the federal government was dealing with a debt ceiling, and there were questions about whether or not even the federal government would make payment on its outstanding securities, we looked at it ourselves and said well, we know who the corporations will pay. And so not that I think that the federal government will ever not pay, but it is one of those things that is talked about when there are debt ceiling concerns, and there is value for diversification in the city's portfolio. And lastly there was a comment about paying rating agencies, that the companies that are using the rating agencies are the ones who are paying for the rating agencies' work, and we're in a similar boat in that we pay moss adams to do the financial auditor of the city. We trust that they have integrity and that they are independent and that they are being hired to do a job even if that information coming back to us is negative. There is a broader question about the payment for outside services of all of these entities. There are other, there are other situations aside from just rating agencies where it is the company that is benefiting from the work paying for that work.

**Wheeler:** How much does the investment policy or the investment policies of the city, how often does that come before the city council?

**O'Callahan:** Once a year annually.

**Cooperman:** Calendar year.

**Wheeler:** I presume this would be part of that public discussion?

**O'Callahan:** That's correct. If adopted today, this list could be reviewed by council at least annually. You would have the control to add and subtract the names from that list.

**Wheeler:** Thank you.

**Fish:** So I am clear, to jennifer cooperman, the fossil fuel screen you alluded to has applied by you and the city treasurer to reach the 12 securities?

**Cooperman:** Yes.

**Fish:** So we have gone from a do not buy to a potentially do buy list, but you have applied the screen that we have adopted, the city and the county have, and so they would not be on the list if they, if they otherwise did meet that policy.

**Cooperman:** Correct. The resolution, I think it was passed in 2015, I may have my years wrong, that resolution is still in place. The one that disallowed further investment in the carbon tracker top 200.

**Fish:** And how did you determine that under this new investment strategy, that we might have as much as 1,500,000 to invest?

**O'Callahan:** That was really based upon looking at the current market and what's available out there. We have to recognize that even though a name may be on the list, securities play not be available for us to purchase. So we are looking at the active market today, and what we might be able to purchase based on the current market.

**Cooperman:** There is a limitation in state law about a 5% limitation per name. So the assumption was made that we take the current property tax money that is coming into the city, and is waiting to be invested, as quickly as we can we invest that money in what corporate securities were allowed to purchase, and based on the current interest rates, the forecast was developed.

**Wheeler:** Commissioner Fritz.

**Fritz:** Would there be any harm putting it in the resolution or in the policy about the, we don't buy fossil fuels or weapons or other things?

**O'Callahan:** We would be open to that, yeah.

**Fritz:** I would like to add the cigarette and tobacco products, as well because that's not on the list. None of these companies are involved in that, either. I think there is a way to both state our values in the policy and in the ordinance and still be clear and objective and



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transparent about what we are giving you the authority to buy but not telling you to buy any of these. Thank you.

**Wheeler:** Any further questions? Very good. I would like to call the role on 1263, please.

**Eudaly:** So this is the adoption of the city of Portland investment policy?

**Wheeler:** That's correct.

**Eudaly:** First I want to thank the srhc for their hard work on this issue. I was not here when this committee formed. I only got to engage with them for a few months before council's action last year. And I agree that the decision to dissolve the committee and the controversy around their work was disappointing, and it doesn't really serve to inspire the community members to get involved with the city when they don't feel that their hard work is being valued or respected. I am somewhat heartened to see that none of the companies on the do not buy list made it through our new proposed screening criteria, at least there is a final sitting tribute in there for srhc. I want to thank the mayor and the mayor's office staff, the treasurer and the cfo for their work on the new investment policy. With the signature improvement over the past policies, as well as what has been proposed last year. Our decision not to invest in corporate securities last year was, actually, one of my favorite moments at city council. It was what I imagined council could or should be like. I think that -- I can't speak for all of us, but I imagine at least a few of us walked into that room thinking that we were pretty clear on how we were going to be voting, but after listening to public testimony, and it was a lot more testimony than this, and deliberation, we came up with an unexpected solution, which is to simply not invest in corporate securities. That is what I strongly prefer that we continue to do. Our investable universe, which I love that term, by the way, thank you, still includes many bad actors and few truly ethical corporations. I understand the financial benefits involved in this item. It's a significant amount of money. Up to 1.5 million a year. While a small, small percentage of our overall budget is substantial and should not be dismissed. Or taken lightly, however I have concerns about the profiting through relationships with the corporations, the values are not in line with our own. What's missing from this calculation is the cost of what these companies do to our workers, to our economy, and to the environment. These are called externalities, as the mayor shared with me yesterday, although I am familiar with that phrase. I am more inclined to call them collateral damage, although I think that term might be too generous because it suggests that those harmed are unintended target, and these companies know full well the damage that they are wreaking on our workers and on our environment. So, to sum it up, until our allowable corporate securities issuer list is comprised of ethical, environmentally conscious corporations that treat their workers fairly, I cannot support moving forward with this plan and I vote no.

**Fritz:** Thank you, Jennifer Cooperman and Bridget and to the social responsible investment committee and the members of the community who spoke today, for all your work. We all care about this. We come from -- we are operating in a place of privilege having 1.5 billion to invest, and a responsibility to make interest so that we can serve more Portlanders, and that's -- I was disappointed that we did not get to the mayor's proposal last year of using a socially responsible investment company who we would not know how they are making the decisions but we would be confident that they were looking at the criteria, and that was rejected by the council because of the lack of transparency, so what we have here is a transparent list of companies which probably every one of them have been found to do practices, which don't align with our values. But as I said, we don't have the -- we should not use our privilege to make, make a -- make a stand that may, in the abstract, or in the long-term, provide some satisfaction to those who are wanting to call out the particular companies to call out the particular practices, and we are responsible for bringing Portlanders together and to providing the services, and to have another million dollars to do that is a lot of people kept in the housing or gotten into housing, and it's a lot of people

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provides with the city services that they need desperately. And that is, is very persuasive to me. That is the most important thing to me is providing services to the people of Portland, so I do hope that when we do this next year we will have more language that speaks to Portland's values, and that obviously, there will be continued review of the companies. There is a financial investment committee within the city that looks at, should we buy any of those. We should be bringing Portlanders together and providing the services they need. Aye.

**Fish:** It's been a good hearing and I appreciate that both the cfo and city treasurer have made clear to us that we have a fiduciary duty to set the city's investment policy. After listening to testimony and reviewing the materials that are very capable professionals working for the city have given us i'm inclined to give you both the benefit of the doubt in terms of the policy thing you're proposing. Here are a couple of factors in my thinking. First I like this idea moving from a do not buy to a universe of potentially do buy. Although when I say do buy i'm not talking about a foreign country. I'm talking about the do-buy list. I think in some ways it simplifies our task and gives us a chance annually to revisit the question, and it certainly does not preclude us from incorporating a set of additional screens in any resolution that comes before us annually. Number 2 is i'm persuaded that this is a very conservative set of investment criteria which will protect the city's assets, and I appreciate the mayor, a former state treasurer, engaging in a colloquy with our professional team about the difference between purchasing a bond or a security, a stock, and the different risks. So I think I like the fact that it provides some liquidity to meet the city's cash needs and if anyone who was here for yesterday's work session whether there's a recession in a year, year and a half or not, we have some very compelling needs in our community for which we don't have the resources to fund at this point. I also like the idea of being able to generate a market rate of return for a limited number of investment options. So as I consider all the factors that we have discussed at this I think very informative hearing again i'm persuaded to give the cfo and the city treasurer the benefit of the doubt. If we don't have the right mix then in future years we can revisit this question, but I think this is a -- I think this is a policy change which has a lot of solid thinking behind it and i'm prepared to accept your guidance. Aye.

**Saltzman:** Well, my preference would still be to stay where we were at last year, which was to not invest in corporate bonds. But I do think that there's been a lot of homework done, and the returns can be obtained by doing this is important for meeting other city goals. I think the cfo and the treasurer have done a lot of good work in coming up with a finite list of corporate bonds that we would purchase. So i'm going to support this. But one of my main concerns, why we did that amendment last year, was that I don't want to see the council spending inordinate amounts of time debating the pros and cons of a given corporation. We have -- I have full respect that the corporate divestment groups and activists, a lot of respect for them, but I think also this council can't become judge and jury for corporations one at a time. It's too time-consuming. It's peripheral to what we're here to do. But i'm going to support the changes and see what happens. Aye.

**Wheeler:** I want to thank the treasurer, I want to thank the chief financial officer for working for the better part of a year on this policy, evaluating different ideas and proposals, looking at different jurisdictional options and settling on what I think is actually ultimately a conservative and fiscally responsible approach to the city that also encompasses what I believe are socially responsible standards for investing. This will evolve with time as was mentioned during testimony this comes back to the council on a regular basis or as frequently as we want it to come back to the council. There's some good testimony about adopting previously existing responsibility standards. I think that will be a live conversation over the course of the next year and beyond. But as far as i'm concerned this is a

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significant step in the right direction from where we were before. I vote aye. The resolution is adopted. Please call the roll on 1262.

**Eudaly:** I want to reiterate my appreciation for the srac, and all the individuals that served on that committee. While I wish that we were keeping the committee intact, we have now replaced the committee with a different vetting process making the committee somewhat unnecessary or redundant. So I regretfully vote yes.

**Fritz:** Thank you very much to everyone on the committee. Everybody who put such a lot of passion into this issue. It's obviously very important to all of us. We now have replaced balancing with a list and I think it's important not to ask community members to participate with unrealistic expectations and we did have such a lot of discussion at the council about the committee's recommendation and ultimately kept the council didn't go in the direction the committee wanted. I think it would be better use of community time to bring us a specific policy on fossil fuels than maybe others that we could adopt as resolutions which would carry forward into coming up with a list for future councils. I encourage community members to do that. Aye.

**Fish:** I want to join my colleagues in thanking the members of the committee for their service. I take to heart one of the criticisms in the testimony about sort of asking a group of citizens to take on a task then yanking the rug out from under them. We have to make sure we don't make a habit of doing that but based on the action on the prior matter this seems the appropriate course of action. Aye.

**Saltzman:** Aye.

**Wheeler:** Aye. The resolution is adopted. Thank you both.

**Cooperman:** Thank you.

**Item 1264.**

**Wheeler:** Commissioner Fritz.

**Fritz:** Now for something completely different. The city has been instructed to build a filtration plant due to detection of cryptosporidium by the federal government. The question how big it should be, where should it be and what type of filtration system should we have. Commissioner Fish in charge at the time led this work to answer these questions and I greatly appreciate his leadership. The commissioner appointed me commissioner in September. It's been fascinating. Thank you to everyone who has guided and informed me. We arranged a public forum to give the community an opportunity to review options and recommendations. Thank you for everybody who participated, some of whom are here today. After receiving feedback and questions the recommended alternatives to capacity, location and filtration are to be presented here's deputy director gabriel solmer, chief engineer teresa elliott is available to answer any questions if anyone has any and project manager david peters.

**Gabriel Solmer, Deputy Director Water Bureau:** Thank you so much, commissioner. We'll try to be brief. We know you have a busy schedule today. I'll just remind you that we had a work session on a number of these same issues in august, so this may look a little familiar to you, but we have been the beneficiaries of a great deal of public outreach and information sharing, and work done since then. We wanted to bring you up to date with where we are now.

**David Peters Water Bureau Project Manager:** Thank you, commissioner. Mr. Mayor and members of the council. I'm david peters. Principal engineer with the water bureau, project manager for the bull run filtration projects. I'll run through a handful of slides to identify what we're doing today and a little bit of background and history on getting to the point we are today. We're asking the city council to authorize the water bureau's recommended alternatives for filtration capacity, location and technology of these facilities. A little bit of history, why do need filtration, in 2006 the epa developed a rule called long term 22 enhanced surface water treatment rule, the lt2 rule as we know it, and that regulation was

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to protect us from microorganism called cryptosporidium. That's resistant to chlorine and therefore in Portland we had to do additional treatment or find some additional methods to protect us from this microorganism. We developed a unique program between 2009, 2011 where we asked for a variance. Our watershed is so clean and has so little cryptosporidium we were able to show the Oregon health authority that the incidents was very small and we were able to obtain a variance from further treatment. We operated under that variance for five years. Then in 2017 we had some low-level detections of cryptosporidium. We were no longer able to meet the requirements of that variance and oha revoked that variance. As we talked with city council about the options for treatment, the choice was made to go with filtration. Filtration provides other benefits besides just making the water safer by removing cryptosporidium. It will make our system more reliable, so when we have turbidity events during the winter, when the water gets dirty from storms, we'll be able to continue to operate during that time. In the past we have had to shut down our system and run groundwater during those periods. This filtration would allow us to get back to the bull run system more quickly after an incident such as a fire in the watershed because we would be able to treat that water after that event. Then we may reduce the amount of chlorine that's needed and that would have an effect of also reducing disinfection by products in our water system. Filtration also helps respond to any future regulations that we're not aware of at this point in time, just a more flexible system to address those as they may come up. So when we were here in August we talked a bit about our online surveys and some of our stakeholder interviews. Since that point in time we have done some additional work with the community and continued the conversation. On November 8th we had a community forum hosted by commissioner Fritz and I had the opportunity to speak at that event and we had a really nice turnout on a Thursday evening where we were competing with the timbers game. We had over 30 people come out to hear about our project.

**Fritz:** Just to clarify we got done just before the beginning of the timbers game. Don't want people to think we have the wrong priorities.

**Peters:** We were able to meet everybody's needs that evening. Then we had the opportunity that evening to meet with several members, several water users and members of the community out by the site that we're choosing. After that event we have had continuing conversations with the neighbors around this recommended site and we continue to have outreach with that group also. A number of them are here today and will be presenting also. So we came in August, we talked about these four foundational elements that we have been working on over the past year. Procurement method was the first one where we were deciding how to hire a contractor to build these facilities. In August the city council authorized us to go with an alternative procurement to hire construction manager general contractor, so that decision was made at that point in time. We're here today to talk about the remaining three elements, which were the filter pipe capacity, location and the technology. I'll run through each of those in more detail. So in regard to filtration plant capacity, we looked at a range of alternatives for this facility. On the upper independent of the range we looked at a facility that would treat 200 million gallons a day. We looked at that number because that's the maximum capacity that our current pipelines would be able to transmit by gravity into town. What we found is that the future demands are much smaller than that. We don't anticipate over the next 30 years that we would ever see anything that large. So we don't want to build a facility that would be too big and would be sitting idle a lot of the time. We looked on the low end at a range that would be like a typical day during the summer. 115 million gallons a day. What we found if we went that small is that when flows got higher than that during the summer, which happens fairly frequently, we would find that we would need to use more groundwater, which wasn't necessarily a positive option for us. What we found through their valuation that is a range

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of about 145 million gallons a day to 160 million gallons a day would meet our demands through the summer, a hot summer in the future. Our planning goes out for about the next 30 years or so to identify that. So our recommendation is for treatment plant size that would be in that range of 145 to 160 million gallons a day. The final determination would be based on the final design conditions of the site and piping as we go forward. But what that allows us to do is continue to use the bull run supply as our primary water supply. It would meet demands on most days in most years as we go into the future. We would continue to use --

**Wheeler:** Could you clarify that? What happens on a day when it doesn't meet demand?

**Peters:** That would mean that there may still be periods of time where we would use our groundwater system.

**Wheeler:** It doesn't mean we're not supplying water.

**Peters:** Our intent would be to continue to use groundwater in a similar manner as we have in the past.

**Wheeler:** Thank you.

**Peters:** Hopefully less frequently during the winter. Going with this size would help manage the cost because this would build a facility that would match our projected demands in the future, and as we go forward, this would -- we would still keep in mind what our future beyond that 30 years might look like, so if we had to expand we could. In terms of the filtration plant location, we have looked at six sites as part of this detailed analysis. Sites have been looked at over a number of years over the decades as we have thought about storage and treatment, so the six sites we looked at in detail for the study began at headworks in our watershed, 25 miles east of town. Kind of followed the conduit routes down all the way into town to Powell Butte. We looked at a number of parameters that were -- we looked at a number of parameters in making this determination. Two of them stood out in terms of why a site would not work. The first one, hgl, means hydrologic grade line. That's the elevation of the site. You'll notice in that first column under hgl there are four that are highlighted in red. The first two, headworks Larson's ranch, those two sit too high. So to get water to those sites we would have to pump all the water from headworks into the facility and then from there it could run by gravity but we would have to pump everything. Rosslyn Lake at the bottom, it is too low. So that means we could get water to the site by gravity but then would have to pump everything out. Powell Butte is part red, part green. We can get water by gravity to Powell Butte. We have several large customers upstream of that site and would have to pump a lot of water back up to those customers. So there's kind of two that pass that elevation where we would be able to continue to use gravity flow even through the treatment facilities. That was Carpenter Lane and Lusted Hill. The other on the far right labeled schedule, schedule was an indicator of issues that would take time for us to work through. So for both Powell Butte and Lusted Hill, it was an indicator for land use to both of those sites had land use that would not allow building of a treatment facility as a primary use. To get that changed would require significant time and effort to be able to meet. So it didn't meet from a schedule standpoint. Carpenter Lane was our preferred choice primarily for those reasons. Carpenter Lane site gives us a site that reduces the amount of pumping that would be required. The property is already owned by the Portland Water Bureau. We have about 95 acres at that location. The zoning allows for the placement of a utility on that site so we should be able to obtain the appropriate land uses to build this facility and the site is large enough to allow buffers between our facility and the neighbors in the vicinity out there.

**Saltzman:** What is the elevation of Carpenter Lane?

**Peters:** The site elevation at the low point about 7.10. Upper end about 7.40. In regards to the filtration technology, there are three filtration technologies that the EPA would approve in a situation like ours. Those are membrane, slow sanding, granular media. We did a

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thorough evaluation of a number of factors that would differentiate these for our system including water quality, hydraulics, regulatory environment, some comparative costs between the three, and comparison to other utilities. What we found is that membranes would not be the best choice because it's a high energy use. Even if you had the right elevation, the membranes would not run by gravity, and you have to pump all the water through the membrane material. So it has a high energy use, high capital and operating cost. We also found that in north america there's only four facilities that are of a size that are similar to the size that we're talking about. With slow sand, the issue is that it has comparatively of the three it has the poorest water quality. What we found that is it would also require a significant land size, and more than the land that we have available on our property. We also found that with slow sand filtration there's only one facility over 50 million gallons a day in north america, that's the largest facility in north america. So over all, the granular media provides us the best set of operating conditions, gives us the most flexibility for future conditions, and will give us a good water quality. The granular media filtration as a summary is a proven technology used by many, many utilities throughout north america. It would be the lowest cost technology of the three to implement on our system. It's very flexible and can be adapted to any future water quality conditions that we might experience. And it fits on the filtration plant site that we have proposed. This is a summary of our schedule. We're in a compliance order with Oregon health authority which requires us to have the facility operating by September of 2027. We have been working in the pre-planning phase and authorization to move forward with these recommendations today would complete our pre-planning phase. We'll now be moving into the planning phase and more details about what this facility would look like and complete our pilot testing which we have to complete for our next deadline with Oregon health authority of november 2020 for submission of the pilot studies. Our next steps with city council are that in summer of next year we will be coming back asking for you to authorize a design contract. We will shortly be putting out a request for proposals for the design firm for these facilities, and then later towards the end of 2019 we'll be back asking for an authorization for the professional services contract for the construction manager general contractor. That's the conclusion of my presentation. If there's any questions --

**Saltzman:** What is the estimated total cost for the granular media system?

**Peters:** We're still using a range in that we have not done any further evaluation of the cost. Of that will be part of our planning phase as we put the details together, the facility. The range that we have been using is the 350 to \$500 million.

**Saltzman:** What would be the incremental cost to go to the 200 million gallons a day capacity?

**Peters:** I could find that out. I don't have that number on the top of my head.

**Saltzman:** It's probably a large number i'm guessing, but just as you were talking earlier about the uncertainty of future rules from the environmental protection agency or Oregon health authority, part of me always says build the extra capacity because you never know what's going to happen and it could be nice to handle that capacity for situations we may not even be thinking of right now.

**Fritz:** This is a modular system. This will comply and put current ratepayers at about the right amount of money, then future ratepayers can add on to it if necessary.

**Saltzman:** Okay. Thanks.

**Wheeler:** Very good. Thank you. Excellent presentation. Thorough, very clear. Public testimony, please.

**Moore-Love:** We have seven people signed up.

**Wheeler:** Thank you. Name for the record. Two minutes each, please.

**Dee White:** I have a graphic.

**Wheeler:** Very good. Maggie, why don't you start, please.

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**Maggie:** I just want to say that I think that clean, safe water from a protected source is a basic human right, and I think that everyone in the nation was appalled at what happened in Detroit. Children, the elderly, disabled, families, I think every single human being deserves clean, safe water. So whatever you can do to do it right and to protect it and to go back and fix whatever was not right or whatever we should do it. That's all I have to say.

**Wheeler:** Thank you. Did you want to go ahead, sir?

**Brent Leathers:** I'm Brent Leathers, one of the adjacent property owners of the proposed facility. Right now that area is a dead end, quiet lane. It's agricultural land. The 10 or 12 of us directly affected by your plant are my age or older. We intend to retire there. Your proposed facility is a 30 or 40 acre industrial use, in an agricultural area. You're about to change our neighborhood and impact our property values. We have a view of Mount Hood. Our property values might be halved from where they are at. For most of us this is the primary amount of our estate is what we have invested in our homes, and we enjoy it there now. To date the bureau of course can't tell us anything about what they will block and how tall the building will be and what the industrial services are that will supply this plant on a daily basis, what kind of homeland security devices will be implemented to pollute our air and nighttime skies. Whatever that is going to look at we have no idea. I don't think that the bureau has done a thorough job of considering other options like utilizing existing facilities to split this plant up. They are looking at a single size facility. There's a lot of things that I don't think you're looking at. The one is the right of way necessary to stretch these pipelines to the facility. I understand the city has a problem, and I have certainly -- I'm appreciative of that. You folks have just posed me with a problem. What you'll have to go through to get this approved is a conditional use process. I'm in the position I had to protect myself and I'll exhaust every legal means I have to block this facility until it's shown to me it won't impact us. Thank you.

**Wheeler:** Thank you. Are you ready to go?

**Dee White:** I'm coming. I had to rewrite it since you limited that testimony to two minutes. I'm Dee White.

**Fish:** Your time is up. [laughter]

**White:** My name is Dee White. Despite assurances from the water bureau's communications team public involvement for a new filtration plant has been downplayed at best. According to the water bureau 1700 anonymous people answered an online survey about plants for filtration and 20 stakeholders were interviewed. Yet the city serves nearly 1 million water customers. This is a photo of the only so-called community forum. There were no more than a dozen members of the public present. The rest were water bureau staff, public utility board members, connected contractors. This is not even close to adequate public involvement for water customers who will be footing the eventual billion-dollar bill for the next two decades. The devil is in the details. Important technical memorandums are noted but not included in the resolution for public preview.

Commissioner Fritz yesterday offered to share them with me only after I asked and just with me. This is not robust. This is not meaningful public engagement. This only perpetuates Portland water bureau's false narrative of a buy-in by the public. Portland water customers are getting screwed. Last year as leader water commissioner Fish rushed and confused the public, the public, even council colleagues. Filtration was sold for cryptosporidium then quietly pivoted to different issues, proper corrosion control of lead system-wide. How often must we come here begging for full disclosure, genuine transparency. In this case the pretext was false and the process for building crypto filtration is broken. It's a betrayal of the public trust.

**Fish:** Karla, can we pull the camera back up?

**Wheeler:** Thank you.

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**Moore-Love:** The next three.

**Wheeler:** Welcome.

**Pat Meyers:** Hello. I'm pat meyer. We are residents of carpenter lane. Didn't really expect that we would be speaking. I thought I was just signing a form but I wanted to reiterate what and support what brent had to say. As long term residents of carpenter lane, my husband's great grandparents actually homesteaded the property there and owned all the property over where the water tower currently is and the property that the city of Portland bought. He would be turning in his grave right now if he had any idea that that was going to be eventually the use of the property. We are concerned about our financial effect of it on our what was to be our retirement. We are concerned about the activity there on the street for safety for our grandkids. We are concerned about the lack of knowledge and being able to tell us exactly what is going on. We are concerned for the residents that are all down dodge park that it would only make sense that the incoming lines will affect their homes, and I do find it interesting that there has been public inquiry but it all seems to be from Portland residents, not the people that are going to be affected by this. I just wanted to state that for the record that these are people who have a rural life-style and will be immensely forever affected.

**Wheeler:** Thank you.

**Doug Meyers:** So she signed me up, obviously I wasn't prepared to say what I would have liked to have said. But as she mentioned I grew up there, born and raised on that road. My grandfather built the house that i'm living in now. He farmed all that land where you are proposing to build the watershed. He told me a lot of stories. He had a big collection of indian art I enacts he farmed and cut out of the land, concerned about that. If there was an american burial ground there. I have pictures. I don't know if that matters. Obviously very concerned about what's going to happen to our neighborhood. We have been hearing from the people that have spoken so far that we are very close knit. We all say we're going to stay there until, you know, we retire. Just concerned with what is going to happen. Just want to personally want to be informed. That's why i'm coming to the meetings to know what's going to happen to us. That's it.

**Wheeler:** Thank you. We appreciate it. Thanks for coming in. Any further questions?

**Fritz:** I would say, colleagues, we have been talking with the neighbors and will continue to do so. We're very mindful of the change in the environment since it's a 90-acre site and it may be 35 acres there's definitely an opportunity to site it for the least impact on the neighbors and we'll certainly work with them to figure that out.

**Wheeler:** Thank you. Please call the roll.

**Eudaly:** Aye.

**Fritz:** Thank you for this presentation. Thank you again to commissioner Fish for all your foundational work on this project. Deputy director sahlimer, christine of my staff. Aye.

**Fish:** I want to thank commissioner Fritz and her team and the water bureau for their excellent work in engaging the broader community and in bringing the recommendations here today. Let's be clear, the three goals that are advanced by taking this action allows us to anticipate to meet current and anticipate future regulations, it allow us our system to become more resilient and we saw with the fires last year and the problems with ash that that's real. And it ensures that we have safe and clean and reliable water for the next 100 years. Mayor and colleagues, I have been reflecting recently partly because commissioner Fritz and I were both on the katu newsmaker show, and I have been reflecting on the kind of tendency we have in our community to see the cup as half full. There's a lot obviously destabilizing in our community and it starts with the actions of our president, trickles down into our state and then the growing pains we're going through as a city. There's a lot that causes anxiety. I would like just to point out, though, that if you're thinking about comparable cities on the west coast or peer cities nationally we have so much to be



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grateful for. I did some traveling recently, and I was reminded once again that we have the best airport in the country. It really makes a huge difference when you have an airport that is human scale and treats the passenger the right way. We are taking steps to protect our beloved bull run wart shed for the next 100 years. That's an extraordinary action and frankly, a lot of the editorial boards were skeptical that we would get to this point as I learned when I was running for reelection in the spring. We're about to take up a significant expansion of our transportation system for the southwest corridor and we're doing planning that is going to have a significant impact on the look and the feel of our city for some time. We just passed the metro housing bond and were told at the beginning of that exercise that it was a doomed exercise. We are thanks to the generosity of Portland taxpayers rebuilding our high schools and making sure that people like my son will have the opportunity to go to 21st century schools. We're working with the epa to clean up the Portland harbor. I could go on and on. These are not bets about today and tomorrow. These are about the long term future of our city, and I think we should take a moment to celebrate the fact that even in these perilous political times we can make 100 year bets on our future. Aye.

**Saltzman:** Well said, commissioner Fish. I want to thank the water bureau for the extensive work that's going in to build this critical building. I hope if carpenter lane is our site that we work out something with the neighbors to mitigate the impacts on their views and livelihoods and retirement. But this is a critically important decision for residents that -- outside of Portland too. We have a million customers, something like that, and it's vitally important. Water supply is too often just taken for granted until you don't have it then all of a sudden it's chaos as we saw in flint and other places. We really value this resource in the bull run and our groundwater and get stewardship provided by the water bureau and the city. Aye.

**Wheeler:** Thank you for the excellent presentation today. I thought it was very straightforward. I think it was respectful and reflective of the work session we held earlier. The progress here is forward and it's positive. I vote aye. It's adopted. Next is 1283.

**Item 1283.**

**Wheeler:** Colleagues, Portland police bureau's sex trafficking unit, stu, has for many years worked with trafficked victims who have endured years of physical abuse. This will fund three victim advocates that will operate a hybrid model of providing comprehensive victim services to trafficked adults and minors allowing for age-appropriate resources for each individual victim. This funding will also allow for the services to be offered to adult victims whereas traditionally there are few services for victims over the age of 25. The Portland police bureau team recognizes that many of the victims they encounter are 26 years of age and above and have needs for services and case management as their younger victims do. By creating a cooperative model of collaborative responses to victims ppb can create positive prosecution outcomes for victims. This is vital for the success of keeping victims engaged in needed services as they walk the journey of an often lengthy court process. Thank you both for being here today.

**Bryan Parman, Commander E Precinct PPB:** Mr. Mayor, members of council, i'm brian parman, commander at east precinct where this sex trafficking unit is housed. I think the mayor has done an excellent job summarizing the program and the benefit it will bring. Another point to take note of is there is a halftime employee included in this request who will do research to really measure the effectiveness of these services that we provide over the next three years. At the end of the day we believe this will provide a sustainable advocate system for these victims and get them plugged into the services that they desperately need. We're here and available for questions.

**Wheeler:** Colleagues, any questions? Public testimony?

**Moore-Love:** Yes, we have two people signed up.

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**Wheeler:** Thank you, gentlemen.

**Maggie:** It's got to be very apparent that women and girls, boys, who end up being trafficked are almost certainly in precarious positions as children and are exploited as children before they end up being genuinely trafficked they are probably already in a precarious situation that we can never imagine probably being abused, so let's think about those vulnerable children who are -- i'm very aware that our foster system is really dysfunctional and broken. Let's talk about how -- what happens before they get trafficked. They are in a precarious situation. What can we do to, like, prevent, you know, stabilize children, young women or boys who are in precarious situations, what can we do, how can we intervene with programs after school. I was just watching a thing on ellen, this guy put laundry facilities, washers and dryers, in his public school so that the kids could come wash their clothes at school because otherwise they weren't going to school. I'm just -- basic things like that would probably really help to -- being able to wash and dry their clothes, being able to get a meal. Being able to talk to peers. Those kinds of things.

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

**Robert Patterson:** How are you? I'm happy to hear about this grant money being available. You know, the worst thing about Portland is the traffic. And it's also important to recognize that Portland is a capital of sex tourism. It should come as no surprise to anyone here that many people come to Portland just to take advantage of the sex workers in the city. As we move forward, I hope that the mayor and the commission will consider what we can do to make sex work safer both for the tricks and the workers. That's all.

**Wheeler:** Thank you. Please call the roll.

**Eudaly:** Thank you for the presentation. It's particularly timely considering we just saw a young woman with a developmental disability who was raped and exploited and trafficked and ultimately killed one of her customers sentenced to 51 years. My hope is that she will receive clemency but my greater hope is that we can avoid stories like sentonia brown's altogether. I vote aye.

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

**Fish:** Aye.

**Saltzman:** Thank you for your work. Let's get to a sustainable advocacy system for survivors of trafficking and domestic violence. Aye.

**Wheeler:** So this is probably one of the toughest duties in the Portland police bureau. I want to thank sergeant georgeoff and his unit for the work that they do. I think we're all grateful that you're there, doing this work, that you're advocating on behalf of sex trafficking victims. I'm very proud to support this ordinance. Thank you. I vote aye. The ordinance is adopted. Next item, please. 1284.

**Item 1284.**

**Wheeler:** Colleagues, this is the third sexual assault kit initiative otherwise known as soci, grant awarded to the Portland policer bureau sex crimes unit since 2015. The 2018 grant will provide funds to retain an investigator in scu, a Multnomah county deputy district attorney and a forensics consultant and continue the maintenance and expansion of the nationally recognized sexual assault management system. We have had our fifth saci convention and continue to advocate for the victims with backlogged kits. This grant is crucial to ensuring justice for sexual assault survivors. Through these funds we're seeing better evidence collection, improved investigations, and a long overdue survivor centered approach. It's my understanding we have detective supervisor molly dal here with us today. Sex crimes unit coordinator susan layman and i.t. Supervisor ed leap. Welcome. I'm not sure which order you're speaking in today. Just go for it.

**Molly Daul, Police Bureau:** Thank you. I'm molly dal, sex crimes unit supervisor, program coordinator susan layman and ed leap are here. You summarized how well we are into this

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program and receiving these funds to sustain our program in bringing justice to overdue victims and its implementation.

**Wheeler:** Any questions? Thanks for the important work. Public testimony, Karla?

**Moore-Love:** Yes. We have two people signed up.

**Wheeler:** Very good.

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

**Diana Ogaz:** Hello. I'm diana. I just went to speak on the two item numbers we're currently talking about, 1283 and 1284. I am so, so thankful that these item numbers are being addressed. This is a very, very serious problem in our city. I thank the council for their support to continue to create advocacies because advocacy really for survivors of sexual violence, there's not enough. So to even have a part-time advocate to do the proper research is huge. I support these ideas. I thank the council for all the hard work they are doing on behalf of survivors of sexual violence and domestic violence and those who are trafficked. In regard to this I just -- thank you. I want the best for this, and our sex crimes unit works so, so hard. I have gone through the process over the last year and have fallen through every loophole you could imagine of being a survivor of sexual violence. The sex kits, the kits that we're talking about are so crucial. You can't file a sexual protective order if the crime doesn't happen within 180 days, so a crime can occur like one year and if it's not within the 180 days, the survivor of that violence is unprotected in the city. So to push the sex kits forward, to do the proper investigation, to bring the necessary closure and justice is huge. So thank you so much.

**Wheeler:** Thank you for being here. Giving your testimony. I think that clarifies more than anything else anyone could have said the importance of this. So thanks for taking the time to be here and share your story with us. It's an important one. Thank you. Good to see you again.

**Robert Patterson:** Thank you. I'm robert paterson, by the way. Many of the victims of sexual assault come from some of our most marginalized communities. Undocumented citizens, the queer and transgender communities, and it also occurs to me that by ensuring that their assailants can be brought to justice we also make these people less marginalized. More part of one Portland instead of two Portlands. Some of my best friends are sex workers and i'm proud to have them as best friends, unfortunately, right now, they perform their work in secret. In darkness. That is a dangerous place. Portland should work to make sex work safer and by doing so it can provide a model for the rest of the nation.

**Wheeler:** Thank you both. Please call the roll on the ordinance.

**Eudaly:** Well, another timely topic. I think as many in this room I was shocked to hear about the backlog of rape kits. I'm a sexual assault survivor also trained to be a rape victim's advocate through Multnomah county. There are inadequate supports at all levels. There are confusing laws around statute of limitations. As we have seen time and time again in the media, women are not taken seriously. Rapists are not held accountable for their crimes and the thought that we're not even processing kits in a timely manner is just further demoralization of victims. So i'm thankful for the progress that we have made in Portland and in Multnomah county, and that that hard work will continue and hopefully processing these kits will result in identifying and removing more predators from our community. I vote aye.

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

**Fish:** Aye.

**Saltzman:** Well, i'm really happy to see that we are getting the backlog reduced and getting additional resources to reduce the backlog of rape kits. As diana just articulated very well, it's bringing justice and closure for a lot of survivors. It's really interesting to read the accounts I think in the Oregonian of the perpetrators that they are finding threes this dna work. These perpetrators thought they would never be held accountable in an open

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season on preying on women. It's good to see these perpetrators ultimately being held accountable. And serving time. Aye.

**Wheeler:** I want to thank the police bureau and scu for bringing this forward and finding a source of financial resources to make this possible and I want to thank everybody who testified today. I vote aye. The ordinance is adopted. Colleagues, just a time check, it's very nearly noon. We have by my count at least eight items left. So I would encourage people if they are making presentations to provide the information you think is most salient for the city council to know. Please read items 1285 and 1299 together.

**Items 1285 and 1299.**

**Wheeler:** Greetings.

**Teresa Elliott, Chief Engineer Water Bureau:** Greetings. Good morning. I'm Teresa Elliott, Portland water bureau chief engineer. With me is Tim Collins, project manager for the project, and Lester Spitzer from procurement. We are here to ask for two different, as you read, two different council actions. One is for procurement report to council and the second is for authorization to proceed with doing property negotiations, and if that fails go through the condemnation process. As soon as Karla brings up the presentation Tim will start and we'll be as quick as we can.

**Tim Collins, Supervising Engineer, Water Bureau:** Good morning. Will make this as quickly as possible since I understand we're under a time constraint. The question of the day is why build a new water main under the Willamette river. I have shown a chart that describes the interval of magnitude 9.0 subduction zone earthquakes in the past 8,000 years, not so recent, and I would like to mention the last big earthquake happened in 1700 where 318 years from that time. The signs, best signs tell us that these earthquakes happen every 350 years or so, which puts us at a chance of 30 to 35% of having one of these earthquakes in the next 50 years. So that makes it somewhat likely in our lifetime and quite likely in the lifetimes of our grandchildren. The major thing that happens during a big subduction zone earthquake is the loose soils near the banks of the Willamette river are susceptible to liquefaction. That means they will move into the Willamette and that will tear them apart. So when that happens the six crossings that cross the Willamette river will most likely fail. We have done some recent studies and they indicate that they will be damaged and some will fail during a big subduction earthquake. The it becomes quite problematic and would be at least six to 12 months of outage we estimate, that's very -- not necessarily precise but we believe that that would impact 1.6 to \$3 billion of lost revenue in those six months. There's three major hospitals that sit in this particular zone, and that would have a huge impact on how the city recovers if those places didn't have water. 31% of the city's employment is in this area and this impact wouldn't just be for six months. We know from New Orleans and other major outages that this impact continues for much longer time than that because the businesses leave the city. So the project challenges of building a crossing we have somewhat complex geology under the Willamette river. We have to get below the liquefiable soils pushing us into a crossing almost a mile long. Most of the crossing cannot be accessed from the surface by normal trenching mechanisms. This type of construction requires a specialized equipment and expertise and there's only a half dozen or so companies in the country that can do this type of trenchless technology at the diameter that we need to provide average daily demand to the west side of the city when an earthquake happens. As you know, this is highly urbanized area so there's not a whole lot of open space. We have to cork in constrained access. Then although this limits the amount of easements, we still have complex easement agreements to get accomplished. The proposed alignment begins on the west side near the intersection of Harbor and Naito, it will go underneath the river place condos, underneath the river, to the north of OMSI, coming out near the intersection of 7th and Stephens. Then it will come on the surface streets to the west side connections after

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that. Here's a basic schematic of the geology that we're going through. The gray is the fill that we need to avoid, and we'll go down quite a bit below the depth of the riverbank and half of the construction will be this horizontal directional drilling. There will be an intermediate shaft allowing us to get under the obstructions such as the Markham ridge piers then on the east side it will be micro tunneling construction. All of this thing is about a mile long from one end to the other. One of the advantages of this thing that is initial concepts we're going to have to lob the pipe over a long stretch of neighborhoods and we have been able to work with the design-build method to reduce the impacts to the neighborhoods. Our thoughts on how this will impact the neighborhoods has started very early. So far we have had two project briefings, two open houses. We presented the project to the pub in november. We discussed the impact we'll need and easement to the property owners. That's part of the eminent domain. Then the design-build process will involve community level interactions from the very start of the project and the design. As far as equity is concerned, we have 35% of the nonspecialty subcontracts have been per the contract are going to be minority businesses than turns out to be about \$13 million worth of work. We have been going on this for about 20 years, so we're working -- it will be today will be quite a big day if it happens and we'll be moving on. Making this a reality. So we went through a two-stage process. Rfq and rfp, with the rfq we qualified three teams that could do this work. Received one proposal from the j.w. Fowler company. Their cost was a little bit higher -- well, their cost was higher than budgeted. So when we came to council in 2015, we had a low confidence estimate of \$40 million for the construction part of the work. The current proposal is \$73.5 million to a total contract -- total project amount of \$90 million. This -- we will be able to adjust the five-year cip so that this project will not impact the rates that the people pay for their water. Parts of the cost influences construction inflation has been significant in the last three years. The steel tariffs have impacted the steel industry, modified construction, which is largely related to the shaft. That shaft was not imagined early on and is to make the project work within the tight constraints that we put, they felt that that was the best way to minimize public impacts and to increase or decrease the risk of the project. Then the market conditions related to the hdd contractors are related to the petroleum industry, which is also experiencing a lot of inflation and cost. So the other part of this is we're doing easements and there's going to be six easements, three of them permanent, and three of them will be for the staging area. There will be some on the west side, some on the east side. So those will be the other part of the request today is for eminent domain so we can get authority to do this work. The permanent easements will be at depth and won't impact the surface at all. So the design is planned to be completed sometime about a year from now with construction complete in october of 2021, and the project close-out of january 2022.

**Lester Spitler, Procurement Officer:** Thanks, tim. Good afternoon. I'm lester spitler, chief procurement officer. I'm going to deliver the cpo report that you're used to hearing to supplement the presentation that tim just did. You have before you the procurement report recommending a contract with j.w. Fowler for the willamette river crossing for \$73,500,000. As tim said the engineer's estimate at the time that we solicited was \$40 million, however, the confidence level was low. On december 16, 2015, council approved ordinance number 187520 authorizing exemption to the comparatively low bid process to competitively solicit bids for the design build project. The first step was to send out a request for qualifications. We received three responses. There was a committee representative of project team as well as one minority evaluator and that team decided that all three responders were qualified so we sent the second step request for proposals to the three qualified firms. Sent that out to them in november of 2017 with a due date of march 1, 2018, as tim said we received one proposal. There was a committee that evaluated that proposal that was representative of the project team as well as two members of the minority evaluator

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program. The evaluation committee determined it was acceptable and in may of 2018 the project team proceeded with negotiations thereafter. Total estimated amount of the contract that is being recommended is 73,500,000. The city established an aspirational goal for state of Oregon co-bid certified firms ranging from 22 to 35% of the design and applicable nonspecialty hard construction costs. J.w. Fowler and subcontractors have made a commitment of 35% utilization. 6% of that is for emerging small businesses. James w. Fowler is not a certified company. They are in dallas, Oregon, they have a current city of Portland business tax license as well as they are in full compliance with the city's contract requirements. If the council has any questions we're happy to answer those. If not we recommend you approve the contract.

**Wheeler:** I have one question. On the estimate and one obviously has to agree that the cost of construction has gone up precipitously in the last three years. I get the difference between the 40 and 73. My question is with regard to the modified construction part of this. If you're saying about half of the 33 million dollar increase has to do with modified construction, you said that is to mitigate the impact on the neighborhood. Could you describe what that impact on the neighborhood would be and what your thinking was with regard to why it was worth saving or adding \$16 million to the potential cost of this to mitigate the impact on the neighborhood? What does that mean exactly?

**Collins:** Okay, so the largest piece of that was related to the slide I showed about the lofting of the pipe. In the hdd method you want to install the pipe all at one time. It's all put together.

**Wheeler:** You thread it in like a straw.

**Collins:** You do. So we don't have enough space even with the modified method to install all of it, but by putting the shaft in it allowed us to in effect run that extra length of pipe to a connection point underneath the shaft. So that greatly reduced the amount of pipe we had to put together on the surface. We could use the micro tunnel portion to string the pipe and literally it's like a storage place to put the pipe.

**Wheeler:** Can I ask you a dumb question? Somebody will eventually ask me, why is the city council paying effectively \$16 million -- is this because the pipe would be going through people's yards? Over their house, through the yards, driveways.

**Collins:** Yes. It would impact traffic for --

**Elliott:** It would be suspended over the air. For about a mile. It would basically go up into the ladds additon crossing mlk, and the railroad tracks, and that's all of those are things that -- made more sense to pay for an extra shaft and drop the pipe down in there as the storage rather than having it go --

**Wheeler:** You convinced me. That's what I figured. I wanted to make sure I understood that. Any other questions?

**Saltzman:** I think it's implicit in what you're saying but this will be seismically resilient.

**Collins:** Yes.

**Wheeler:** Any public testimony on the report? The second is an ordinance? Any public testimony specific to 1299, authorizing the water bureau to acquire permanent and temporary property rights. This is the issue of eminent domain.

**Moore-Love:** We had two people sign up for 1299. Maggie and robert paterson.

**Robert Patterson:** Hello. I'm robert paterson. Access to clean water is obviously important and i'm happy to hear the mayor and the commission are considering this authorization. Since I have been homeless in Portland, one thing that I have learned is that it is hard to find a place to pee and hard to find a place to take a shower. Since clean water is a public good, it shouldn't -- pardon me. Access to clean water shouldn't just be limited to those with homes. There need to be more facilities in this city for homeless people to pee and for homeless people to take a shower. Homelessness should be a protected class. I'm robert patterson.

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**Wheeler:** Thank you. That concludes public testimony. 1299 is a first reading of a nonemergency ordinance. Moves to second reading. I'll entertain a motion on the report.

**Fritz:** So moved.

**Saltzman:** Second.

**Wheeler:** Please call the roll.

**Eudaly:** Thank you for the report. Aye.

**Fritz:** This is absolutely crucial obviously and thank you for being here today. Thank you for worrying about this for 20 years. I'm hopeful we can get it done in time. Aye.

**Fish:** Excellent report. This has been on the bureau's capital improvement plan for a long time. Pleased to see we're moving forward. Aye.

**Saltzman:** Good work. Aye.

**Wheeler:** Very interesting report. I vote aye. The report is adopted. 1286.

**Item 1286.**

**Wheeler:** Hi, Larry.

**Larry Pelatt, Chief procurement officer:** Good morning. Good afternoon now. I'll try to make this as quick as we can go.

**Wheeler:** I appreciate it. We have another session teed up after this.

**Pelatt:** You guys are really busy. You have before you a procurement report recommending a contract award cedar mill construction for the city hall restoration project 4,372,000. I'm going to skip some of this. Notice of intent was issued November 2, 2018. This seeks contract award to cedar mill construction unfortunately it's 14% over the engineer's estimate. Office of management and facilities division divide an aspirational goal with cedar mill co-bid certified sub-contractor suppliers utilization of 20% hard construction cost. There is a committed value of \$1,182,118 as follows. Dbe, 398,000, mbe, 220. Esb, 396, a new category we're seeing more of which I'm very happy with service disabled veteran business better prices 168,356. They are not a state certified co-bid contractor. They do have a current city of Portland business tax registration in full compliance with the city's contracting requirements. If this council has any questions relative to the procurement aspect or Randy Sellick is here if you have questions about the project.

**Wheeler:** Further questions? When will the project commence?

**Pelatt:** We're playing for the warm season so may, June. It's an exterior project. That's the intent.

**Wheeler:** Excellent. I'll entertain a motion.

**Saltzman:** Move the report.

**Eudaly:** Second.

**Wheeler:** Please call the roll.

**Eudaly:** Thank you. Aye.

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

**Wheeler:** Aye. Thank you. The report is accepted. 1287.

**Pelatt:** Good morning again, Larry Pelatt. You have the procurement report recommending award to three kings environmental st. John's truck strategy phase 2, \$2,472,470 July 18, 2018 council approached the ordinance to solicit this project as standard low bid. Project was advertised cities electronic procurement system. Notice of intent to award was issued and this seeks approval in the amount of \$2,472,470, which is 40% under the engineer's estimate. There was a slight adjustment in scope but it's still a very good deal. This project is a federally funded highway project and the city's standard goal of 20% co-bid certified firms for participation is not applicable. Federal projects recognize the dba, disadvantaged business enterprise, only. The Oregon department of transportation is the grantor and manager of federal funds assigned to these types of projects and for the dba's goal was only 2%. It's unfortunate pbob has been working hard for higher goals but sometimes odot

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is not terribly cooperative. Under this one three kings environmental has committed to 4.89% so they are over double the actual goal. Three kings environmental is in vancouver, Washington. They are not an Oregon state certified co-bid contractor. They do have a current city of Portland business tax license and registration and are in full compliance with the city's contracting requirements. If council has questions relative to the bidding process or the goals I can answer those. I do have someone from pbot in the audience if you have a project question.

**Saltzman:** This is three kings the general contractor for the strategy improvements?

**Pelatt:** Three kings are the general contractor.

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

**Saltzman:** Move the report.

**Eudaly:** Second.

**Wheeler:** Please call the roll.

**Eudaly:** Well, thank you for that. To daylight the main concern with this project voiced by community members is centered around project delay. With the project having gone through the bidding process and current council action to enter into a contract with a low bidder there are no foreseeable potential delays. The project is anticipated to start construction in January. That's approximately six months later than originally anticipated but I'm pleased we're finally on our way to getting this much needed project done. Thank you. Again. I vote aye.

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

**Saltzman:** Yeah, it's great to see actual construction getting going on the st. John's truck improvement strategy. Thanks to rich at pbot for his blood, sweat and tears over this. Aye.

**Wheeler:** Thanks, larry. Thanks to pbot. Thanks, commissioner eudaly. Aye. The report is adopted.

**Wheeler:** That may be a record for you. Next item, 1288.

**Item 1288.**

**Wheeler:** Commissioner eudaly.

**Eudaly:** Sorry. Okay. 1288?

**Wheeler:** Correct.

**Eudaly:** Thank you. My son's school is on lockout. Just an update on that. Everything is fine. Sorry for my distraction. Thank you, mayor. I would like to introduce katherine levine with pbot. I thought dan bauer -- want to come on up? Okay. Executive director of Portland street car to present on the ordinance. Welcome.

**Kathryn Levine, Bureau of transportation:** Thank you. Today we have an ordinance authorizing a contract amendment allowing us to add a third vehicle to our contract purchase arrangement with brookville. Last spring council authorized a contract with brookville for the purchase of two cars. Additional streetcars are needed to support Portland street car's strong ridership and increasing service frequency. Just a little factoid in april of this year we had the highest ridership, weekday, ever. It exceeded 16,000 passengers a day. From july to november of this year streetcar ridership came in just under 2 million trips. We currently have a fleet of 17 vehicles. The oldest of which are 18 years old and will need to be taken out of service for refurbishment be in years to come, so having additional vehicles would allow us to do that and maintain service. Would also allow us to increase service in the future. We are anticipating funding from the house bill 2017 transit dollars. We have local support for funding. It's my understanding the actual vote for that will be at the otc in the spring. Thank you.

**Wheeler:** Very good. Any questions? Is there public testimony, Karla?

**Moore-Love:** One person signed up. Robert paterson.

**Wheeler:** If you don't want to stand you don't have to. Thank you.

**Patterson:** How are you?



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**Wheeler:** Very well.

**Patterson:** My ex bray and I used to ride the streetcars unlike the max there were no transit officers to check for tickets. We could do it in the mornings to stay warm, to try to dry off. This morning in Portland there are thousands of homeless people looking for dry socks. It's shameful that in a city, in a region home to Nike, Adidas North America --

**Fish:** Sir, this is an option to exercise to purchase an additional streetcar vehicle.

**Patterson:** It's shameful that in a city that has these apparel makers we can't ensure that there are clean, dry socks for every homeless person every day that it rains. Thank you, commissioner.

**Wheeler:** We all agree with you but we're talking about something else. Thank you, though, Robert. We appreciate it. Please call the roll.

**Eudaly:** I'm happy to support a growing streetcar fleet to meet the needs of Portlanders in and around the city. We're making a wise investment now to save money in the future. So thank you, Kathryn and thank you, Dan. And thank you to the city of Tacoma for agreeing to work with us in delivering a better price due to the higher volume than we would have gotten on our own. I vote aye.

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

**Fish:** Aye.

**Saltzman:** It's great to see the growing ridership, streetcar growing use. Want to thank Kathryn and Dan Bauer and the hard-working board of Portland Street Car, Inc., for your great work. Aye.

**Wheeler:** This is great. Thank you. I vote aye. The ordinance is adopted. 1289.

**Item 1289.**

**Wheeler:** Commissioner Eudaly.

**Eudaly:** Thank you, Mayor. I would like to introduce Steve, this is a new one for me, Segethy.

**Steve Szigethy, Capital Manager Bureau of Transportation:** Very close. Thank you.

**Wheeler:** From PBOT to present on the ordinance. Welcome.

**Szigethy:** Thank you, Commissioner Eudaly. Good afternoon, Mayor, Commissioners. I'll try to keep this short. Steve Szigethy, Capital Program Manager PBOT. The ordinance would authorize an intergovernmental agreement with ODOT allowing the city to construct, operate and maintain and allow public travel on Southwest Bond Avenue under the Markham Bridge and to reimburse ODOT up to \$30,000 in services they have provided and will provide including review of design plans, issuance of permits, construction inspection and overall coordination. Bond Avenue from River Parkway under the Markham Bridge down to Tillicum Crossing is catalyzing development of the OHSU Schnitzer campus and will serve as a major north-south arterial street in South Water Front along with Moody Avenue. We just finished up part one of the project, which is building the retaining walls and fill upon which Bond Avenue will be built. Now for reasons that are probably obvious in this photo, coordination agreement with ODOT is critical to constructing Bond Avenue under the busiest roadway on the West Coast. So finally, this is the area that this IGA is permitting and with that I'll take any questions.

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

**Moore-Love:** Yes, we have Maggie May have left. Robert Patterson.

**Wheeler:** On this subject.

**Patterson:** If you don't mind, Commissioner. I'm Robert Patterson. Commissioner, if you would like me to finish earlier -- then you would have heard me explain that purchasing a streetcar makes sense. That's all.

**Wheeler:** Thank you. Please call the roll.

**Eudaly:** I'm glad to see we're moving forward with projects that will support development of OHSU's Schnitzer campus. This is an important step in building out the street grid and

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south waterfront. Thank you for your work, Steve. I'll get your last name pronounced correctly. Although can you pronounce my last name? I'm just kidding. [laughter]

**Wheeler:** That's mean.

**Eudaly:** Difficult last names. I vote aye.

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

**Fish:** Thank you for your work and thank you for the power point presentation. This is obviously the next big challenge is the middle section. I guess you call that phase 2. Linking the north -- the built up area of north mcadams through properties owned by jay zidell. Glad we're moving forward with this phase. Aye.

**Saltzman:** Thanks, steve. Aye.

**Wheeler:** Aye. The ordinance is adopted. Commissioner eudaly is pulling that back. Do you have to read it?

**Item 1290.**

**Wheeler:** Very good. And that's being returned to commissioner eudaly's office? It's january 9, they scheduled 10:00, time certain.

**Wheler:** 10:00 a.m. Time certain, january 9?

**Karla:** Correct.

**Wheeler:** Correct. Thank you, sorry for the confusion there. I did have that in my opening notes. 1291, please.

**Item 1291.**

**Wheeler:** Commissioner eudaly.

**Eudaly:** Thank you, mayor, I would like to introduce [inaudible], the right-of-way agent with pbot to present the ordinance.

**Dee Walker, Bureau of Transportation:** Good afternoon. Mayor and commissioners. Dee walker. Before you today is the city initiated street vacation request from prosper Portland for north hunt street, east of north argyle way. As you can see on the map before you, so prosper Portland owns property to the south of north side hunt street with the exception of one small parcel that's owned by transition projects, tpi. And ferguson enterprises owns property to the north of north hunt street. They have already actually sold their underlying fee interest in the street, since half the street will be to ferguson, so they sold their fee interest to tpi. And in preparation for the project that tpi is going to be building in affordable housing project, and so prosper will be selling their property to tpi most likely it's anticipated in the springtime. I did reach out to steven edcox, who is general counsel for ferguson supervises, and he's confirmed they have no objections. Prosper, let me see, village is currently located on prosper Portland property. It was a temporary location only. They knew that going into the agreement. It's being relocated just down the street at the, pretty much at the corner of north columbia and north argyle way. It's bes owned property. It's a really good spot. There is major infrastructure over the bes parcel, so it's really, can't be used for commercial development. So that's where the women's village is going to be relocated. It's anticipated that it would be relocated by the end of the year. Catholic charities is -- has houses available for residents of the women's village for an interim use to help out during the transition. There's been a lot of neighborhood involvement. Tpi and the low income single adult housing organization has met with the canton neighborhood association, on five separate occasions, and discussing and updating about the project, and the canton neighborhood association has given a letter of support, and it's also my understanding that there is a representative of the neighborhood association that's been attending weekly construction meetings, so they are really involved in what's going on with the project. As far as the street vacation goes, bes is requiring a, an easement for stormwater facilities, and you can see on the map in front of you right now, we are kind of holding this as a place holder within north hunt street, but north argyle way, actually, is coming in for some street improvements. So depending on the timing of the street

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improvements for north argyle and the development of the project, for tpi, that easement possibly will be relocated outside of north hunt onto north argyle way, and so we have made arrangements that we have already had bes's approval, but it's okay to relocate that if it's determined that it can be moved. There are individuals here from the following organizations, if anybody has any questions. There is an individual from prosper Portland. The booking group who is a consultant for tpi, and also the executive director of tpi is here. Housing development center, catholic charities and joint office of homeless services. Thank you.

**Wheeler:** Very good. Thank you. Any questions? Public testimony.

**Karla:** They did sign up.

**Wheeler:** Very good. This is a non-emergency ordinance, moves to second reading. Thank you.

**Walker:** Thank you.

**Wheeler:** And thank you to all our partners for your hard work on this. This is very well done. Thank you. So now we are going back to the items that were pulled from the consent agenda. There were two. The first of the two items was item number 1269.

**Item 1269.**

**Wheeler:** Cheryl is here.

**Fish:** Would pulled this in.

**Moore-Love:** Mr. Lightning did.

**Wheeler:** He's not even here. Is there any other public testimony on this item. I don't think we need a presentation. The individual who pulled it has left.

**Wheeler:** I am sorry that you were here and thank you for your patience. Please call the roll.

**Eudaly:** Aye.

**Fritz:** Thank you very much for being here for your patience, aye.

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

**Wheeler:** Aye. The ordinance is adopted. And the other one that was pulled was 1274.

**Item 1274.**

**Wheeler:** And I don't know who pulled this item.

**Moore-Love:** Exhibit a had a column that was wrong.

**Wheeler:** Mr. Anthony, did you have anything that you wanted to add to that?

**Anthony:** I had questions about.

**Fish:** Are you offering an amendment?

**Moore-Love:** A substitute of exhibit a. It is a new exhibit. The pay period was incorrect.

**Fish:** You move to substitute exhibit a.

**Wheeler:** We have a motion from commissioner Fish, a second from commissioner Fish to move the substitute.

**Fritz:** Can you explain what the difference is?

**Jamaal Anthony, Labor Relations:** The difference was, as I came before you guys in july, I simply took those same pay period accruals and applied them to the structure, but boec accrues at a higher rate so the accruals were incorrect. When the ordinance came out, some employees in bes who do the configurations reached out to me and told me the appropriate accruals by pay period, so that's what the amendment was.

**Fritz:** Thank you, could you identify yourself, please?

**Anthony:** I am jamal anthony with labor relations.

**Fritz:** Thank you.

**Wheeler:** Please call the roll.

**Eudaly:** Aye.

**Moore-Love:** This is on the amendment, correct?

**Wheeler:** This is on the substitute.

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

**Wheeler:** And the substitute amendment, aye, the substitute ordinance is adopted. Thank you.

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

**Wheeler:** Aye. It's adopted. We are now adjourned. See you all at 2:00.

**Council recessed at 12:38 p.m.**

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**Closed Caption File of Portland City Council Meeting**

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

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

**December 12, 2018 2:00 p.m.**

**Wheeler:** This is the Wednesday, December 12, 2018 afternoon session of the Portland city council. Please call the roll.

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

**Lauren King, Deputy City Attorney:** good afternoon. Welcome to Portland city council. The city council meets to do the city's business. Presiding officer preserves order and decorum during meetings, so everyone feels welcome, comfortable, respected and safe. To participate you may sign up in advance with council clerk's office for communications to briefly speak about any subject. You may sign up for public testimony and resolutions or first readings of ordinances. Your testimony should address the matter being considered at the time. State your name for the record. If you're representing an organization, please identify it. Presiding officer determines length of testimony. Individuals generally have three minutes 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 for something that is said, feel free to do thumbs up. If you want to express you do not support something, thumbs down. Shouting or disrupting testimony or deliberations will not be allowed. 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, respected, comfortable and safe.

**Item 1293.**

**Wheeler:** This item has to do with how we structure and spend resources from the visitor facilities intergovernmental agreement. We do not plan to vote on this item today. What we'll be doing is we'll have our presentation, discussion and then move it to a second reading next week. I'm very happy to say that we have reached a tentative agreement with the other jurisdictions. That's metro and Multnomah county. In fact, we agreed on the dollar amount some time ago and all that is left at this point is really the drafting of some of the finer points around the legal aspects of the document. I had a conversation with chair Kafoury this morning. She agreed that we had reached an agreement on this and she encouraged us to go ahead and have this afternoon's session and as I said we'll withhold the vote until next week so if there are any other amendments or changes that need to be made next week we could certainly do that. I want to particularly thank the staff at the city and in my office. Susan Gibson Hartnett and Michelle Planback, both of whom spent the better part of the last year working towards an agreement under very challenging circumstances. Susan, it's my understanding you spent most of the last several months working on this basically full-time. I want to acknowledge that and thank you for your hard work on this. Over the last three decades the city, county and metro in partnership with the tourism industry have worked together to maximize economic benefit from tourism and conventions in our community. One of the key tools we have is what's known as the visitor's facilities intergovernmental agreement or vfiga. It provides for the planning, development, promotion, operation and management of the region's convention, exposition trade, spectator, performing arts and visitors' facilities and supports broader community vitality through jobs and local spending. In May of this year the city, county and metro signed a letter of agreement which focused on four key areas. First of all, resilient reserves. To protect the vfiga during periods of stress and allow for strategic use of excess

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funds that accumulate during periods of higher growth. Number 2, adequate visitor development fund. So that this fund can keep pace with the industry growth rate. Number 3, maintaining healthy facilities to enhance the existing facilities like veteran's memorial coliseum, keeping them vital and competitive. Number 4, community livability and safety to improve conditions for the community and people experiencing homelessness, improve visitor experience and help Portland remain a desirable destination. The agreement we're hearing today meets and balances those goals very, very well. I want to focus a bit more about how this agreement helps address homelessness in particular. Portland is an attractive destination. Those of us who live here, love it. People looking for a new place to live are coming here in large numbers. More and more visitors than ever are choosing to spend their vacations here and more and more conventions are choosing to locate in Portland. That shouldn't be a surprise. We have a lot to offer as a community. The food, arts and culture, access to transit and nature and so much more. But there is another side to that coin. At the same time that we're attracting visitors by the hundreds of thousands, too many are suffering on our streets without a home, many of them experiencing addiction or mental health or economic challenges. The best solution for homelessness is housing. The best solution for those chronically homeless is to pair that housing with support services. That could include mental health services or addiction services or domestic violence support services or many other kinds of specific services to help people be successful in their housing. That's why the city and the county have set an aggressive goal of creating 2,000 supportive housing units over the next ten years. I'm happy to say that the city its already making good progress on supportive housing. In the last year alone, we have either opened or put in the pipeline over 500 units of supportive housing and with the recent passage of the metro bond we have a substantial amount of what we need to develop the next 500 units. As mayor I worked with all of my colleagues on the Portland city council to champion more supportive housing units through the implementation of the Portland housing bond, active political and financial support of the metro bond, and the innovative work being done by the Portland housing bureau. We're housing, which is the city's traditional focus. But supportive housing includes services, traditionally the focus of the county. This division of responsibility can lead to important partnerships and good results. Recently the city partnered with the joint office of homeless services in Multnomah county on the supportive housing pilot to better connect housing and services. The deal on the visitors fund we're hearing today is another good partnership. Local governments in the tourism industry will devote nearly \$60 million from the visitor's facilities trust account to the joint office on homeless services over the next decade. That level of funding for support services is still not enough to meet our goal of 2,000 supportive units over the next decade. We heard a report in the fall that suggested services could be as high as \$40 million each year. I obviously support discussing the concept of a services levy or other possible ways to fill that gap. Just like the metro housing bond which also included capital funding and constitutional amendment ballot measure 102 supported by the voters in november to stretch our capital dollars further, I realize that in order to make a real difference on our streets and in our communities we're going to need to continue to work with in partnership and support our partners. I know that the county is looking at this question and they are seriously evaluating different proposals. I know if the county decides to spearhead a ballot measure for supportive housing services or other strategies we will all support that. On to the presentation. Before we do that, we have substitute exhibits a and b. Is that correct? Could we move those as a package?

**Fish:** I move substitute a and b as a package.

**Fritz:** Second.

**Wheeler:** We have a motion and second. Let's vote on the substitute. Call the roll.

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

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**Wheeler:** Aye. Substitute exhibits are on the table. Good afternoon.

**Tom Rhineart, Chief Administrative Officer, Management and Finance:** Good afternoon, mayor, city council. I'm Tom Rhineart, proud to be chief administrative officer for the city of Portland. Our team are very pleased to be here today. When we proposed to the mayor we begin this several months ago we had high hopes that we could arrive at an agreement which benefits not only Portlanders but the entire region. I'm proud to tell you the agreement before you fulfills those initial hopes. It's a privilege to represent a group of people who have collectively shouldered this work together. Government relations director Elizabeth Edwards, city economist Josh Harwood, CFO Jennifer Cooperman and Ken McGair from the city attorney's office have been instrumental. Thanks as well to the many city hall staff who played a key role particularly our chiefs of staff of elected officials. I also want to recognize Jeff Miller with Travel Portland for the time and effort he and Brian Doran have invested in this work and our colleagues at Metro and Multnomah County. Finally, as the mayor said, we would not be here today without the truly amazing creativity, effort and persistence of Susan Hartnett. She's been the key leader in this entire initiative and I thank her on behalf of generations of Portlanders who will benefit in many ways from this agreement over many years to come. Thank you, Susan. The mayor covered a good deal of the history of the visitors fund so I'm not going to delve into that now. We'll take questions any council members have after the short presentation. Susan will go through details of the changes that we're proposing in a minute. Before that I want to address you in my role as CAO on two key points. First, part of our role in a process like this one is to regularly ask my team what the risks are and have we appropriately protected the city against potential negative outcomes. I'm comfortable that the city's risk is appropriately protected in this new agreement provided we keep in mind the initial premise that the system needs to be fed by visitors coming to Portland and paying these taxes. My team at the office of management and finance through both the spectator venues program and CFO will be vigilant to assure the city's risk is kept within acceptable levels and we make that commitment to you as our council. Second council has taken bold steps over the recent years to address long standing deferred maintenance needs in our transportation, parks and civic infrastructure. You have also made it clear you want us to continue coming up with creative solutions to make progress in this area. This agreement with our regional partners takes another long needed step to upgrade and maintain our assets. In this case Veterans Memorial Coliseum and Portland Fine Center for the Arts buildings without additional taxes on Portlanders. We want you to know we are continuing to work on efforts like this. With that I turn it over to Susan to explain the important changes in the amended agreement.

**Susan Hartnett, Spectator Venue Program Manager Office of Management and Finance:** Good afternoon, Mr. Mayor, commissioners. I'm Susan Hartnett. I'm the spectator venues program manager. The agreement in front of you today is really the result of more than two years' worth of work. It began as an effort to develop the strategic plan that is called for in the existing agreement which would guide future amendments to the agreement. However, late last year, with our understanding about the growing urgency for the various needs as well as the opportunity to make some immediate progress in addressing those needs, the conversation shifted from the strategic plan to an actual amendment to the IGA. As the mayor mentioned, in May the Mayor, Chair and Metro President Tom Hughes signed a letter of agreement which provided specific direction on these amendments and asked that we provide them by October 31st. We were a little late on that, but not too much. The letter agreement focused on four priorities that the mayor mentioned and those have consistently framed the discussion. I'm going to use those as a framework for talking about the specific details. So first of all consistent with the community liveability and safety priority there are two allocations in this agreement that are dedicated

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to new funding for the provision of services and programs for people experiencing homelessness or who are at risk of becoming homeless and to address community liveability and safety concerns associated with homelessness. The first of those allocations renames an existing county allocation which is called county visitor facilities and operations support. It's now called liveability and safety supportive services. This is known as the base amount. That amount will begin this fiscal year at the amount of \$1,775,000 and that amount is escalated annually. In 2022-23, an additional 250,000 will be added to that base allocation so in 2022-23 the base allocation will have grown to about 2.2 million. Now, to get to the goal number that the mayor has repeated to us for the total amount going to homelessness, we added a second allocation, which is called the additional liveability and support amount, and it is done as a difference between a set number and the base allocation. So beginning next year the first additional allocation will be the difference between the base allocation and 2.5 million, which is about \$680,000. That will be added to the base amount next year. The following year it will be the difference between 3.25 million base amount. In 2020-22 it will be the difference between 3.775 million and the base amount. That will be about 1.9 million by then. In 22-23 and thereafter the additional allocation will be the difference between the base amount and 5.25 million. That is where it caps out and that amount escalates using cpi on an ongoing basis. That's projected at an average of 3.8 million per year in addition to the 2.5 million a year for the base allocation over the period until fiscal 29-30. For the base allocation, the total over that period of time is \$26.7 million, and for the additional amount it's 30.5 million for that total of 57.2 million over that period of time.

**Saltzman:** What period of time?

**Hartnett:** From this year until fiscal 29-30. I think it's eight years. So just as a way of getting a perspective on this, this is the single largest program in operation allocation within the amended agreement on both an individual yearly basis as well as over that period of time. Now, the bonds are more than that, but these are the allocations that are given to the various facilities and for various promotional purposes and programs that support tourism. So this is the single largest allocation that will go. So other healthy facilities priorities that were talked about, there are two new bond support provisions within the agreement and this is probably the most important thing for the city. One is for renovation project at the veterans memorial coliseum, the other for renovation project at the Portland center for the arts. This bond support is set at \$40 million in net proceeds but that dollar amount is set to escalate beginning this year, and using construction cost escalation rather than cpi, which as most of you know tends to be much higher than cpi, I think 6.5% this year. So we're trying to make sure that by the time we actually get around to these projects \$40 million is worth the same amount of money, 40 million or the new amount. The vmc allocation cannot begin before January 1, 2021 and we must establish parameters by 2027. Once those parameters are set there's no limit on when the bonds can be issued. That gives us a window of opportunity to work with our partners at the rose quarter, figure out what the right thing to do at the vmc is, put together a funding package and begin that project. For the Portland 5, the dates are no sooner than January 1, 2024, and project parameters need to be established by December 31, 2030 with the same open-ended time frame for when the actual bonds are issued.

**Fritz:** Why is that so long to get started?

**Hartnett:** Couple reasons. One it's what the fund can afford. We are as I have said to Tom several times, this is when he asked me what are the risks and are we adequately protected, we're loading this system up more than ever before. We tried to be careful about not overloading it. So the other reason I would say is that I don't think we're as ready with Portland 5 as we are with vmc to actually begin talking about the specifics of a project and what that would look like. I think you're probably all aware that 40 million is not enough



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to address the full set of needs at either of those locations but what we think we have is a commitment to funds that allow us to bring a conversation to the community to look for additional sources of funding, including potentially private contributions for both of those, which will eventually allow us to get to the dollar amounts we need for these venues. As you know at the rose quarter being able to have that conversation with our partners there is very vital and the timing is pretty critical. So i'm not going into the details of the other facility changes other than to say they were modest increases to many of the facility operational indications and future increases to some of those in the future years Portland 5 being one of those. There's a new allocation, modest allocation for the Portland expo center which is very important as the convention center gets more booked up with larger events, at the local level we're going to look for other places to hold events and the expo center will become important for that. Very importantly also for the city, and metro, is a one-time allocation of \$2 million that would be in this year's allocations and that would be to allow the accoustical show replacement project at the schnitzer concert hall. We will be leveraging \$3 million in private funding. Consistent with the adequate visitor development fund priority, the two existing visitor development fund allocations are merged into a single allocation, really just for ease of management there's no point in keeping them separate at this point. The total amount is increased next year to 2.5 million. As most of you are aware, the vdf grants funds to meeting and convention planners that oftentimes those grants are key in helping us land those events. These grants have historically yielded around 27-1 in a return on investment. Including a commitment to occupy hotel rooms, which in turn produces more taxes. I would remind everybody that transient lodging taxes includes a 5% amount that goes directly to the city's general fund, about \$37 million in last year's general fund. The total estimated vdf allocation will grow to about 32.8 million in that same period between now and fiscal '29-30. If you use that historic roi rate of 27-1 that could yield close to \$1 billion. Consistently with the resilient reserves we are maintaining restricted reserve to assure that there's the ability to fund the programs and operational allocations. In other words everything except the bonds in times of economic downturn. Everything is sized to make sure there's always money for the bonds but sometimes if there's not enough money it's those operational allocations that can get whacked if you will. In 2009 you recall Portland 5 got none of their money. It was around \$600,000, which was pretty significant for them. A new strategic reserve of \$2 million is funded from the existing reserves and it will be used for special events or unique investment opportunities that yield an economic benefit to the community. The one event that gets talked about most often would be the nba all-star game but there's other large scale opportunities where the local hosting city would be required to make a financial contribution to land the event and this fund will allow us to do that for the first time. In addition to the allocation changes that I just went through there are a number of changes being made to the fund oversight, this is the answer to tom about are we adequately protecting the city's interests. The amendments establish new triggers and new process that requires the existing financial review team made up of the four chief financial officers so the city, county, metro and travel Portland cfo's make up this committee. They provide recommendations on an ongoing and regular basis on the adequacy of the fund to meet all of its obligations. And in a situation where they determine that there may be an economic circumstance that will not allow that to happen they make recommendations to the visitor development fund board, which is a board made up of public and private participants. And they will make recommendations or decisions on ways to adjust allocations to make sure that the shortfalls are addressed. That decision by the bdf board will be reviewed a second time by the financial review team and if they concur with the bdf board decision that decision is fine. If they don't the decision will automatically be referred to dispute resolution and the dispute resolution committee is made up of the

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mayor, the chair and the metro president. Directly elected officials will be responsible for canning are those changes if they can't work it out.

**Fritz:** That decision is made by simple majority?

**Hartnett:** That's correct. A few things about this new system of checks and balances, there are now mandatory periodic reviews by the financial review team twice a year. Prospectively and retrospectively. There is flexibility being built into the system that allows any of the allocations that go to programs or operations to be adjusted in managing the impacts of an economic downturn. Right now the way the system works it simply goes from the bottom. The bottom bucket doesn't get filled, the one above it does. This allows us to think of different ways to spread the impacts of an economic downturn. There's also a built-in fail safe measure which will require changes to the allocations, rolling them back to the year one amounts. If the vdf board and/or dispute resolution committee cannot come to a solution this is the way we make sure that the city and metro are protected in our bond payments being made. That's about all I have. I'm happy to answer any questions.

**Wheeler:** Any questions? Commissioner Fish.

**Fish:** Thank you very much. I have a bunch of questions. I'll try to be as brief as possible. Director hartnett, you said that the \$57 million for the services side of supportive housing could be over an eight-year period. My understanding was ten years. Are we just tripping over the math?

**Hartnett:** I have to count the number of fiscal years.

**Fish:** Between eight and ten years but could be ten.

**Hartnett:** Yes.

**Fish:** I have the same problem with fiscal years and doing the math. I don't know whether the following question is directed to you or to mark jolen or someone else. Is the agreement clear that this is a net increase in funding to the joint office and therefore is additive, not a backfill?

**Hartnett:** Yes, those words are used, new and additive and specifically speaks about the funds going to the joint office or any successor agency so over time if we come up with a different system of addressing homelessness this would go to a successor.

**Fish:** My own preference is that the bulk of dollars go to support the services on supportive housing but that is ultimately a decision to be made by the joint office and other governing bodies. There has been some talk of using a portion of the money to buy down some of the units that the metro housing bond. Ultimately, that's a decision to be made by the joint office?

**Hartnett:** That's correct.

**Fish:** Exclusively?

**Hartnett:** That's correct.

**Fish:** Okay.

**Hartnett:** There's a new reporting requirement in the agreement, so one of the things that we don't really know right now is how funds are being used sometimes, so we have added a reporting requirement and we will be asking the joint office along with everybody else to share information on how they are spending these funds and how they are actually meeting the goals stated in the agreement.

**Fish:** Let's take a moment just to focus on the three programs that are going to potentially get resources. Starting with the keller. You said that there's a \$2 million plus set aside – excuse m, Schnitzer, that would then leverage private fund-raising and will get us a state-of-the-art sound system.

**Hartnett:** That's correct.

**Fish:** That's been talked about over the past year so we're going to move on that one.

**Hartnett:** That's correct.

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**Fish:** And obviously the keller has some resilience issues. Who knows what if you add up those dollars. What's the minimum you need if you estimate you need to keep the vmc in basic functioning condition recognizing that the future vmc may not actually be decided until many years out and even potentially after we embrace the albina vision or any number of other plans for the area. What do you consider the minimum you need to maintain it as an operational facility?

**Hartnett:** In 2015 we did the vmc option study. We looked at three different versions. The essential repair and replacement version of that, those three scenarios, was around \$40 million. Unfortunately, 40 million is not going to take care of many of the things that are needed in that venue. The number i'm using right now which was based on that 2015 study is around \$70 to \$80 million. Which is in the middle of range of the three options that we looked at. The high end was at like \$97 million.

**Fish:** So those are the investments in things like hvac, structural integrity.

**Hartnett:** Ada, new seats. Yes.

**Fish:** It doesn't in any way preclude an adaptive reuse of the facility if someone comes up with a better long term idea that creates a sustainable revenue source.

**Hartnett:** Well, so I would start perhaps by saying that I think the vmc is showing itself to be quite sustainable from an operational standpoint the venue has been net profitable for the last four years with the total net operating profit for last fiscal year being close to \$1.4 million. That is in part because rip city management has been very creative in finding new uses for the venue and things like the invitational made a huge difference last year. The year before that the net operating profit at the venue was around \$800,000.

**Fish:** I appreciate that. I'm also thinking back over the last ten years we have had a number of big visioning projects about what's the future of the vmc. We have had people talking about it as a --

**Hartnett:** Community center. Yes.

**Fish:** We have had arts, we have had health care.

**Hartnett:** Big box retail.

**Fish:** I guess just the point I want to make is that in allocating the resources to maintain the building as a city asset, we are not precluding an opportunity that could come down in the next five to ten years where someone says I have a big vision and am willing to pay for it.

**Hartnett:** That's correct.

**Fish:** Okay.

**Rhineart:** It's important when you talk about the timeline, we do believe this commitment that the jurisdictions are making together does change our ability to have discussions exactly as you identify with key partners who have already offered in the right context to bring money to the table. What I think you alluded to this could be several years down the road. We will start very soon with this commitment of looking at options.

**Fish:** Sounds for me from the way you have positioned this this will help in our negotiations with rip city as they consider whatever their options are when the lease comes up.

**Hartnett:** I believe that's correct.

**Fish:** Thank you.

**Wheeler:** I would like to at this moment invite jeff miller, president and ceo of travel Portland. He's an important partner in all of this. I wanted to give him the opportunity to provide some invited testimony.

**Jeff Miller, President and CEO Travel Portland:** Thank you, mayor, council members. As you know travel Portland is a destination market management organization and we bring wonderful visitors and their dollars to town to spend in our city. I want to start my testimony with a reminder that the lodging and rental came forward in 2001 to fund

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expansion of the convention center after the citizens of Portland rejected a tax measure to fund that. In their wisdom those rental car and lodging members knew they were expanding would create great economic impact not only for their businesses but businesses large and small throughout the region. In that initial agreement other visitors' facilities needs were addressed as well as a supportive system of infrastructure and marketing for Portland as a destination. These investments began the visitors facility intergovernmental agreement. I always emphasize they are visitors facilities agreement. Amendments were made that further strengthened the investments including the Hyatt Regency. We have seen significant increase in convention bookings for the future since we were able to sell that. Last year we saw an increased future room night of over 62,000 room nights, 47% increase from the year before. So very successful. That means more jobs, more taxes generated and more money spent in local businesses. You've heard from Susan on the summary points of the agreement and we're very excited to see those strategic investments in Portland's culture and visitor venues. When I first moved to Portland 25 years ago I was a member of the P5 advisory committee, participated on veterans memorial coliseum. I have a passion for these venues and what they do for our community. These are for Portlanders first and as they are the most important customers of those venues. They help make Portland a great place to live. The agreement before you today shows once again how lodging and rental car partners have stemmed up to the plate with Mayor Wheeler and other government partners. I want to share our public support for this investment and I want to be clear Mayor Wheeler, Metro Council President Tom Hughes, Chair Kafoury, with the industry's participation, we're all champions of additive investments in liveability and safety support services. Credit should be roundly shared. While we are very supportive we also expect accountability and measurements of success. One of the ten points of our master plan was for us to be actively engaged in making a difference in vulnerable community. It must make a visible difference for those living in crisis on the streets of Portland as you are a partner we will work with you to monitor that success on industry's behalf. Thank you, Mayor Wheeler and Council, for your part in getting this agreement over the finish line.

**Wheeler:** Thank you. Appreciate it. Does anyone have any questions? Commissioner Fish.

**Fish:** Jeff, I can't resist the opportunity since you're here to ask you two questions. The first is I just got back from La Jolla, a particularly beautiful part of southern California just outside of San Diego. I was struck by the level of street homelessness that I encountered in the downtown shopping district and the way the community adapted to that. About a year ago in Los Angeles I learned they have 2.5 times the per capita homeless challenge that we face. Of course recently in Seattle to watch my daughter run the marathon, Seattle is a harsher city than ours because of the way the street grid is laid out and the downtown structures, so the homeless situation seems harsher. Frankly. So you are no doubt hearing from peer cities and your counterparts in other cities. What are we not doing enough of to address this challenge?

**Miller:** You know, I think this begins to make investments in supportive services but I will tell you it's important that we separate the need to take care of our homeless population and how we address bad street behavior as we call it. Two very different things. Having support services and services actually on the street -- we hope some of these funds will be used to take care of people in crisis on the street today and get them into services as well as supportive housing. The industry is very interested in being a part of that conversation. Our team has been working with Mark Jolen closely on what is going on so we look for ways to partner more closely with him.

**Fish:** The other question I wanted to ask you, somehow every once in a while, someone thinking of coming to Portland that chooses not to because they have seen something on

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tv or read something, somehow for some strange reason those emails end up in our inboxes. My recollection is that we're about 16 million tourists coming through the region annually now.

**Miller:** Yes.

**Fish:** And that's a lot of people. Where does that rank in terms of our peer groupings?

**Miller:** You know, we're very similar to the same size cities. We have the fortunate advantage of having a lot of direct service international flights, so the mix of our tourists are generally better than, say, austin, texas, or cities without the kind of air service we have.

**Fish:** Thank you.

**Wheeler:** Thank you very much. Appreciate you being here. Speaking of special guests we have mark jolen from the joint office. He doesn't have a presentation today, but if anyone had any questions specific to the joint office he wanted to make himself available for that purpose. You're off the hook, mark. Congratulations. Public testimony on this item.

**Moore-Love:** No one signed up.

**Wheeler:** Very good. Anything further? This is the first reading of a nonemergency ordinance.

**Fritz:** Our guests will be here next week. I want to thank everybody on the team, travel Portland, joint office. This has not been at all easy even though as jeff said we all agree on the goals and we're all very blessed by the tourism industry and funds that it brings in. So I need to mark my thanks to everybody and to note that i'm particularly happy about the allocation money for veterans memorial coliseum. Thank you, commissioner Fish, for asking the question about that because it's doing well. As I am going to say next week it hosted the beatles and queen and aretha franklin. Since i'm now doing my tour of aging rock bands before they stop touring, i'm going to a lot of really big venues. I can't quite imagine seeing those icons in an intimate situation like veterans memorial coliseum. Thank you to the veterans who insisted that we rename it and we will keep it. Thank you.

**Fish:** Are witnesses back next week?

**Wheeler:** Does this come back to a time certain?

**Moore-Love:** Just on the regular agenda.

**Fish:** That means we're likely to have some people in the chambers here for some other item and we'll take it up. If I could, mayor, I think jeff said something very important when he complimented the three jurisdictional leaders for bringing about this deal. And we have just come off of a metro housing bond which showed a unique and high level of collaboration among jurisdictional partners. It would not have happened, been successful without that. Mayor, I want to thank you for your leadership on this. Obviously great staff work in working out the details. There still may be some wordsmithing if past is prologue here. This is a great opportunity for our city and it's a prudent way of tapping some excess revenues that we have it has the potential to do a lot of good, and I think from my point of view, as much as I like the investments in vmc, the schnitzer and keller it's having a predictable source of funding for services on the permanent supportive housing side and also addressing liveability concerns which we share with many of our travel Portland friends in terms of getting services to people who genuinely need them and are deserving of our support. I want to thank you, mayor.

**Saltzman:** I would also like to thank you for your leadership on this. Jeff milley and tom hughes and chair kafoury. I had the pleasure of serving on the vdf and travel Portland board. It's very interesting to learn about the travel and tourism industry in Portland and to watch its fantastic growth over the last ten years or so. Just amazing. I will have to say that every time I think of the vdf agreement I will always think of sam adams. He probably started this as mayor katz's chief of staff, started these discussions.

**Wheeler:** That's sam adams right now: [laughter]

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**Fish:** The commissioner is tied up right now. Chair kafoury, he will get right back to you.

**Saltzman:** I always think of sam. To me it was a byzantine -- they are called allocations now.

**Fritz:** We still call them buckets.

**Saltzman:** I'll always think of him and vera katz and him as mayor in his own right. Only somebody like sam could make all these parts move together. I'm really pleased also to see that the support for housing and homelessness, this is really time for the visitor development fund to do this. Thanks to all your members, jeff, for stepping up on this as well.

**Eudaly:** First of all, I won't be here next week, so I appreciate the opportunity to make some comments on record. If I have learned anything about spectator venues, it's that everything related to it is incredibly lengthy and complex and susan, i'm so glad I don't have your job. This agreement is 36 pages long with four pages of definitions. I memorized all of them. I just want to say that tourism is obviously a huge and vital driver of our local economy, but it is also a driver for displacement, really now more than ever that we have hundreds if not thousands of homes and units taken out of our rental inventory and put into the short term rental market. We hear complaints and concerns from constituents and out-of-towners about the impact our homeless crisis has on tourism and our local economy. There's a direct correlation, direct and undeniable correlation between affordability and homelessness, so this is really a vision cycle. My hope that is we are at the beginning of a virtuous cycle by investing this money in supporting the people who are the least likely to be able to get themselves housed in this market. They may have previously had sros, people may have lived with friends and family now facing displacement and unaffordability. And they are the least likely to succeed without support. I want to thank everyone involved. The mayor, commissioner Fish and his staff, tom and susan, travel Portland, the joint office, Multnomah county and metro. It's really exciting to see this investment and i'm looking forward to what we're going to do with it.

**Wheeler:** Excellent. In the spirit of thanks, i'll give a longer speech next week, I really appreciate jeff being here and representing travel Portland, and underscoring the fact that this would not happen without the private sector's involvement and agreement to actually use part of this to address an issue which really is important to the travel and tourism industry, just as commissioner eudaly has said. I want to say my final thanks for what might almost have escaped this conversation as something of an errata, but it's really important. Commissioner Fritz has been our dutiful representative on the vdf board. I may not have this quite right but since no one is going to correct my i'm going for it. I believe she never miss as meeting. Thumbs up all around. I want to thank you for being the representative of the city council on the board and being diligent in getting information back to us and our team who need all this information. You don't get thanked very often for that but today you should.

**Fritz:** Thank you. It's an assignment I can think of I have had the whole time I have been here, also the only morning meeting I agree to go to, which tells you it's really worth going to the vdf board meeting. Thank you for acknowledging not so much my participation but getting there for 8:00.

**Wheeler:** This is first reading of a nonemergency ordinance. It moves to second reading. Thanks, everybody. Next item is 1294, please.

**Item 1294.**

**Wheeler:** All right, so we are here today, this has a little bit of formality associated with it. It's a hearing. We're here to work on manufactured dwelling parks. This ordinance is a follow-up to the manufactured dwelling park zoning ordinance council adopted last august. At that time we acknowledged mobile home parks play a unique around important role offering lower cost market rate housing especially larger units that can accommodate

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families because people can own their own home and only have to rent a space it can also be an affordable pathway to homeownership for lower income households. It's a new approach designed to support the long term stability of these parks. Commissioner Saltzman requested you bring back a map change to rezone the one park initially left out because it is the city adopting a -- my talking points. What's the rest of that sentence?

**Tom Armstrong, Planning and Sustainability:** At that time it was part -- it is part of the prime industrial overlay and there were complicated industrial lands issues associated with that. So we have taken the last four months to sort those out.

**Wheeler:** You didn't even miss a beat. This is an emergency ordinance. Emergency exists due to the fact that Portland's continued population and economic growth have had a significant impact on rental housing resulting in more than 30% increase from 2011 to 2017 and consistently low vacancy rates between 1.7 to 3.3 percent from 2011 to 2017 manufactured dwelling parks play a small but important part in providing affordable housing and incentives to promote this housing type should be available immediately. I don't know, commissioner Saltzman, if you have opening remarks?

**Saltzman:** Well, I just want to say I'm really grateful to Tom and the planning and sustainability for taking this up after I flagged it back in August. Fox Run is probably the largest manufactured dwelling park in the city I believe. It's huge. I was introduced to Fox Run when I did some meals deliveries for meals for kids programs. I was incredulous that was being left out of the protections we passed in August and I'm grateful you have been able to get it back in time for me to vote on it.

**Wheeler:** The city has been approached by Louise Williams, a provider of transitional housing for families experiencing homelessness. Family Essentials has a half acre site that they would like to rezone to manufactured dwelling park in order to provide additional housing and services for families in need. I would like to move a substitute ordinance that adds the map amendments for the Family Essentials site in addition to the Fox Run mobile home park amendments. Can I get a second?

**Saltzman:** Second.

**Wheeler:** We have a motion and commissioner Saltzman seconds. Thank you. Mr. Armstrong, if you would introduce today's session.

**Armstrong:** Sure. Just real quickly to follow up on what you said, we have two map changes today that involve both comprehensive plan map changes and corresponding zone changes. The first one is the Fox Run mobile home park up in North Portland. It currently has a mixed employment designation and it's part of the prime industrial area that is part of the Columbia Corridor. The recommendation from the planning and sustainability commission is to change that map designation to manufactured dwelling park and the residential manufactured dwelling park zoning and removing the prime industrial overlay from this site. Here's an air photo of the Fox Run mobile home park. It's up off of Northeast Martin Luther King, Jr., Boulevard. Almost to Delta Park. It's mostly surrounded off Gertz Road by other industrial uses but there's a little pocket of this park and adjacent residential uses. Here's the map of the surrounding zoning. As mentioned, fairly large park, 18 acres, it has 143 spaces, which is larger than average for the other mobile home parks in the city. It is on the edge of the prime industrial area along the Columbia Corridor and I will say that when we were doing the comprehensive plan update that we looked at this site and back in 2012, 2013, when we were doing the industrial lands analysis it was a really difficult decision as to what to designate it. It's not the best location for housing. It is surrounded by industrial land. I think back then we had a little bit more bias towards the surrounding industrial land use. Fast forward to today I think we have a little bit more sensitivity towards the housing needs and the difficulty that would be involved in relocating 143 families out of that park. To that end, you know, it is an existing development. It is an ongoing business that would make it expensive to close and redevelop to an industrial use. One of the prime

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purposes of the prime industrial designation has to do with access to freight systems, especially to the river or the railroad, which this site does not. Also the mixed employment zoning is a little bit different. It allows for a wide arrange of uses including retail more than the general industrial zoning, so there's no guarantee that if it redeveloped that we would have -- get industrial jobs and not retail jobs or even office jobs. Then finally, we did do the industrial land capacity analysis. This chart goes through that and what it shows is that although we're getting pretty thin on our supply we still meet state requirements under goal 9 that shows that for our industrial lands in this area we still have a small surplus of lands. And that enough to be able to make this map change. The other site is what we call the family essential site on 136th avenue just south of powell boulevard. It is a half acre site. It has one existing home on it now. It's surrounded by a mix of r5 and r2 zoning around it. This is another situation where in the process of adopting the 2035 comprehensive plan it's a site that was r2 but because it was only developed or only had a single family home on it, we through the comprehensive plan update process had switched zoning to r5, mainly in response to concerns raised by the david douglas school district around student enrollment and being over capacity at nearby schools. I think both in the interim that concern on the part of david douglas around school capacity has lessened a bit. They have actually seen their enrollment be flat or decline in some of the areas' schools and there is a mix of zoning along 136th that would support changing this to the manufactured dwelling park zoning. With that I can answer any of your questions.

**Wheeler:** Colleagues, any questions for now?

**Eudaly:** Do you know off hand how many parks we have?

**Armstrong:** We have 57 manufactured dwelling parks in the city.

**Eudaly:** Would the residents number in the hundreds or the thousands?

**Armstrong:** Those 57 have almost 3,000 spaces, units, in them across the city.

**Eudaly:** Thank you.

**Wheeler:** Very good. Now we can accept testimony on these map amendments. How many people are signed up?

**Moore-Love:** Two people have signed up.

**Wheeler:** Very good. We set two minutes to testify but given we don't have very many, go ahead and take three if you need it. Thank for being here.

**Garrett Stevenson:** Good afternoon, mayor, councilors, i'm garrett stevenson, pro bono legal counsel for family essentials. I have a bit of an echo here. As staff mentioned, this is really an adjustment to some of the broad strokes zone changes that happened during implementation of the new comprehensive plan. I was contacted by small business legal clinic and luis williams, the director of family essentials, was a client. The reason why the family essential site is before you today is louise williams acquired the site with the intent of developing a transitional housing project with ten units on it which was consistent with the zoning at the time she acquired it. It happened she acquired it in the one gray period of time during which there was no way she could have participated in the decision to rezone that property but also, she acquired it after the bes notices had gone out. She acquired the property after all the hearings had been done, however the first time she learned of the new zoning on the property that would prohibit this project from going forward was I believe in March saying that the zoning would become effective in May. So, we decided that we would try to work with staff to see if we could resolve the issue. This is a really neat project. Family essentials is something that louise is going to talk more about. But essentially what they do is they provide extremely necessary housing for families who have been in and out of the family services programs and they provide a stable place for these families to come together and rebuild themselves, recover from whatever issues they have been having, almost all of these units will have children in them. The idea being that they receive subsidies in order to stay in the units until they are on their feet again.



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What I would stress and what was stressed to me is that these are families on the edge of homelessness. So these are not folks that have any ability to go out and find other market rate housing. This is a very specific sort of laser pointed type of program to help these folks out. So I really want to thank staff working with us to find a solution to this.

Specifically, I want to thank leslie lum in the planning and sustainability department and tom armstrong. I also want to thank a number of your own staff, particularly matt grumm, who is commissioner Saltzman's staff. Marshall runkle, sonia schmanski, and amy rathfelter. Everybody seemed to come out of the woodwork to help me which from my perspective is unusual, and I really appreciate it. We really do support the change of this to the new rmp zone. I'll note while there's some difference in the allowable density when it manifests on this site it's a question of one or two units. This is not a situation where the neighbors are going to see anything effectively all that different nor is it a situation where a developer could go in and build something radically inconsistent with the neighborhood. The way we look at this it's a well thought out project that is well along its way to being ready to go and this will really facilitate it. With that i'll turn it over to louise.

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

**Louise Williams:** So i'm louise, i'm the director. I have worked in social work for 15 years. After obtaining my master's in 2015 is when I started family essentials. Of all the agencies I have worked at, the biggest barrier to success for families is housing. So at family essentials we provide transitional housing and service coordination so that families can attain resources needed to be sustainability over a longer period of time. While there's a growing effort to create more affordable housing families are in need of support to address the trauma of homelessness really. So having that support while accessing resources and having a safe place to live is all within the best interests of the family. Our housing also allows tenants to build skills in terms of following the guidelines of a lease and paying rent. A lot of our families come from homelessness, living in cars, or their children are in foster care so they haven't had a stable home for a long period of time. So getting back into the swing of learning how to maintain a household are skills they need prior to going into the regular market where landlords are less for giving when it comes to lease violations. This year with this new site that we recently purchased we have only had three residents. We have two currently living there right now but we have had 100% success rate so all the families that have come through family essentials have left into permanent housing. We're requesting to be added to this mobile home project to really just increase the opportunities for families to be stable housed.

**Wheeler:** Thank you both for your testimony. We appreciate it. Thank you. One housekeeping item, legal counsel has informed me a substitute was filed as the ordinance. We'll just vote on the ordinance which already encompasses both sides. Is that correct? Thank you. We'll have staff come up. Any further questions of staff? Very good. That concludes our hearing then. The record is now closed.

**Fritz:** I have one question. Has the neighborhood been informed of this change for the family essentials site?

**Armstrong:** Yes. We sent out a notice of this hearing to all property owners within 400 feet of the site, which is the normal quasi-judicial process to do that as well as the neighborhood association.

**Fritz:** Thank you.

**Wheeler:** I assume nobody else has any amendments at this point. Very good. Please call the roll.

**Eudaly:** I want to thank everyone who worked on the item. I'm really pleased that the city is getting out ahead of what could be a next round of displacement of thousands of vulnerable residents. When mobile home parks are sold or redeveloped entire communities can be displaced in one fell swoop. Mobile home parks are largely hidden

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from public view by design. This was how we planned our cities. This is the case around the country. So I think many Portlanders would be surprised to learn that we have 3,000 mobile home spaces in the city, which constitutes housing for several thousand residents I'm going to guess. While it's an affordable housing option it's fraught with challenges especially when residents are forced to move. They don't just have to move their belongings, they have to move their actual home and despite the term mobile home these homes are not built to be mobile any more. They are mobile on the way to the park. They are incredibly expensive and difficult to move after they have been lived in. There's a great segment on the podcast 99% invisibility that just came out as well as an article on city lab. I'm fascinated by this little arena, housing arena. So of course, I am very pleased to vote aye.

**Fritz:** Thank you for the work that you do at family essentials and thank you, tom, for your work. Thank you, commissioner Saltzman and mayor wheeler, for coming up with this. Who would have thought people would be asking to join this. We were a bit nervous but now I think we made it through, did we miss something, but we didn't. We set it up so it would be good for everybody. I appreciate that the fact that two more communities want in. That validates that. Thank you. Aye.

**Fish:** Thank you, dan, for flagging one of the two issues. Thank you, tom, for your good work. Aye.

**Saltzman:** Thanks again, tom. I appreciate your work on this. Thanks to planning and sustainability, thank you, mayor. Aye.

**Wheeler:** Good work on this, everybody. There was something I want to call out that was provided in testimony which I really appreciated hearing. Did you notice that somebody from each one of our staffs has been very actively engaged in this? This is a really great example of people coming forward, our infrastructure, city bureaus, city staffs working together collaboratively to find a really good solution. This is a really great way to end this. I vote aye. The ordinance is adopted. Thank you, everyone. So guess what, colleagues. For the first time in history of the world, we are 35 minutes ahead of schedule. The next item is time certain event so we will take a recess until 3:45 p.m.

#### **Item 1295 and 1296.**

**Wheeler:** Director callahan, good afternoon.

**Shannon Callahan, Director Portland Housing Bureau:** Good afternoon mayor and commissioner, shannon callahan Portland housing bureau. Due to the lateness of your council session this afternoon, we're going to get right to the matter, and we do have a power point for you. If you have any questions, but we thought we would make this simple this afternoon. So as the mayor said, we are here, the council clerk said, we are here to ask your permission to extend the current sunset for a lowered inclusion rate outside of the central city for an additional two years, as you may recall, when you passed the original inclusionary housing program, you set a lowered inclusion rate in the neighborhoods outside of the central city, at 8% and 15% for units at 60 or 80%. We believe the program is showing signs of working in the neighborhoods. That the market is still adjusting to the program, and we believe that the market needs additional time to adjust. Before we would ramp up from a 15% to 20% requirement in the neighborhoods. In addition we will also be doing a series of additional refinements to the program starting next year with a work plan for looking at a variety of different areas to make sure that the program is calibrated correctly to adjust to the market realities. So I have both matthew tschabold and tyler bump here with me. If you had any questions for us, and otherwise, I would.

**Fish:** What comes after the word "from" on this action?

**Callahan:** Well, that's a good question. I think it would just be a period, I think that "from" is an additional word in, but thank you, commissioner.

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**Wheeler:** Congratulations, commissioner Fish. We are seeing if everybody was really paying attention to this presentation. Why the pause? It is probably a longer than necessary pause.

**Callahan:** We are here to answer any questions that you may have.

**Wheeler:** If she had not added the extra word, we could have cut half the time out of this.

**Callahan:** So we have slides if we need them to help answer any questions that you might have, but at this point, we would conclude our presentation.

**Wheeler:** Good. All right. Is there any further discussion? Any public testimony on this item, Karla?

**Eudaly:** I just wish that I had awards to hand out for the best and shortest presentation ever.

**Wheeler:** That's what I like about Shannon. She doesn't mince words. She says I am going to keep this short and to the point.

**Callahan:** I was raised by commissioner Saltzman professionally, so you know that I know the value of a short and succinct presentation.

**Moore-Love:** I show three people have signed up.

**Wheeler:** Very good.

**Moore-Love:** We have Robert Patterson. Tim O'Brien. I believe it's blue, blue.

**Wheeler:** Come on up.

**Robert Patterson:** Hi, everybody. I am Robert Patterson. I wish that I had caught more of the earlier presentations, I guess, because it's a matter that's close to my -- close to my heart. Gosh, you know, I had never been homeless before moving to Portland, Oregon. And while this, in many sense, is a great city to be homeless in because there are a number of world class services available to homeless people, it is nevertheless a challenge. To be homeless anywhere. I imagine. When I say that homelessness should be a protected class, what I think of is the many times that I've been arrested by the Portland police bureau for trespassing only to have the charges dropped the next day. That happened to me last night, actually. I still need to go out to the property and evidence warehouse to pick up the property that was taken from me during that arrest. In fact, the majority of arrests made in this county are of people that are homeless. Even though the homeless population of the county is only 3%. That reminds me of Jim Crow era Mississippi. And Portland deserves better. Mayor, why do we have so many homeless people?

**Wheeler:** So I've been very patient, as you know. This is related to inclusionary housing. You are here this morning. You testified on numerous things.

**Patterson:** Can we stop the clock while you are speaking?

**Wheeler:** You asked me a question, the testimony is supposed to be germane to what we are actually talking about. We are not talking about that. We are talking about the inclusionary housing extension.

**Patterson:** Why does the city arrest so many homeless people, mayor?

**Wheeler:** That is not what we are here to discuss. If you would like to take that up, we can take that up at the right time. Excuse me, you are in violation of our council rules. You are wasting other people's time. We will take a recess. [recess taken]

**Wheeler:** We're back in session. Good Afternoon

**Tim O'Brien, Developer Urban Asset Advisors:** I'm a local developer here in town, with a company called Urban Asset Advisors. Thank you for taking the time to hear this. I actually think the recommendation that Shannon made is a good one. I actually have two projects that recently broke ground under your I.Z. program. Actually, I very much support it. I think that there is a lot of social benefits to the program. Mixing low income with market rate. Both those projects, for the record, are actually underneath the ramp up period, so we are doing 8% at 60% of median income on the projects. So I think that, you know, I think

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that you probably are all aware, just keeping in touch with the market, there are a lot of headwinds right now to development in general. I.z. Is one of them. But it's one of many hard costs, interest rates that have gone up so I am going on the record saying hey, I think that this is a good idea. I don't think that -- we couldn't do a project right now, we've been with these lower rates honestly just because of what's happened and the hard cost, but I think that we all can agree that the pipeline right now is not what we want it to be in the city for what we know to be our future housing needs based on our rate of growth, job growth and population growth. So I would encourage you to pass this. I have talked to some of your staff, as well, about making sure, and some of you about keeping tabs on this program and relating to different percentages and impacts it has based on other factors in the market that might be headwinds and encourage what you are doing right now, which is, I believe, semi-annual reviews of success of the project, pipeline and keeping track of it and encouraging housing. We don't want to be in a situation where we were, you know, seven, ago years ago. A shortage of housing and rents going through the roof, and I think that we are seeing it all right now, the impacts of just the markets, the supply and demand. We have delivered a lot of supply over the last eight years, and that supply is coming into the market, and we are seeing rents stabilize and, in many cases, a lot of our projects, the rents are going down and we are giving concessions, so I think that cycle worked. And anyway. I think that's it. If you have any questions for me --

**Saltzman:** I am curious to know where the projects are that you are using inclusionary zoning for.

**O'Brien:** You bet. So we built a project, Multnomah village, was our phase one, and the second phase is inclusionary zoning, just right on capitol highway across from the community center there. That's 39 units. It's the old gas station, and then our second one is out on division and 33rd, right by poc-poc. We built a phase one that was not inclusionary, 30 units, and this will be 54 units that we will have the inclusionary units in it. And both those have broken ground in the last two or three weeks.

**Saltzman:** Thanks for being a leader.

**Eudaly:** I don't have a question as much as a request. If you could just share your secrets with your colleagues in the industry who are struggling to make these developments pencil out. I know that things are changing. It might not be --

**O'Brien:** And I have. I have spoken on the subject, and many -- I usually only speak at industry events, but I am, you know, very supportive of my compadres.

**Eudaly:** It's great to hear from a developer who embraces inclusionary development. Some see it as a penal or an impediment, and we, you know, we have an obligation to make sure that there is adequate, affordable housing that meets our actual demand, and developers, benefit from the public dollars that we invest in our city and infrastructure, parks, whatever, so I wish more people kind of took your, took your view.

**O'Brien:** Yeah. And I will say part of it is, you know, I am a local developer. These are private individuals that are investing in this project. The returns are not a level. We also do institutional investments and larger scale stuff, like the grand belmont at the bridgehead. It doesn't work for large scale. It would not have worked two years ago when we first signed up. So there is going to have to be other adjustments over time as we calibrate this thing and get it to work. Yeah, and I would say at least most of the developers that I know, definitely are happy to embrace it and use it, but it does, I mean, the returns are low enough where it can't attract outside kind of institutional capitalists, get a lot of quantity done. These are small projects, obviously, on the scale that it could have been, so, but yeah. I think that it's a really good, as a city that we are doing this, and I think that it's just finding that sweet spot of how do we deliver these units and, you know, how do we subsidize them just enough to help them to get and keep the returns to get them done and not over subsidize them.

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**Eudaly:** Great, thank you.

**O'Brien:** Thank you.

**Wheeler:** Excellent. Any further questions? Very good. We will take up the ordinances in their order. 1295, please, call the roll.

**Eudaly:** Aye.

**Fritz:** Thank you to director callahan and your team and to everybody who has worked on this, it's really great to get to 4:00 on a long day and know that we have got the housing bureau that has things organized and under control. Thank you. Aye.

**Fish:** Aye.

**Saltzman:** Thanks director callahan and your team. Aye.

**Wheeler:** Inclusionary housing is a new tool that we have in addressing our city's housing crisis and fostering diverse neighborhoods. Now and for the future. Okay, we have an issue here and we will take a recess. [recess taken]

**Wheeler:** By linking the development of affordable housing to market rate housing, this program ensures that as Portland grows, people of all income levels will have the opportunity to live and thrive here. Since its implementation the city is committed to closely monitoring the inclusionary housing program and making adjustments as needed to ensure that it is working to create more workforce housing and supporting the smart growth of our city. It's clear from today's presentation that the program is working in our neighborhoods, and that the market is adjusting. The backlog of projects vested prior to the adoption of the inclusionary housing program continues to move through the permitting process. Post inclusionary projects and the permitting process are increasing. The potential projects continue to enter into the earliest assistance program. Extending the lower inclusion rate outside of the central city supports the positive momentum we are seeing and allows the time needed to make incremental program refinements. I vote aye. The ordinance is adopted. 1295, or excuse me, 1296, call the roll.

**Eudaly:** Well, I would like to thank everyone that I didn't thank on my last very brief vote. A little distract and had stressed out right now. But I believe in inclusionary housing. I am pleased with this action we are taking today. I am interested in conversations down the road. Both within the city hall and with the industry to see if we need to revisit the equation. For now, it seems that it is working, and we are getting units built, and that's very exciting. I vote aye.

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

**Wheeler:** Thank you, everybody. You who have worked so hard on this. We appreciate it. It's good progress. I vote aye. The ordinance is adopted, and we are adjourned.

**Council recessed at 4:03 p.m.**

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**Closed Caption File of Portland City Council Meeting**

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

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

**December 13, 2018 2:00 p.m.**

**Saltzman:** December 13 afternoon session of the council, please call the roll Karla.

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

**Saltzman:** Here, ok our attorney, please.

**Robert Taylor, Chief Deputy City 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 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 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 done a red light goes on. If you are in the audience and would like to show your support for something said, please feel free to do thumbs up. If you want to express you do not support something, feel free to do thumbs down. Disruptive conduct such as shouting or interrupting testimony or deliberations will not be allowed. If there are interruptions 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.

**Saltzman:** Good timing.

**Wheeler:** Good afternoon, everybody how are you today? Folks, we have a clean-up from an agenda item yesterday, and Robert, I'm going to ask you or somebody from legal counsel to answer any questions. Yesterday city council voted to adopt the resolution setting the city's investment policy for the next year. Due to an oversight the amended exhibits were not presented and voted on at yesterdays council meeting. The content of the amended exhibits was discussed at the hearing yesterday which did receive public testimony, but the improper paperwork was attached to the actual ordinance, so today we're just cleaning up that paperwork. There will not be public testimony on that. In order to do this I will need a motion on reconsideration.

**Moore-Love:** I need to read the item first.

**Wheeler:** You go ahead and read it and then why don't we have legal counsel if there's any questions from my colleagues explain that, go a head read the item Karla.

**Item 1263.**

**Fritz:** Move to reconsider.

**Saltzman:** Second.

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

**Moore-Love:** Who seconded?

**Wheeler:** Commissioner Eudaly did.

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**Fritz:** I don't think she's allowed to cause she didn't vote for it, so commissioner Saltzman did.

**Wheeler:** Very good I accept that as an answer.

**Eudaly:** You learn something new every day folks.

**Wheeler:** Call the roll please.

**Fritz:** You can't have a vote to reconsider.

**Eudaly:** My vote is still -- wait.

**Fritz:** This is just to reconsider to vote again.

**Wheeler:** It's a new day, commissioner.

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

**Wheeler:** Aye. The reconsideration is on table. Could we get legal counsel, please? And Robert are you handling this or is there somebody else in legal department. Could you briefly tell us what's going on and answer any questions that anybody may have?

**Robert Taylor, Chief Deputy City Attorney:** We worked with the council clerk and mayor's office on this. I'm Robert Taylor, chief deputy city attorney, on this procedure and we have confirmed that this is proper. It was just a paperwork error yesterday during council where the substance of the matter was discussed but two exhibits were not formally adopted so this just clears it up. You've adopted a motion to reconsider. So now the resolution is back before council as if it had not passed. Now you can adopt the exhibits --

**Fritz:** I move to adopt exhibit a1 and a2.

**Wheeler:** Ok, so this is the substitute exhibits a1 and a2 as a package is there a second?

**Saltzman:** Second.

**Wheeler:** There is a second, any further questions on this? Please call the roll.

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

**Wheeler:** Aye. Now we're going to adopt the resolution as amended. I'm going to make a motion to adopt the resolution, that's item 1263, as amended by the substitute exhibits.

**Saltzman:** Second.

**Wheeler:** We have a motion and a second, any further discussion? Please call the roll.

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

**Wheeler:** Aye. The resolution is adopted as amended by the substitute exhibits. Thank you, everyone. Now on to our regularly scheduled program. Item 1298 and this is being pulled, but if you could read it and remind people where it's been rescheduled. I'm sorry, I'm in the wrong -- 1298 was pulled back to commissioner eudaly's office.

**Item 1298.**

**Wheeler:** Very good and that's being pulled back to commissioner eudaly's office.

**Eudaly:** As much as I was looking forward to it yes we pulled it back to my office.

**Wheeler:** We have already covered 1299. So we are on to 1300. 1299 got pulled into yesterday's agenda. I'm sorry, I forgot that. I apologize. 1297.

**Item 1297.**

**Wheeler:** For this item I would like to move to introduce a substitute. The substitute amends the resolution and exhibit a to remove the reference to additional directives regarding fostering safe and fair supply chains. Our intention is to separate those directives from the clean air construction standard as council would like more time to deliberate on the safe and fair supply chain's topic. This request was made particularly by my colleague commissioner Eudaly who sponsored the recommendation directing procurement services to develop a supplier code of conduct. Our intention is to bring back the additional directives regarding supply chains within the next 30 days. Commissioner Eudaly, is there anything else you would like to say?

**Eudaly:** Sure. Thank you, mayor. I'll add that our office in partnership with commissioner Fish's office has been working with unions and procurement to identify ways to include

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best practices for employee standards in the procurement process. We feel we're close to finalizing the policy suggestions but there's a little more work we would like some time to dig into a little bit further and continue discussions around. I want to thank procurement for being flexible and working hard to be responsive to our request and I want to thank the mayor's office for being flexible as well.

**Wheeler:** Very good, I'll accept a motion to accept a substitute resolution and exhibit a.

**Fritz:** So moved.

**Eudaly:** Second.

**Wheeler:** We have a motion from commissioner Fritz, a second from commissioner Eudaly. Please call the roll.

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

**Wheeler:** Aye. So on to my introductory remarks. It's imperative for the city to take action to address the public health impacts of air toxics. Recent studies show that Portland has the highest risk from air toxics in the entire state of Oregon and in particular has the highest levels of diesel particulate pollution. I think all of us can agree that's not acceptable. By requiring contractors on city construction projects to use equipment that controls diesel emissions, we can begin to make progress, but we're not going to stop here. While we think it's very important for us to set an example with our own procurement policies and to practice what we preach we're also advocating for the state to take action to curb diesel emissions and support our regional efforts. This resolution amends the city's sustainable procurement policy to incorporate clean air construction standard which controls diesel emissions from equipment on city construction projects to improve air quality and to protect the public's health. On September 20, council directed the bureau of planning and sustainability and procurement services to develop a program framework and identify the necessary resources to implement this policy. Over the past two months staff has worked tirelessly engaging with regional partners to develop a program framework and refine the draft diesel standard based on feedback from diverse stakeholders including neighborhood associations, clean air advocates, construction project managers and the contracting community. As you know, developing this standard has been a regional effort led by the city and Multnomah county. Multnomah county will be adopting the standard by executive order. I believe chair Kafoury is here today and this is something I think that is very positive for the city and the county and we have collaborated on this important issue for the benefit of all people in our communities and I certainly appreciate the chair's engagement and the county's involvement in this important process. I would now like to turn it over to chief procurement officer Lester Spitler, Stacey Foreman from procurement services and Kyle Diesner from the bureau of planning and sustainability to give us an overview of final standard. Thank you all for being here.

**Lester Spitler, Procurement Services:** Thank you Mayor Wheeler, good afternoon commissioners. I'm really excited to be here. The city is poised to take another significant step in its sustainability journey. The city is well known as a leader in addressing climate change and other high profile sustainability issues but we might not know the city is also recognized as a leader nationally and internationally in sustainable procurement. The resolution before you today exemplifies leadership, while other jurisdictions throughout the nation have taken action to reduce diesel emissions on their construction projects I think it's safe to say what you have before you is really unique and collaborative. It's a regional approach and we're taking into consideration disadvantaged, minority owned, women owned and emerging small businesses. It reflects a balance between competing stakeholders interests including those of our construction bureaus which require a diverse and competitive contractor pool to meet their service commitments and while this work will continue to be collaborative amongst our regional partners I believe the city and specifically procurement services and Stacey right here, is the right team and right agency



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to lead this regional approach and administer the clean air construction program. I look forward to working with you to develop resources needed to make the proposed program a reality and want to express appreciation for your leadership in asking us to develop this program and making a decision today. I would like to take the opportunity to acknowledge the dedication of the following people who have spent the past two years working diligently to get this standard before you today. Stacey foreman in procurement services to the right of me, Kyle Diesner from the bureau of planning and sustainability, John Wasiutynski from Multnomah county, Kevin Downey from Oregon deq, Eric Feeley from Oregon deq, David Breen from the port of Portland, Lisa Hyde from metro, Kathleen Johnson from Washington county and Eben Polk from Clackamas county. Public procurement is not just about maintaining the integrity of the process. The city's procurement actions say a lot about what we value and people are watching and listening. This resolution before you today acts on key values related to air quality and public health and we look forward to continuing the journey with our regional partners and stakeholders. Without further ado I would like to introduce Stacey Foreman from procurement services and Kyle Diesner from the bureau of planning and sustainability who will walk through the background and the details of the resolution, thank you.

**Wheeler:** Thank you.

**Stacey Foreman, Procurement Services:** Good afternoon, mayor, city commissioners. As mentioned my name is Stacey foreman I'm here with Kyle Diesner to walk through the resolution before you today to amend the city's sustainable procurement policy to incorporate a clean air construction standard. As you may recall this past september resolution 37387 directed procurement services and the bureau of planning and sustainability to continue to work with regional partners to finalize a clean air construction standard and develop a program framework for implementing the standard. Our presentation today will provide a brief recap of the issue and our work since september and then we will dive deeper into the standard itself and the proposed program framework. So as Lester mentioned in his opening remarks the work on the clean air construction standard has been and will continue to be a regional effort with the agencies listed on the slide. Throughout the rest of the presentation as we refer to our regional partners or agency work group these are the agencies on this journey with us and we're excited that additional agencies have since expressed interest in joining this effort in the coming months. I'm going to turn the presentation over to Kyle to continue the recap and to provide an update of our work over the past few months.

**Kyle Diesner, Bureau of Planning and Sustainability:** Thank you Stacey. Mayor wheeler, city commissioners, thank you for hearing this agenda item. This chart shows diesel particulate matter for the Portland metro area from the 2017 Portland toxic study. Average diesel particular matter levels across the metro area exceed the state's adopted health benchmark. North Portland has the highest level of diesel pollution in the state and 65% of diesel pollution in the Portland area comes from nonroad equipment like construction. New engines, electric equipment, and exhaust controls can reduce diesel pollution up to 95% on our projects, but why do we care about diesel particulate matter emission. Diesel exhaust is 100 times more toxic than gasoline exhaust and includes fine city particles layered in heavy metals and toxic gasses. These particles are so small that they act as a gas in moving through the respiratory system, passing quickly from the lungs into the bloodstream and are carried throughout the body leading to a wide range of health effect in respiratory, cardiovascular and even the nervous system. Diesel is also a known human carcinogen typically expressed as lung and bladder cancers. Asthma incidents is a significant concern for children and the elderly are especially vulnerable to heart disease from both episodic and long term exposure to diesel particulates. In addition we know that african-american and Latino populations in our city face up to three times higher exposure

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rates making this an important environmental justice issue. Some stakeholders have claimed that we're moving too fast, but we have actually been strategically working on this over a decade, it 2006 when the first Portland air toxic assessment was released. Since then the problem has worsened with regional growth and increased economic activity. Oregon environmental council recently reminded me that the former sustainability development commission sent a letter to city council in 2007 calling for the city to adopt contracting requirements for our public projects. In response, we invested \$2.3 million in federal funds to begin upgrading our own fleet. We also piloted and conducted a very similar contracting standard in 2009 and 2010 and conducted stakeholder engagement at that time. Since then we have worked to build a regional commitment to advance this work. Air pollution is not limited to the city and any policy on this front is far more effective if adopted more broadly by regional partners. We also released a revised draft of the policy for public comment for two weeks in November. I'm going to spend a few minutes reviewing the feedback we received from the public, we received 138 comments. We heard from a variety of individuals and organizations and 98% of those comments supported the policy with only 2% opposed. Of those who supported the policy 57% supported it as written and 40% supported the policy but wanted us to take stronger action. The public comment really fell into six primary themes which I will share along with the response from our regional work group. The first thing is that the horsepower threshold for nonroad diesel equipment should be lowered from 100 horsepower to 25. The resolution before you today includes this lower threshold which is consistent with existing fleet requirements in California. Number 2, the policy should incentivize the cleanest solutions starting with replacement of diesel powered equipment with electric powered equipment. This policy utilizes a best of available control technology methodology that requires the use of technology that will have the greatest pollution reduction possible for a particular piece of equipment. The policy explicitly mentions alternative fuels and electric powered equipment as alternative compliance pathways. Number 3, the phase-in timeline is seven years, should be shortened. The project team engaged in a two-year planning process to develop this. During the technical program design the team heard from California program administrators and emission control experts who cautioned that program success would hinge on adequate time for outreach, contractor planning and equipment market development. That coupled with the time needed to address critical elements such as funding for co-bid firms and that's the diverse and emerging small businesses, minority and women owned businesses warrant an adequate phase-in timeline. Number four, the policy should use post bid changeover or add an allowance for a percentage of the overall contract cost to replace and retrofit diesel equipment. This approach is not consistent with national procurement best practices and would leave the entire cost of buying compliant equipment on public agencies. Of the 14 clean diesel construction contracting requirements across the u.s. that we surveyed, in no case did any jurisdiction directly cover the cost of contractor retrofits. Moreover, certain funding sources such as utility and highway trust fund dollars are restricted in their use so we do not recommend using change orders as a method of managing this policy. Number 5, the program should identify current baseline and measure and monitor progress toward improved air quality. Monitoring for particulate matter is costly, time intensive and does not always capture results associated from a construction project as it depends on wind speed, direction and other atmospheric factors. Instead we're recommending that the program rely on ambient monitoring data from the Oregon department of environmental quality. In addition the program will require all pieces of equipment register and display a decal showing that the equipment has been checked for compliance on an annual basis. Lastly, number 6, there's been insufficient opportunity to provide feedback. The project team met individually with community groups and industry associations to discuss policy development. The project

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team hosted a stakeholder workshop in August 2018 to evaluate various program elements and in September 2018 Portland city council and Multnomah county board of commissioners held public meetings to vet policy recommendations and received additional public testimony. In November we held a two-week public comment process. Prior to this current effort Multnomah county and the city of Portland held meetings with contractors to pilot the policy in 2009 and 2010. In 2016 project team members also participated in a six month stakeholder process convened by the Oregon legislature and heard from both the industry and environmental advocates. Throughout the last decade we have received consistent feedback from our stakeholders which indicates that further engagement is not going to change the dynamics at play or help us to reduce emissions. In short, given the long history of engagement on this issue the fact that we have been forecasting our intent for over a decade and the lack of policy solutions tried to date the project team feels moving forward at this time with policy adoption is the most prudent decision. Our goal with this policy, are first and foremost to reduce diesel particulate matter emissions on city construction projects. Secondly we're committed to supporting a diverse contractor pool and want to ensure our approach doesn't set back our efforts made to date. Third, we want to reduce costs and administrative impacts for contractors and our bureau construction managers. And lastly we want to foster regional adoption to increase the effectiveness of the policy and we believe the proposal before you today accomplishes these. In all the resolution and clean air construction standard before you strikes a fine balance between these goals. Ultimately after full program implementation we will reduce idling on our project sites, utilize the cleanest available diesel nonroad equipment or cement mixers and dump trucks, increase use of alternative fuels and electric vehicles on our projects and lastly retrofit older diesel equipment and vehicles with diesel particulate filters such that we achieve reductions on the order of 95%. We are allowing certified firms to continue to use lower cost control technologies that reduce emissions 20% but we are committed to working with those firms to find ways to incentivize upgrades that achieve greater emission reductions. Now I'll hand this back to Stacey to talk about the specifics of implementing the standard.

**Foreman:** Thank you, Kyle. Over the next few slides I will be going through key content of the standard itself which this resolution adopts as an attachment to the city's sustainable procurement policy. The standard has an effective date January 1, 2020 and elements of the standard are phased in over several years which I will go into more detail over coming slides. The standard will be applicable to new city construction contracts valued over \$1 million and the standard's engine requirements will be applicable to nonroad diesel equipment over 25 horsepower, as Kyle mentioned this is a change from an earlier draft which referenced 100 horsepower and in terms of on road vehicles the standard applies to diesel cement mixers and dump trucks. So, starting in 2020 the idle reduction requirements take effect, these requirements largely mimics the city's idle reduction requirements for its own fleet with addition of requirements around signage and operator awareness. Before I walk through the phasing schedule I would like to draw your attention to the compliance option protocol on page 3 of the standard. The protocol reflects a point that Kyle highlighted earlier that the standard allows for multiple compliance options such as alternative fuel or electric powered equipment and vehicles and that when it comes to retrofitting old diesel equipment we have emission control devices there's not a one-size fits all solution. For example, the most effective emission control devices include diesel particulate filters or dpf, which can achieve up to 95% particulate matter emission reduction, but not all engines can accommodate dpfs so in such cases the compliance protocol requires an equipment owner to demonstrate that the next best option for a specific vehicle or piece of equipment is utilized to maximize emissions reduction. This can mean the best retrofit option for a particular piece of equipment is in fact a diesel oxidation

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catalyst or doc, with a particulate matter reduction of only 20%. However, if no emission control device works for a specific piece of equipment or vehicle then the protocol calls for use of compliant rental equipment before moving on towards an exemption process. With that in mind here's the standards phase-in schedule. As I mentioned earlier in 2020 we start with the idle reduction requirements. Then in 2021 we begin with the engine requirements starting with excluding the dirtiest non-road diesel engines tier 0 unless they are retrofitted with the dpf or the next best emission control device per the compliance protocol. Each year we exclude another nonroad engine tier and in 2024 we begin to limit the retrofit compliance options by not allowing any new docs. Previously approved doc retrofitted engines are allowed through 2026. This retrofit limitation is another change from previous drafts of the standard in response to stakeholder concerns about doc retrofitted equipment being used in perpetuity. Thereby minimizing the effectiveness of the standard and reducing diesel particulate emissions. 2024 is also the year we exclude any pre-2007 on road diesel cement mixers and dump trucks unless they are retrofitted with a dpf emission control device. By 2016 on tier six diesel non-road and 2007 or newer on road cement mixers and dump trucks will be allowed, unless an older engine was previously retrofitted with a dpf. Any previously approved equipment retrofitted with a doc device will no longer be allowed on our construction site unless that equipment is owned and operated by a co-bid certified firm as Kyle mentioned earlier, we are looking towards other incentives to upgrade those particular pieces of equipment and vehicles. The standard does allow exemptions which are listed on this slide. These exemptions are reflected in the compliance protocol mentioned earlier and that is the process by which exemptions will be granted. Regarding compliance the standard requires contractors to submit applicable equipment, vehicle and engine information for compliance verification. Compliant equipment and vehicles will receive a decal to be displayed on their equipment or vehicle for easy identification by city staff. To reduce metal fatigue and to make compliance verifications process more efficient the regional work group recommends we establish a single compliance database and decal program accessible to all participating regional agencies which brings me to the last part of the presentation the program framework for implementing the standard. So as alluded to earlier, the recommended program framework takes a regional approach, taking a regional and collaborative approach which is intended to make the compliance process more efficient for contractors by reducing redundancies and spread the cost of impact of program administration among many agencies. Yet in this collaborative approach one agency needs to take the lead roll and given the city's large volume and variety of construction projects and procurement services history of serving as a regional leader in multi agency programming the clean air construction collaborative recommends the city serve as lead agency thus the resolution before you also includes a directive for procurement services to submit in our fiscal year 2019-20 budget request funding needed to fulfill the role of lead agency for this regional programming approach. Exhibit b to the resolution provides the proposed framework which is comprised of the core programming element the regional work group feels are needed for successful implementation of the standard. As highlighted on the slide the core elements cover a variety of programming needs including administration, communication, compliance and enforcement and specific support for co-bid certified firms. Yet this framework is just the beginning, it's a starting point and we'll be working further with our regional partners to develop program details as we do so we are committed to engaging stakeholders including city bureaus, the contractor community and clean air advocates, many of whom are here today. In addition to developing the clean air construction program, next steps include returning to city council in July of 2019 with results from a financial impact analysis and applying the standard to affordable housing projects. We will also return in October 2019 with a proposal for financial and technical assistance support for co-bid certified firms

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complying with the standard. The October timeline reflects the need to take into account the results of the 2019 state legislative session and the low nox success we achieve securing vdub settlement funds for assisting co-bid certified firms in upgrading our retrofitting old diesel equipment and vehicles. Lastly, next steps include supporting more agencies to adopt the clean air construction standards so we can maximize the potential for reducing harmful diesel particulate matter pollution in our neighborhoods and now I will turn it back over to Kyle who has closing remarks.

**Diesner:** Thank you Stacey. In closing, I would like to reiterate that we are bringing forward a solid regional approach to reduce emissions. This is based on national best practices and the phase-in schedule it based on lessons learned from California. In addition we are utilizing a unique and proactive approach to address impacts on co-bid firms. This is a step that was not taken by any of the 14 programs we surveyed and really demonstrates our strong commitment to equity and diverse business development. We understand this policy includes cost uncertainty both on the impacts to contractors and on bureau construction costs. We're working to get better data with a survey of members of the Portland building development group and statewide inventory conducted by deq, and we will share that information with you in October. This policy presents a careful balancing act between divergent stakeholder perspectives, cost versus environmental and health benefits. We know from the usepa that every dollar invested in reducing diesel pollution has a \$10 return on that investment even when with cost uncertainty we know the cost of inaction are greater than the cost of making these investments. Regardless, this is about our values. I think we can all agree that when we can, it's our responsibility to help deliver on cleaner air for Portlanders. In the absence of broader statewide regulation clean air construction standards provide an opportunity to significantly reduce diesel emissions on public projects, it benefits the health of agency employees, contractors and nearby communities. We have never had a better opportunity to do that as we do now with the vdub settlement funds intended to reduce diesel emissions. This is an important leadership opportunity on a significant public health issue. We have been preparing to take this step for a decade and now it's finally the time to act. Thank you.

**Wheeler:** Thank you. Appreciate it. Kyle, Stacey, Lester. Questions, commissioner Fritz first then commissioner Saltzman.

**Fritz:** Thank you for your presentation. Thank you everybody for your work on this. Why have you defined no idling as five minutes of idling?

**Diesner:** There was the standard we have adopted for our own fleet and its also the standard that Multnomah county had put in place for their fleet. So, we were consistent with the regional practices that we had in place and we wanted to see that applied to the contracting community when they worked on our projects.

**Fritz:** I think we know -- I don't know for gasoline car you turn it off if you're idling ten seconds or more. I would like more information on why we would allow five minutes of idling even if it is the area standard. My second question is there's a paragraph in the resolution saying that Portland housing bureau is exempt, but the standards don't go into effect in 2020 anyway so why are we specifically exempting in the resolution? Why don't we -- I don't think we should exempt Portland housing bureau projects. We shouldn't be making private companies do something that we're not going to. I raise that as a concern for my colleagues.

**Saltzman:** I was curious what a co-bid certified firm is.

**Spitler:** Co-bid is the state certification office for diversity and inclusion, so its disadvantaged, minority owned, women owned, emerging and small business and this service to disabled veteran designation.

**Saltzman:** Had not heard that before.

**Wheeler:** Commissioner Eudaly.

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**Eudaly:** Thank you mayor, really just a couple of remarks. One I had to stifle some laughter when you came upon the slide that said stakeholders felt we were moving too fast. There is no moving too fast on air pollution or issues around climate change. I can one up you. Did you say we started in 2010 or 2013?

**Spitler:** 2007.

**Diesner:** 2006 was our first federal grants.

**Eudaly:** The city club of Portland did its first report on Portland's terrible air quality, which included diesel in 1955 and noted north Portland as a significant area of concern. Could I just get a show of hands, how many of you here were born after or before 1955? You don't have to. [laughter] just to illustrate. That's almost an entire lifetime. So I suggest the stakeholders buckle their seatbelts because it's going to be a real bumpy ride. I share commissioner Fritz's concerns about the idling and frankly wonder if we could make this a little more aggressive given they have had 65 years to improve their practices. Yeah. So if you want to -- I know that puts you in an awkward spot.

**Fritz:** I'm also thinking of amending the specific exemption for the housing bureau. I'm happy for them to come back to us saying what the financial impacts will be but to adopt something that applies to everybody except the city doesn't seem equitable to me. Again, if you can come back to me at the end of testimony to try to persuade me otherwise I would be happy to listen.

**Wheeler:** Commissioner Fish.

**Fish:** Just curious, commissioner Fritz what do you mean it applies to everyone except the city?

**Fritz:** That's what it says in the resolution.

**Fish:** The housing bureau is just one small part of the city. This would apply to water bureau projects, this would apply to transportation projects, -- would it not.

**Fritz:** But why should it not apply to housing bureau projects.

**Fish:** I don't know I didn't write it, but I'm just saying its not true to say it doesn't apply to the city this is just one particular carve-out.

**Fritz:** I stand corrected.

**Fish:** I would like to understand better why it's been carved out.

**Diesner:** Mayor, commissioners, we concluded with discussions with the housing bureau that it warranted further study because of the tight margin on costs for affordable housing projects and the bonds that have been passed that have certain requirements for delivering a certain number of units. The standard as you noted doesn't go into effect until 2021, giving us time to look at that and then bring back a proposal for how to address that. I'm confident we can find a solution here, but we just felt we needed a little bit more time with regard to affordable housing so that we can be really thoughtful and data driven in our solution.

**Fritz:** But we know that the highest concentrations of particulate matter are in areas with affordable housing. Why we would be adding to that, I prefer to take it out later rather than exempt it up front here.

**Diesner:** I'll leave that to council to decide.

**Wheeler:** Very good. Thank you. Appreciate it. We now have five invited guests. Why don't we do three and then two for convenience sake. First up, we are fortunate to have Multnomah county chair Deborah Kafoury with us today, director Richard Whitman of the Oregon deq is here and Dr. Paul Lewis, our tricity health officer and following them will be Kevin Downey, formerly of the deq, and Joshua Proudfoot from good company. Welcome Chair Kafoury.

**Deborah Kafoury:** Thank you. Good afternoon I'm Deborah Kafoury, your Multnomah county chair. Over the past few years as I'm sure you have heard from many of your

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colleagues and constituents as well about how bad our air quality is, apparently we have been talking about it since 1950-something.

**Eudaly:** 55 at least.

**Kafoury:** Interesting to know and today I can say with some pride and appreciation that 2018 has become a year that we have turned our talk into action. My colleagues on the board of county commissioners and I followed Washington county's lead and launched the county's first wood smoke curtailment program. This new approach allows the health department to ban wood burning county wide on days with dangerously stagnant air. In November the environmental quality commission approved the governor's cleaner air Oregon rules that overhaul how the state regulates industrial emissions to better protect people's health. Thank you Richard. Today the city and county are taking a big step forward toward curbing emissions of deadly diesel particulate matter. The clean air construction standards you have before you today have been carefully considered. The standard is meant to serve not only the city and the county but governments from across our region. In fact port of the Portland has committed to be the next jurisdiction to move forward on these standards and it's my firm belief these carefully crafted standards will draw additional partners into this collaborative. You just heard the community is with us. 98% of the public submitted support for what we're doing and most of the commenters supported the rules as written. We heard from some people that wanted us to move even faster. Anyone who knows me knows that I don't have a lot of patience for delay, especially when it comes to protecting kids and other vulnerable people. We're trying to strike a balance between making it feasible for the private sector to transition their equipment and for us to achieve cleaner air. In fact these standards will have costs and the private companies impacted by these standards will need time to plan. Earlier this year the county and the city received the results of a study we commissioned to evaluate our options for curbing air toxics locally. Clean diesel contracting standards emerged as a top action that we could take, but the experts we hired were quick to emphasize that phasing in the standards over time would be critical to our success. Otherwise the unintended consequences would result in higher costs for the public sector and would be potentially debilitating for small disadvantaged and minority owned businesses. The phase-in period is designed to give these firms a set timetable so they can plan for their capital investments. We owe it to our partners and the neighboring jurisdictions and the contractors that do business with us to adopt these standards. Doing so ensures our greatest chance for a successful program. 2018 has been a year of action but we also know that the alarming increase in wildfires, rising ozone levels and other consequences of climate change mean we are barely keeping up. It is critical that the city and the county stay focused on our air quality and that we continue to advocate in Salem and in Washington d.c. for the changes needed. Today's resolution also demonstrates that when it comes to protecting the places and the people we love we won't wait for others to solve our problems for us. We can and we will take meaningful action. Thank you.

**Wheeler:** Thank you, chair.

**Fish:** Chair can I ask you since you may have to leave shortly, I want to understand what the county's current thinking is on the five minute idling rule. Is that current county code or is that something that the county is in agreement with? If not do you have any recommendation for us?

**Kafoury:** It is what is in our code. I won't weigh in on whether you should change yours and up the ante for us. That's for you all to decide, but we did not change that in our version of this ordinance.

**Fish:** Thank you.

**Fritz:** There wasn't any discussion about that?

**Kafoury:** We did not have any on our side of the river.

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**Fritz:** Thank you.

**Wheeler:** Thank you, chair.

**Kafoury:** Thank you.

**Wheeler:** Good afternoon.

**Dr Paul Lewis:** Hi mayor wheeler, councilors, my name is Paul Lewis, I'm the Multnomah county tricounty health officer. I'm very pleased to have been invited and I strongly support adoption of the final resolution. I think it's an important move in the right direction. Your previous presentation covered a lot of really important backgrounds, I like to keep things simple, if you could just try to remember three things that would be great. One is that diesel exhaust is dangerous you've heard that, I'm going to try to expand on that a little bit, it's dangerous in the short run and especially dangerous over a lifetime. The other thing is it particularly targets our most vulnerable populations including little kids, the elderly, those with underlying conditions, communities of color and those living in poverty, again making it not only a medical issue but also a justice issue. Then finally, to me a really important thing is we're not awaiting development of nuclear fusion or world peace. We really just need to apply existing arguably old technology. It's really a will issue, it's not a technical issue. I'm a parent of three children all of whom were born and raised in Portland. The more I learn about this topic the more anxious I am about their futures. I'm married to another physician and we take great care with our children, we follow medical advice, we try to eat well and exercise and be kind and things like that. We do everything under our control, but as most parents know there's things you can't control that caused greatest anxiety and concern and air pollution is something that we can't control. I live in southeast Portland near the railyard. Near bull's eye, all that kind of stuff. I'm concerned that I picked the wrong place to live for the sake of my children. Particularly children like some other health topics like we talk about there isn't really isn't a safe level. The level really should be zero and it's technically basically possible to do that. This resolution moves us in that direction and I urge speed. We have heard -- I have heard about how long even longer this has been a topic than I thought. I think Kyle did an excellent job of pointing out the fact that diesel particulates because they are so, so tiny, not just get to your lungs where they obviously cause trouble but they also get into the rest of your body and the idea that you can see these particles in brain tissue, I think everyone should find extremely disturbing that these toxic particles go completely throughout the body. In the short run, any irritants diesel in particular cause short term problems like trouble breathing, asthma, et cetera. For those that have other underlying conditions like heart conditions, they can also increase the risk of heart problems and stroke. One thing we know during the flu season we have more heart problems. It's the same idea affecting the lungs also affects the heart. The long run I think is even more concerning. Diesel has been linked to low birth weight and developmental issues, and diseases like cancer take decades to develop, so a lifetime exposure to a carcinogen is a great concern and really adds urgency to act on this. Kyle did mention the 2014 study done by Multnomah county which compared census tracks with higher proportions of communities of color compared to predominantly white census tracks which demonstrated a three times greater exposure to diesel particulates, so again, it's a problem, it targets the vulnerable and it specifically targets communities of color. I'm an optimist by nature and high mileage cars and electric vehicles have been around for decades. It's taken public policy to move those into the mainstream. I strongly support this policy and thank you for your time.

**Wheeler:** Thanks for your good work. I appreciate it, thanks for your good work. Good afternoon.

**Richard Whitman:** Good afternoon, mayor Wheeler and commissioners. Richard Whitman, director of the Oregon department of environmental quality it's a pleasure to be here this afternoon and talk about this important policy. A pleasure to be here in support



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our partners in working on some very difficult public health and air quality issues. Multnomah county and the city of Portland and other local governments throughout the Portland metro area. I also have to single out you're going to hear shortly from Kevin Downey, who is a former deq employee just recently retired. Kevin is a national expert on diesel emissions, and really has been an important part of this effort and given that he's doing this as a retired annuitant at this point I want to go out of my way to thank him for his devotion to this important issue and Eric Feeley has recently come on board and is working very hard to fill some very big shoes there. I want to talk about three things, really, this afternoon, but first as a frame for what this policy involves, I want to suggest that this is actually three main issues involved here. There's a public health issue and you just heard from dr. Lewis some important information about that. It is an equity and environmental justice issue also because of the very localized effects of diesel emissions in particular. It is a cost issue but it's a cost issue not only in terms of the cost of construction, it's also a cost issue in terms of the public health impacts that are caused by diesel emissions. It's estimated that the cost of public health impacts from diesel emissions in the state of Oregon is \$3.5 billion. That's with a b, billion dollars per year. There's a significant cost to the public and in terms of health care from diesel emissions. This is also as I said a justice issue. Much of the impact of diesel emission is concentrated around where we have construction sites and where we have transportation facilities. Our highways, railyards, those sorts of facilities and those tend to be locations where disproportionately affected communities tend to reside and to some degree work. So it's very much a justice issue as well. On the magnitude of the health impacts also, nonroad emissions are 47% of our total diesel emissions statewide, and then from construction equipment, that's 62% of that total. So the construction diesel emissions are a very significant portion of the overall burden of diesel emissions going into our air. We can make a difference on this also as you heard from your staff retrofits of diesel engines can reduce emissions from construction equipment by 95%. That's important because these engines tend to be very long lived. Construction equipment typically has a useful life of 20, 30, 40 years, so acting now as a leader to really push the construction community to begin to retrofit and eventually replace some of these engines is extremely important. So deq, the Oregon department of environmental quality, strongly supports the regional work by Multnomah county and the city of Portland and by other regional partners to adopt this sort of practice. There will be conversation ongoing as there has been in the past in the Oregon legislature about these issues. Oregon deq is currently working with a contractor to do a statewide survey of diesel emissions from construction equipment that will give us better information about nonroad diesel emissions that I think will lay a foundation for more of a statewide conversation around diesel emissions. And then finally, it was also mentioned in terms of the impact of a policy like this on minority, women, emerging and small business enterprises. As you may know, Oregon participated in a settlement with vw over falsification of emissions information that has provided the state with about \$73 million in a fund to mitigate the impacts of emissions, and that fund could be used with legislative action to help defray some of the cost of conversion and retrofitting for some of these enterprises. That's something governor brown is interested in, something the Oregon department of environmental quality is interested in as well. It will require legislative action in the 2019 session, and we appreciate the support of Multnomah county and the city in working with us to work through those issues in Salem. So with that, I think I'm going to conclude my testimony again. We're very supportive and I would be happy to answer any questions you might have.

**Wheeler:** Thank you. Questions?

**Fish:** Just a comment. Two of our best partners are testifying here. If you could just indulge me for a second, dr. Lewis, I have not had a chance adequately to publicly thank

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you for the work that you did to assist the city in addressing a number of public very thorny public health issues over the last five years. When I had the honor of leading both the city's utilities, as you know from time to time, rarely but occasionally, these public health issues came up. What I learned over the last number of years in working closely with you is that a, you have tremendous credibility in the community, which means people listen carefully to what you have to say. B, I would say that you're a model communicator and like a lot of subject matter experts some people obfuscate when they talk, you make complicated things seem more easier and more accessible. And third you've been a terrific partner. We have gone through some highs and some lows in terms of challenges and talking about big public health issues, but you have been a fantastic partner at the county, and I actually never during my five years adequately had the opportunity to thank you. So I'm going to steal this moment to publicly thank you for your work.

**Lewis:** Thank you, commissioner. As with the county, the city is a critical partner for so many projects that we need to do together. Thank you.

**Wheeler:** Very good. Thank you, gentlemen. We appreciate it. Thanks for being here. I'm sorry. I apologize. Commissioner Eudaly.

**Eudaly:** How many billions in health costs, \$3 billion?

**Whitman:** Mayor wheeler, commissioner Eudaly, the estimate is \$3.5 billion per year in Oregon. That's prorated share of what the estimated cost is nationally. It is an estimate but that's the estimated cost.

**Eudaly:** Thank you.

**Wheeler:** Thank you very much. Last two invited guests are Kevin Downey, former deq staffer, and Joshua Proudfoot from good company. Thanks for being here.

**Kevin Downey:** Thank you. Good afternoon, mayor, councilors. My name is Kevin Downey, I'm a resident of southeast Portland but also a former employee of deq. Wanted to raise a couple of points that have been raised so far, the idling issue of five minutes. Actually the standard in the state law is five minutes on the truck side, so there's a five minute limit, 60 minute period. That's a common metric across the country whenever there is an idling law. I consider my opinion the state idling law on the truck side is virtually unenforceable the way its written, but none the less that standard is there. With diesel engines it's a little bit different than gasoline engines in that there's a cool-down period for these engines so that the five minutes would accommodate that period of time for the engine to cool down before it moves into the next piece of work it's supposed to be doing. Then.

**Fritz:** That didn't make any sense. I didn't understand what you just said. It's still going for five minutes.

**Downey:** But not at speed. It's operating at a lower rpm, so that's a cool-down period for the engine to get to a lower operating temperature that makes it less damaging for the engine to shut down.

**Fritz:** I see. That's been scientifically verified?

**Downey:** That's just the design of the engine, yes.

**Fritz:** Thank you.

**Downey:** You're welcome. I have been doing this work since about 2000 and I know that I have uncovered in earlier files some documents from epa and metro that talked about the need to reduce diesel engines I think from the 1950's or so, at least the 1960s. The difference between then and now, is that we know now more about what diesel engines are emitting. I think that it's pretty easy for people to say diesel engines are dirty because of the nuisance aspect of diesels, the smoke and odor that comes out of a diesel engines is typically what people react to. It's only in the last -- growing body of work that's matured in the last ten years or so where we have become more -- reached more definitive conclusions about what the health effects. In fact it was in 2006 the environmental quality

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commission looked at the published data and concluded that that diesel exhaust was a known human carcinogen and the world health organization, the international association for research on cancer reached that same conclusion in 2012. So it's only been a recent development where we have actually gotten hard evidence about what the issue with diesel engines and diesel exhausts really represents beside the fact it's really annoying to be around which is not enough on its face typically to regulate operation of an engine. The effort that I led to clean diesel initiative was primarily a voluntary effort to reduce emissions from diesel engines with technical and financial assistance to move towards lower emissions technology and relying on my good looks and charm and occasional grant funding we were moderately successful in reducing emissions from engines, but incredibly effective because the health and welfare benefits for the work that we've done so far to date have been upwards of 30 to \$40 million a year achieved for Oregonians because of the investments in these funds because there's an estimate as director Whitman suggested, estimates for health costs from exposure to diesel engines comes to three to \$5 per gallon of fuel consumed. Which is a fairly astonishing number, these are powerful, durable, reliable and economical which is why they're used, but the emissions exhaust is an incredible burden on public health and the environment. Essential part of my job was being fleet manager to convey the urgency to take action, heads would nod up and down during the course of my presentation and they get what the need was but then they explained to me that they couldn't take action because there was no inherent marketplace demand for lower emission engines. There are no natural or inherent signals in the marketplace to move to lower emission engines. These engines are durable and they last a long time and there's no other pressures for them to move forward to a lower emission engine. This policy sets a marker, establishing consumer expectation that's extremely difficult to do by individuals but is relatively easier to successfully manage it at a corporate or municipal level. That's at the heart of what this policy is about. Successful business owners already are attuned to signals in the market place that come from competitive pressures, changing consumer desires and many other factors. This policy succeeds in establishing a clear signal with time to comply. Given the intensity of the impacts of these exhaust a shorter time frame is certainly desirable but their tradeoff is between time and money. A shorter implementation schedule will drive calls for extraordinary and at this point uncertain public subsidy. The schedule proposed accelerates turnover to lower emission engines and does this with a reasonable planning time frame for businesses involved. There's one other thing I wanted to talk about just one. We talked about the health effects from reducing emissions of diesel engines, but there's another point I wanted to make too that's not often raised. That has to do with diesel engines and the role in climate change. The city council of the city of Portland has taken a number of successful steps and taken leadership roles in reducing impacts from climate change primarily by focusing on pollution like carbon dioxide which is the largest human influence on climate, in climate change, but the second largest influence many theorize is black carbon. Black carbon is the result of an incomplete combustion from any kind of carbon fuel source whether it be wood or diesel fuel for that matter and diesel engines in north America are the largest source of black carbon emissions. The role that black carbon plays is different than carbon dioxide. Carbon dioxide is considered to be, it describes a well mixed gas so the carbon dioxide that we have in the room here right now is probably composed of carbon dioxide emitted from sources not only in Oregon but also internationally from China, India, Africa and Europe and requires us globally to take action to reduce emissions collectively. Although we can take steps individually at any level that contributes to that reduction, but it does require a global response. The other is that the carbon dioxide if we were to adopt a policy to reduce it to zero tomorrow that benefit will not be realized for another 100 years at least because carbon dioxide is very stable gas in the atmosphere,

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that's about the time it takes to dissipate and move to other forms where it goes through the carbon cycle whereas black carbon itself has a much shorter residence time on the order of days to weeks. We have read recently some of the ipcc reports the international panel of climate change as well as the recent report from the u.s. government talking about we're in a how a shorter time frame to address climate change emissions to get us to a reasonably safe expectation of getting below 2 degrees c temperature increase. Reducing black carbon emissions now helps us get those early reductions in place so we can have more time so we have time it takes because the carbon dioxide reductions reflect greater inertia in terms of policy development as well as how integral they are into the operation of the economy of the united states. So, your steps today in terms of reducing emissions from diesel engines have not only a health benefit but a significant climate change benefit as well. I encourage you to take a leadership roll and thank you for the opportunity to speak and present on this issue.

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

**Joshua Proudfoot:** Hello, my name is Joshua Proudfoot I am cofounder and principal of good company, a sustainability research and management consulting firm. I'm the principal investigator of the regional air quality agency feasibility study for Multnomah county and the city of Portland. I'm also currently working as a subcontractor on the deq nonroad diesel equipment inventory. I have been working with great people that are in this room on diesel and wood smoke mitigation issues since 2004 including in the Portland metro area. So I just have a few things to say in support of this ordinance. One, you heard the need is there and the health risks and costs are already here with us. I want to point out just a few things that I think are nuanced that there's some tension with. One is first of all the operators of this equipment hands down are the most exposed in our community and hey are doing the work that we are paying them to do for the public. So I don't want that lost in that they are the most exposed and they are the ones that are going to carry the burden of the transition. Two, it's the smaller businesses that tend to have the dirtiest equipment because they are the least capitalized, so in this transition I applaud the sincere efforts to support financially that transition. Three, filters do work when properly used. So there is a low cost solution in many of the categories for equipment. In our study from Vancouver, bc, the nonroad diesel emissions or engine program, excuse me, when we interviewed them time and time again about their program and how it might be implemented locally, they insisted that we acknowledge that the transition period, not to say what transition period but a transition period, was essential to make it work. That's where the tension is. We have this extreme health burden, but we also can't just immediately make folks change without any support. I want that to be attended to. Then my last point is that the pattern that we're establishing here should be the pattern for mitigation of climate change. If we are going to help finance and insist on reduction in emissions over time from the public sector and the private sector there's a pattern that you're starting here that's very important and I hope that in this process there's some iteration and learning and adjustment as you go. That's all my comment. I'm in support of this ordinance. Thank you.

**Wheeler:** Thank you.

**Saltzman:** I want to take this opportunity publicly to thank Kevin Downey for a very long, distinguished career at the Oregon department of environmental quality and in particular around diesel emissions. He has I think as Mr. Whitman said he's a subject matter expert in this field, and I remember early on in my career here at city hall working with Kevin to get some federal monies to help us reduce diesel emissions on some of our bureau of environmental service contract work that was going on. I just wanted to thank you for all your service to our state and to our city. I do want to ask you both a question too, because I think Mr. Good foot you just hit on something that was nagging at me throughout the conversation and that is, the workers who are being exposed to diesel emissions day in

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and day out, I know deq isn't the right agency, it's Oregon osha. Do we have any standards to protect people who work around diesel, diesel mechanics, construction workers? Is there anything like that? Should there be?

**Proudfoot:** Not to my knowledge, but I can't say for certain, but one of the places that we saw as a gap in our study was the need for osha to be involved.

**Saltzman:** Okay.

**Fritz:** Would you care to comment on whether we should exempt affordable housing projects with that in mind with the construction workers in mind?

**Proudfoot:** Tight balance between the urgency of the need and the transition. I think we want to protect everybody. We need to commit resources to make that go faster.

**Wheeler:** I did get additional information with regard to affordable housing and that is they just didn't have enough data by today to be able to put that in the margins are very slim for those who develop affordable housing so my understanding is they are going to collect data and come back to us and presumably the county. Amanda is that in July that they are targeting?

**Fritz:** Yea, it's in the ordinance for July. In the meantime it says they are exempt. Nothing is going to happen before July so why would we say in the ordinance that they are exempt, in the resolution that their exempt, rather than just that they are going to come back with those results? Why would we make the decision that they are going to be exempt before we have the information about whether they should be.

**Wheeler:** Amanda did you want to come up and comment on that? Just do it on the record. Thank you, gentlemen.

**Fish:** Before Mr. Downey goes I had a question.

**Wheeler:** Commissioner Fish.

Fish: Amanda first.

**Amanda Watson Mayor's Office:** Thank you. The decision --

**Wheeler:** Name for the record.

**Watson:** My name is Amanda Watson, policy advisor in the mayor's office. The decision to exempt up front even though the phase in policy as you rightfully pointed out commissioner doesn't go into place until 2020 was based on precedent of the green building policy which allowed phb a separate set of rules to meet the same objectives of the policy based on the different structure of phb projects. Additionally as Kyle mentioned in his presentation there's the question of the metro bond and that as well. If we are looking at, you know, this particular policy only applies to procurement. So not city invested projects, the metro bond is a separate question so its analysis we would look at both together. The idea was make a decision on both and bring them forward at the same time.

**Fritz:** I agree but there's no need to exempt them now. Let's have that discussion and decide at that time whether to exempt them rather than actively putting -- we're making a decision without that information.

**Watson:** Sure, I'll leave that, it's up obviously to council to decide. The idea was given that affordable housing is such a strong priority for the city and we wanted to send a signal that we're making a responsible decision there, but I will leave that up to all of you to deliberate.

**Fish:** Before we lose the panel I couldn't resist asking the following question. Our focus today is largely on mitigating the impact of diesel fumes. I guess given that we have learned about the magnitude of the public health problem, we have learned about the disparate impact on protected classes and we have learned about the catastrophic impact on global warming, and we also know that the market is developing alternatives, at what point either because of shifting law and liability or public policy or market forces or whatever you would like to -- like to identify, does this problem in part get solved by moving away from diesel to renewable energy, renewable, even things like renewable natural gas

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which I understand is an improvement. At what point do you forecast that the whole paradigm shifts?

**Downey:** In the future? No. When epa adopted the regulation in 2000, for the 2007 trucks standard, they modeled that by 2030, 97% of the trips traveled by heavy duty trucks would be by 2007 compliant engines. What they did not take into account, and they also did the same forecast for the nonroad rule they adopted in 2007 I think it was. Both of these left during the George w. Bush administration. That was projected 75% equipment will be clean by 2030 as well. What that doesn't take into account is the fact that there have been the great recession, there's been several economic turndowns in the meantime, and they are bottling for both highway and nonhighway side assumed that the turnover nationally would be 10% in both fleets every year. So 10% of the highway fleet, 10% of the nonroad fleet will be turning over every year post adoption of the rules. We don't know yet and we'll be anxious to see results from the survey work that is going on now on the nonroad side but on the highway side the registration data from odot suggests the turnover there is somewhere between 4 to 6% per year. The projection that we have had so far about the benefits from the new technology is way off because the turnover in the fleets is much slower, at least in this state then what epa had projected originally. In terms of when that would happen I don't know anecdotally I can tell you that I was involved in a project where we offered 25% towards the cost of dump trucks, the company was very gracious and they wanted more than what I was able to offer. They kept coming back saying we want to do some more trucks. They also pointed out despite the new trucks he also has a 1968 truck, dump truck, that he runs that he loves, and would not give up because it's cheaper to operate, doesn't -- is not repaired as often as the newer trucks, so there's a large investment that people have both emotionally and financially in keeping some of this old technology going for a long time. Not a very definitive answer but longer than the 2030 time frame epa projected for sure.

**Proudfoot:** If I may just add, from our work with a fuel cell manufacturer from Vancouver, b.c., and market development work we did for them, I'm under the impression that the u.s. Oems in the heavy duty market are not going to move, and they have retuned their strategy to sell just to china, which has made a five-year national effort to dedicate towards electrify case of the heavy duty fleet nationally. So I think we're going to see this technology come in from china quickly and we're seeing electric special purpose engines already like lawnmowers and those kinds of things, but it's anybody's guess as to when they all arrive, but they are coming in fits and starts in every category that I can find.

**Fish:** Thank you very much.

\*\*\*\*\*: Thank you.

**Wheeler:** Thank you all very much. Now we on to the public testimony part of the day. People who have disabilities or people with children we always encourage you to let the clerk know and we'll move you up in the line. I think we only have about nine people. Three minutes. Name for the record, please. First three.

**Moore-Love:** The first Three have asked to come up together.

**Wheeler:** Welcome. Thank you for being here. The microphones slide about this much distance. Good afternoon.

**Beven Byrnes:** Hi. Thank you for having us, my name is Beven Byrnes, I'm a lifetime Portland resident where I'm raising my four daughters. I'm also the principal of bridges middle school in downtown Portland, a nonprofit school serving students with learning differences. I'm volunteer coordinator with Portland neighbors for diesel action and I'm here today to offer my support but also ask that you do more. Moving forward with a standard is very important step and represents a great deal of work by the staff of the bureau of sustainability and many others for which we are very grateful. We appreciate the care you have given to this step. We are disappointed that it's not as strong and will not be

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as effective as it needs to be. We have submitted formal comments with our concerns boiling down our comments we hope you will consider four changes. We would like to see the proposal broadened to include public funded construction sites, that includes affordable housing. We would like to shorten the phase-in period to three years for at least 60% reduction and four years for at least 80% reduction in diesel emissions. We would also like to strengthen the filtration requirements for older diesels to not grandfather doc filters beyond 2024. Lastly we think it's imperative that you provide specific funding for the program and for substantial assistance to be those disadvantaged, minority and women owned contractors in meeting these stronger requirements. Ultimately a stronger version could have a positive leveraging effect ongoing the diesel equipment and practices used on private construction sites. It may also be a model for other Oregon cities and counties and eventually for the state's own infrastructure programs. As you know on November 6 this year metro area voters approved \$652 million in general obligation bond to create affordable housing for approximately 12,000 residents. These will create quite a bit of city funded construction sites and we already know that communities hit hardest by diesel pollution are those of low income, people of color, people with disabilities, and senior with significant health concerns because they are already concentrated near freeways where they have -- are bearing the biggest burden of this pollution. By leaving affordable projects out of the standard we're only furthering the difference of how we are treating our citizens and how we care for their health and impacting the problem even greater. I emphasize that this is an important step but by leaving affordable housing out, we're leaving our most vulnerable and underrepresented communities, breathing city funded toxic air. It sets a precedent, this standard will set a precedent for other cities and counties in Oregon and for the state itself it should not be a weak and tentative effort. It should lead directly to strong and effective statewide regulation of diesels following the California model. I thank you for your consideration and leadership on this issue. It's very important to all of us.

**Wheeler:** Thank you.

**Ari Mitchell:** Hi my name is Ari Mitchell I'm a sixth grade student at bridges middle school in downtown Portland. This year I have been taking a class at school to learn about diesel pollution and its harmful effects on our health. Even better diesel particulate centers actively gathering pollution data throughout the city. In my class I learned that deq reported in 2015 that diesel exhaust causes lung and bladder cancer, certain heart attacks and other blood diseases, childhood brain tumors, decreased brain functioning and increased cases of als, bronchitis and asthma. Another study I read found diesel pollution causes dementia and Alzheimer's disease. Diesel pollution is dangerous, actually diesel pollution kills. In fact 460 people die a year in Oregon because of diesel pollution related causes. That is as many people a year die in a car accident in Oregon. That's scary. I'm here today to thank you for your efforts on this important issue and ask you to please do more. Seven years is far too long to take. I'm 18 and my lungs will pay the price. I respectfully ask you to shorten it to four years 80% reduction in diesel emissions. Thank you for your consideration.

**Wheeler:** Thank you for your testimony.

**Rosie Lyons:** Hi. My name is Rosie Lyons, I'm a seventh grade student at bridges middle school. In my environmental justice class I was shocked to learn Portland has some of the worst diesel polluted air in the united states and that in Portland people with lower incomes are breathing the worst air of any of us because they are more likely to live in neighborhoods near freeways. We learned that 65% of the diesel pollution in our city comes from old equipment at construction sites. We have also learned about the efforts of our city and county to work together to address this pollution at construction sites. I'm here today to thank you for your efforts and ask that you please do more. You must include

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public funded projects or you leave our moth underserved communities breathing toxic air. Thank you for your consideration.

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

**Charlie Backus:** Hi, my name is Charlie Backus and I'm a sixth grade student at bridges middle school. This year I have been taking a class to learn about diesel pollution in Portland and what to do about it. I have learned about the diesel pollution caused by trucks on our health and the climate. Amazed that the cost of the pollution in Oregon is more than \$3 billion a year. I understand city council and the county commission are voting today on a resolution to reduce diesel pollution on public construction sites. I'm here to thank you for your work on this. It is an important step but too small, much too small. As we make a vote today I hope you will approve this resolution with a shorter phase-in schedule and include all city funded construction sites. I thank you for your consideration and I ask you all to remember that the health of us and our planet are at stake. More needs to be done and soon.

**Wheeler:** Thank you. Excellent testimony. Appreciate it. [applause]

**Moore-Love:** Next three. Would you like to start?

**Tori Cole:** Sure. My name is tori Cole an attorney, hello? I'm an attorney and program director at neighbors for clean air. So first I would just like to start off by thanking our local government for stepping up to address this issue. Especially in the wake of the lack of progress we have seen on diesel at the state level despite our best efforts. So as you have heard many people talk about today, the data that we have shows us that Multnomah county is in the 96% percentile for diesel emissions in the nation. We have the health outcomes to show for it in terms of particularly respiratory related e.r. visits being really high in our county and as some of our last folks who testified mentioned, 65% of these emissions comes from construction activity. Our city is a very desirable place to live in a lot of ways, and many Portlanders will continue to live in a state of constant construction for the foreseeable future. The metro affordable housing bond that passed ensures we'll be building \$652.8 million of affordable housing in the very same environment justice communities that have been disproportionately impacted by diesel emissions. I believe they deserve better than to be continuing to be poisoned just to have access to affordable housing. These communities not only suffer disproportionately from diesel pollution but the cumulative impact from all pollutants from air toxics in our air. I think it's very important the city and county are showing leadership on this issue and I thank you for that. We hope this is just the beginning. The scale of problems requires more especially with this policy seven-year phase in timeline. We would like to see funding for low income, minority and women owned contractors to incentivize quicker retro fits and replacement of older engines to make to make this policy a success, we would also love to see these standards apply wherever public money is being spent. So again I thank you for prioritizing clean air for Portland residents and we hope to continue to work with you to lower emissions and promote better health outcomes for our community.

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

**Don Stephens:** Don Stephens, I live in Brooklyn neighborhood near Brooklyn yards. I'm a board member of the neighborhood association and I'm also a member of the coalition of neighborhoods that we call ourselves the Portland neighbors for diesel action. I'm presenting today a copy of the resolution of the neighborhood board has passed in support of the resolution and I'll just read it. We are pleased that the city is taking steps to reduce the dangerous emissions from diesel equipment used by contractors for city projects. The health hazards posed by diesel emissions has been known for more than 20 years and in view of the inability of the state legislature to pass meaningful regulations we welcome the small but important step by the city to reduce these emissions if only for construction equipment. However, we are concerned that the timetable for implementation of gradually



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more restrictive standards is too slow allowing seven years to reach this state of the art emission controls that are already more than ten years old. The policy proposal also provides for many exemptions that allow contractors to use older polluting equipment for up to an additional seven years. We urge you to shorten the timetable by two to three years. We support the provisions for the state certified Oregon state certified dmweb firms. In view of the complex allowances for older equipment, we urge that a budget be allocated for inspection and enforcement if not actual monitoring of air quality near construction sites. We feel an additional benefit of strong diesel emissions standards enacted by the city can serve as a model for other jurisdictions to emulate for construction as well as on-road diesel emissions. These pose the greatest threat to health at an annual cost to the state of \$3.5 billion according to the deq. The amendment to reduce emissions of construction activities will benefit our health as proposed but can be strengthened to be even more protective.

**Wheeler:** Thank you for your testimony. Good afternoon.

**Mary Peveto:** Good afternoon Mary Peveto neighbors for clean air. Thank you, mayor, all of the commissioners for this opportunity. I am really excited to be here to be able to testify in support of a really important ordinance that the city is taking up and I really appreciate that. As tori mentioned and she is here also with neighbors for clean air she mentioned some of the specific concerns that we have regarding timing and certainly the exemption on public housing. I think the spirit of this ordinance is that when we use public money and public funds which I take some ownership of over, that these come from, that they should also support public health. I do believe that with the unprecedented investment in affordable housing, which is a really important initiative for our region that it would also support clean diesel contracting and I would really support commissioner Fritz's effort to remove exemption at this point, I was under the impression that the discussion will be moved later. I felt like that was job security as an advocate and we are very concerned in watching that conversation. If there's anything in the word exemption today that would create a bigger barrier for that conversation on the road I do appreciate commissioner Fritz flagging that. I appreciate commissioner Eudaly's demonstration that this is not a new problem, but the urgency is new, think the urgency of the information we're getting on our climate is that cities and counties and local governments have to act and I will say I have the honor of being appointed to uscpa's clean air advisory committee in the last hours of the Obama administration and I've served on that committee. Honestly I think our federal government, our federal epa is leaving no stone unturned right now to undo any protections that we have even as the information gets worse and worse about the urgency. So these kinds of local initiatives and that's why I'm here to strongly support you moving forward with something with some limitations and I would also like to encourage and ask that we really work together with state government, I think in this situation, we really need to be additive and we need to be able to have city and local governments taking action where the state has some limitations and around the vw settlement money is a good example. We need to ensure that, that money is protected and held to go into the investments in the areas of our state, which really are the Portland and Metro region where it's impacted the most people for the longest period of time. We need to work together, I think, with state government to ensure that no unnecessary rails are put on that money that would restrict its investment where it's most needed. I think there are some opportunities to make sure there is and I encourage and look forward to working with the city hand in hand as we work with the state legislature moving forward. Thank you.

**Wheeler:** Commissioner Fritz.

**Fritz:** As our community experts I'm still stuck on the five minute idling on the construction machines. Is there technology out there that could even after five minutes shut them off rather than just have a sticker on them telling them to shut them off?

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**Peveto:** Commissioner Fritz, I think that's an excellent question. I believe in market forces so I believe there's always technology when a limitation is put in place. That is the way we get technology. I do also understand what Kevin Downey has explained regarding the operations of the vehicles. One of the biggest issues around idling frankly is the fact that we allowed our state government to pass a preemption on idling in our region that I think is as much problematic as the number of minutes we ascribe to it. We should be allowed I think as local government to discuss idling and how we need too to meet the needs and risks we experience here and I think it's an important effort at the state government to lift that preemption on idling in general as much as it to address the minutes. I do believe that if we start signal we'll look for stricter idling rules, that's when the market starts and the technology starts to drive and get there and I would have to defer to Kevin on his expertise and really understanding the operations and the conditions they work under and I have respected that over the years with his support for five minute idling. I'm more concerned about the preemption that the state has imposed that doesn't allow us to address idling more generally for the Portland Metro region.

**Fritz:** What does it preempt us from doing?

**Peveto:** Setting a standard stricter than the states.

**Fritz:** And the state says five minutes.

**Peveto:** Among other things, it preempts a whole bunch of areas that we could address idling more effectively in the Portland metro area holistically.

**Fritz:** I'm hearing your request to add that to our legislative agenda which we will be taking up next week.

**Peveto:** Yes.

**Fritz:** So, thank you for that, I know that trimet has recently started having a rest stop outside of my office window and there's a three minute idling policy, however three minutes tends to go to three and a half and four minutes. At what point -- and despite the hermetically sealed city hall it does seep in through our hall windows and its very noisy. So that's very helpful information, thank you.

**Peveto:** Thank you.

**Wheeler:** Thank you all for your testimony.

**Fish:** Mayor I have a question for staff.

**Wheeler:** Commissioner Fish. Oh , thank you.

**Fritz:** Are we done with this?

**Wheeler:** Yes, thank you.

**Fritz:** Two more for testimony.

**Wheeler:** If you would like -- do you want to wait until after the testimony? Very good, last two, please. Well, there you go. I guess we'll have staff come on back. Commissioner Fish?

**Fish:** Thank you. Richard Whitman earlier on behalf of deq made an overture about the use of the vw settlement funds to help with transition issues. Is that currently contemplated as a part of any of the exhibits that we have in front of us? And if not, is there -- what's your thinking about specifically directing staff to explore whether with the deq and others whether that could be a source of funding?

**Diesner:** Thank you, mayor, and commissioner Fish. That is exactly what we've been doing over the last year, working with state legislatures, working with government affairs and trying to coordinate a strategy across our regional jurisdiction so that we all collectively effectively advocate for the dollars in the 2019 session and that's one of the reasons we wanted to bring this resolution before you today, to have a policy adopted so that when we go to the legislature next year, we can make that case that those dollars need to be advocated for that purpose. We've met with state legislators, we've met with advocacy groups. We've looked at the settlement decree and what our options are under that there's

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a couple of different pathways for which the legislature could direct funding to co-bid firms. We feel optimistic about the chances for that. It's directly in alignment with our state goals around supporting diverse and minority-owned businesses as well as in alignment with the goals of the consent decree which is really to reduce emissions from diesel pollution. We feel pretty confident, we know there's a couple of bills moving forward in the legislature and they've included or let us know they intend to include that language in those and we're coordinating with government fairs across our jurisdictions to make sure we're kind of going in with the same message there.

**Fish:** I assume what you're saying is we don't need a specific directive in the resolution before us. This is already ongoing work?

**Diesner:** Correct.

**Foreman:** I was going to add, there was a specific directive in the resolution in september for us to do just that.

**Fish:** In september?

**Foreman:** Yes and so that is still finding, so to speak.

**Diesner:** And I'll also note you're going to see the legislative agenda, I guess tomorrow, and this is included there.

**Fish:** There thank you very much.

**Diesner:** You're welcome.

**Wheeler:** Any further questions? Very good. Thank you to our team and thank you to everybody who testified today.

**Fritz:** So, I have a comment.

**Wheeler:** Commissioner Fritz.

**Fritz:** Mayor you were in charge of the bureau of planning and sustainability, the Portland housing bureau and procurement services so you can direct your bureaus to come back to council with a resolution that would -- with the financial analysis and exempt the housing bureau. I would like to delete the paragraph that says the housing bureau is exempt without having any evidence to support that and make it so that they have to make the case to be exempt rather than somebody else make the case to be out, because we did hear testimony today, that they should not be exempted until they've proven otherwise.

**Wheeler:** There's a motion.

**Fish:** Second.

**Wheeler:** We have a second. Call the roll on the amendment, please.

**Fritz:** So the motion --

**Fish:** Can I clarify something.

**Fritz:** The motion is to delete the paragraph about exempting the housing bureau.

**Fish:** Mayor.

**Wheeler:** Commissioner Fish.

**Fish:** Just to clarify, the be it further resolved, which is third from the end, actually also contains the directive to come back in July 2019. So what I understand you're striking the exemption.

**Fritz:** No, what I'm saying is the mayor doesn't need the council to direct him to do that, there's clearly an incentive for the housing bureau to do it. So rather than monkeying with the wording of this paragraph we will expect to see that as soon as they can bring it if they would like too.

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

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

**Fish:** I'll tell you why I'm going to support this I think its six in one, half dozen of the other, you can say potato or potato, but what commissioner Fritz is also -- there's an underlying proposition as she was articulating this earlier and I started to think about. We already, as a matter of policy, say that our public investment in affordable housing has to be green.

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We already say that we have to build in areas of high opportunity. We already say that the people who build our housing has to be able to make a living wage. What we're now saying is that there's a public health concern that may also have a cost implication, but I think it's appropriate based on testimony we've received today to consider that and whether you opt in or opt out, because that's what we're essentially doing. There's still an opportunity for council to create an exemption. It's just that it's not a blanket exemption awaiting a report, we're flipping it. I think that's appropriate from the point of view that we have a proud tradition of identifying Portland values, which do have an impact in the short-term on costs. Although in the long-term, we actually think there's some cost savings because of synergies and other opportunities. When you build in high opportunity areas, kids get to go to high opportunity schools and they learn better and families are stronger as a result. On that basis, I'll support the amendment, aye.

**Saltzman:** Aye.

**Wheeler:** First of all, let me say I checked with our staff, they can work with it either way. As commissioner Fish said, it's a question of opt in or opt out. My initial reaction to this when I heard it was to respect the work of the staff. They had spent considerable amounts of time with the housing bureau and the concern was we just did not have the data to able to definitively say one way or another. Everybody up here, the margins on affordable housing is narrow and we chose instead to build our framework based on other policies the city council has previously adopted around green building codes. So that was the theory was we would come back in July with the data in hand and we would be able to have that conversation with the council at that time. But given that my staff says that we can work with that framework, I'm happy to vote aye. The amendment is adopted. Now to the main motion is adopted, is there any further discussion or questions? Please call the roll.

**Eudaly:** First, I want to thank everyone who has worked on this item and I especially want to thank the community advocates who have urged us to take action on this in particular Mary Peveto and everyone who is in this room today. I mentioned that the city club released what I think is their first report on air pollution in Portland in 1955. That was at least 15 years before they started admitting women to the city club. [ laughter ] Is just to illustrate --

**Fish:** You were demonstrating outside. I have a distinct recollection.

**Eudaly:** I was born in 1970, but I would love to take credit for that. I was there in spirit. It's just, you though, to illustrate how long we've known about this and I just deeply regret we made this move decades sooner or at least before this current housing boom there's something egregious to me knowing that at a time when Portland is becoming increasingly unaffordable to the majority of our residents, they've also been experiencing increased air pollution and adverse health effects to the tune of, well, across Oregon, \$3 billion a year and over 400 premature deaths a year which is just heartbreaking for me. So it's hard for me to care about cost uncertainty in the industry, to be honest, in light of that \$3 billion and 400 lives price tag. I agree with the advocates here. I would like to see all of this accelerated. I wasn't prepared to offer amendments today, but let's not lose sight of this and come back to if, if we think we need to get more aggressive. Before I cast my vote, I just wanted to read a little passage from that city club report from 1955 in regard to the state attitude toward municipal control and this is Oregon, obviously. The state authority believes the larger cities of the state should conduct their own air pollution control because there are so many sources of air pollution within a large city that regulation can only be done effectively by a city agency and skipping to the end of this section, they say, when sources of air pollution located outside of the city of Portland are contributing to air pollution within the city, it is the policy of the state authority to assume responsibility for the control and to coordinate in its efforts, coordinate its efforts with a municipal program and I

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implore our state legislature to do that. It's really inexcusable how poor our air quality is here. So with that, I happily vote aye.

**Fritz:** Thank you Lester Spittler, Stacey Foreman from procurement services, this is Kyle Deisner from the bureau of planning and sustainability for spear heading this work really great work, thank you Kevin Downey for your partnership over the many years and thank you Mary Peveto and neighbors for clean air for your community leadership and all of the folks you've brought along including me. This is another step in the right direction towards reducing harmful diesel pollution in our region. Let's be clear the cities are going to have to save the united states for making climate disruption worse and we need to do as much as we can as quickly as we can while at the same time not over reaching. So I'm hearten by the testimony that says we're not doing enough and by that, that yes, this is doable. We need to do doable you struck the right place. I'm happy that we're going to discuss as to whether to exempt the Portland housing bureau, the construction of affordable housing should not expose the environment of justice community's with focusing on serving the diesel pollution, they are already disproportionately harmed as has been said by exposure to diesel particulate matter. Thank you, officer government relations for lobbying for the Oregon Volkswagen funds and putting this on our state agenda and if we're unsuccessful, we need to look for other funding sources to support these firms, because we need to get it done. Thank you to Cynthia Castro on my staff for her help preparing me for this hearing, aye.

**Fish:** First, mayor, as commissioner Fritz pointed out, the three bureaus that have the lead in today's hearing all report to you. First, thank you to your leadership, thank you to the three bureaus, procurement services, planning and sustainability and the housing bureau for their work. This has been an extraordinary week. I don't remember a week in which we've had more meaty substantive issues before the council and we've been in council a lot this week. In fact, if we're here another 10 minutes, I think we qualify for overtime. It's been a busy week and an all star line up today in the terms of the presentation. You know, I tend to increasingly see things through a cup half full rather than cup half empty narrative and I think we have a tendency in public policy these days because we're destabilized by what's going on in Washington, we're uncertain about our future and we're experiencing enormous growing pains is that each time we put in place some new policy, particularly one that's pioneering, we bemoan the fact it didn't happen sooner or its taken so long or some other qualification. I would prefer to focus on the fact that we are teeing up and addressing very compelling community concerns. We're doing so in a thoughtful way and we are having an unusually rational debate by the standards of the federal government in terms of how we discuss these things and its in a civil the setting. I'm proud to be in a council that is systematically taking on tough issues and laying the ground work in a collaborative way and more often than not in lock step with the county, toward goals we share. So I think that's worth celebrating. This has been a week where we've done a lot of good work I'm proud of, including today's action, aye.

**Saltzman:** I want to thank all of the bureaus and the mayor for their leadership on this, but I especially wanted to thank once again Kevin Downey, Mary Peveto for her leadership and neighbors tor clean air for their outstanding leadership and I think dr. Lewis stated and I think Kevin said it as well, diesel has been around a long time, but only recently we began to understand the profound impacts of the fine particulates on our health. So, its no longer just the visible annoyance of diesel fumes and soot its really the profound impacts it can have on all of us. It's incumbent to act and act decisively, its incumbent on us to act as it is really appalling how our federal government seems to really and our president, in particular, seems contentious of fundamental and environmental laws around clean air, clean water and hazardous waste and only makes me wish many resorts were located near railyards then maybe we would see a profound change at a national level. But until

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then, cities, counties and oftentimes we can get the state to come along too, but cities and counties are the focal point for decisive action on clean air and clean water and reducing hazardous waste. Please to vote aye.

**Wheeler:** Thank you all and I agree with commissioner Fish this is has been a prolific and fun week we really have gotten a lot of work done and I have enjoyed the testimony and the discussions that we've had here. So thank you all for that. I appreciate all of the support that this policy has received and I want to thank and acknowledge that we've heard from many people in the community, concerned that while the standard is an important step in the right direction, we heard from several people today that said it did not go far enough and I just want to remind people that first steps seldom complete any journey. I want to assure you that our work to improve air quality for Portlanders does not end with this resolution. City staff will continue to engage with our regional partners to ensure we implement this policy fully and encourage other entities to adopt the standard to have a greater impact on reducing diesel emissions from a construction project all across our region. I'm open to exploring potential programmatic options such as incentives that could encourage contractors to voluntarily upgrade or retro fit their equipment sooner than the phase in schedule currently requires. We'll be continuing to work on our own city fleet to ensure our equipment meets the highest standards for diesel emission control. And finally we are advocating that the state legislature allocate funding from the Volkswagen settlement to support coibd firms to comply with the standard and are working with our regional partners to dedicate funding to a regional implementation program. As you know, one of the priorities for my administration is ensuring that we have a supply of safe and affordable housing options that are available to all Portlanders. It's important that we decide based on the best available data so we can continue to work toward that goal while meeting the objectives of this policy. I look forward to bringing your resolution back to the full council per the amendment offered by commissioner Fritz. We've heard from many community advocates about the serious impact of diesel emissions on public health and the need for our city to take action. I'm glad we're now introducing this standard which will help to improve all air quality for all Portlanders and by doing so advance equity and climate action goals. I was very pleased that several people who provided testimony today reminded us about the important threat to public health provided, created by diesel particulates its notable the public world health organization declared mayors doctors of city's. This is my first honorary doctorate this would not have happened without people in the community pushing this to the forefront. Mary and others have been actively engaged in this for many, many years and this has been at the forefront of concerns for the community and I've attended many forums that were led by the community and I just want to acknowledge, this is not a top-down approach to addressing this critical issue. This is a bottom's up community desire and I think this is worked out exceptionally well, to work with and partner with those who we serve to create a policy that helps further the desires of the community. Finally, I just want to thank the folks in my office for helping to push this forward. Amanda and Amy and Michelle, thank you all for your hard work on this. Amanda came to us through the Hatfield fellows scholarship, scholarship fellows program. We have a bad habit of stealing those fellows, because they turn out just to be such incredible contributors to the work we do here at city hall. Amanda, thank you in particular for your great work on this. I'm very happy to vote aye, the resolution is adopted as amended. Thank you, everyone. [cheers and applause] as commissioner Fritz likes to say, now for something completely different. Item number 1300.

**Item 1300.**

**Wheeler:** Folks, I'll have to ask you, there's lots to celebrate but can we take it outside because we have to continue the business of the council.

**Fish:** Mayor,

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**Wheeler:** Commissioner Fish?

**Fish:** Because we have, I think, three or four items left, and other things ahead, what I'm going to do is, I'm going to read a brief summary and ask staff if I missed anything, take your questions and I think we can get through this the next three items very quickly.

**Wheeler:** Thank you commissioner.

**Fish:** As council knows council approval is required for construction projects with a value over \$1 million. Approval of this action will authorize the chief procurement officer to proceed with bid solicitation and awarding a contract for construction of improvements at Glenn Haven Park located at 7900 Southeast Siskiyou Street, park improvements that will be constructed include a new play area with ADA inclusive and adapted play features, picnic table, ADA compliant pedestrian pathway improvements, tree canopy density improvements and other site infrastructure improvements. The park will also feature a permanent park installation in conjunction with RACC. In terms of the financial and budgetary impacts, the construction cost estimate for the project provided by the consultant team led by Walker Macy Architects is approximately \$1.25 million. Portland Parks and Recreation confidence level in the cost estimate is medium, due to high demand currently prevailing within the construction market. In terms of funding sources, the principal source of funding is the Portland Parks and Recreation bond passed by Commissioner Fritz in \$1,450,000. Portland Parks and Recreation systems development charges in the amount of \$250,000 dollars for a total of \$1.7 million. Future operations and maintenance costs for the built objects will be addressed through PP&R annual budget process, let me turn it over to staff to see if I missed anything.

**\*\*\*\*\*:** Thank you commissioner Fish I think you knocked it out of the park.

**Fish:** Colleagues, any questions.

**Wheeler:** Colleagues any question, no questions. Do we have any testimony? Here comes Karla running, look at that.

**Moore-Love:** No one signed up.

**Wheeler:** Call the roll.

**Fritz:** Happy to see this project coming to the council and ready to go, thank you for your work, aye.

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

**Wheeler:** I don't have a small child anymore, but when I did one of the greatest assets available to us was the play area at Portland Parks, this is great, I vote aye. The ordinance is adopted. Next item 1301.

**Item 1301.**

**Wheeler:** Commissioner Fish.

**Fish:** By the way I apologize to our presenters I neglected to introduce Gary Datka Portland Parks and Rec Capital Project Manager and Robin Laughlin Portland Parks and Recreation Bond Program Manager. This project provides needed repairs and improvements to Lynch View Park in the Centennial neighborhood in East Portland. Similar to the previous project the resources from this project are a combination of park replacement bond and park system's development charge funds. Specifically from the bond fund \$1.4 million from system's development charge is \$1.8 million for a total of \$3,205,029. The construction cost estimate for the project provided by the consultant team led by Lango Hansen Landscape Architects Management is approximately \$2.27 million. PP&R's confidence level in the cost estimate is medium due to the high demand for construction labor and materials currently prevailing within the commercial construction market. Park improvements that will be constructed include a new play area with ADA inclusive and adaptive play features, picnic shelters and tables, pedestrian plaza and pathways, maintenance and emergency vehicle access route into and through the park, tree canopy density improvements, soccer field renovations and a fully automatic irrigation

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system servicing the improved landscape areas and soccer field as well as pedestrian lighting and other site infrastructure improvements. Team, did I miss anything?

**Gary Datka, Portland Parks and recreation:** No.

**Fish:** Colleagues any questions.

**Fritz:** I just have one question that I'm glad to see this one coming as well. When we started the discussions we were talking about the name of the park and I know the adjacent school has changed its name to Patrick Lynch school. What's happening with that?

**Robin Laughlin, Portland Parks and Recreation:** We have been working with our public involvement team to address the name of the park and there should be some movement on this in the coming year.

**Fritz:** Thank you, I knew you would have a good answer for me. [laughter]

**Wheeler:** And I just want to acknowledge in the ordinance description, the ordinance actually that Gary provided it also included the public outreach piece which I appreciate. Thank you for including that as well. Is there any public testimony on this item?

**Moore-Love:** I show two people, Haley Adams and Edie Dickson.

**Wheeler:** I believe they have already left. I believe they were the ones who testified earlier, if I'm not mistaken. Please call the roll.

**Fritz:** Again very excited to see this one happening, be sure to invite me to the ribbon cutting, aye.

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

**Wheeler:** Great work thank aye, the ordinance is adopted. 1302 please.

**Item 1302.**

**Wheeler:** Commissioner Fish.

**Fish:** We're joined by Robin Laughlin, pp&r bond program manager. In order for our city to have world class parks and natural areas we need safe and efficient workplaces for our workers. One workplace we need to improve is the Portland Parks and Recreation's urban forestry facility at Delta Park. Approval of this action will authorize the chief procurement officer to proceed with bid solicitation and awarding of a contract for construction of improvements at Delta Park located at 10850 N Denver Avenue. The improvements under this contract will serve to implement an initial phase of the 2002 Urban Forestry Yard Site Analysis and Master Plan. The scope includes construction of 13,550 square feet of equipment storage and maintenance facility space, as well as the demolition of the existing converted barn structure and reconfiguration of the surrounding service yard. In terms of the financial and budgetary impacts, the current construction cost estimates is approximately \$3.6 million. Full project allocation is \$4.3 million, from the park's replacement bond, \$2,341,591 and from the major maintenance fund, \$2 million. Robin, did I miss anything?

**Robin Laughlin, Portland Parks and Recreation:** No, that's everything thank you.

**Wheeler:** I just had a basic question about this and I apologize, I hadn't done quite as much research on this one as I should of, but what caught my attention was the price relative to the size. This actually seems like a bargain. Is this just some sort of -- is this actually a prefabricated maintenance shed? What is this? It's for storage of equipment?

**Laughlin:** Yes, right now our main facility of forestry is housed in a farm dairy barn which predates the vanport floods. Storing in there right now is some high lift vehicles used to take care of the urban forest. So in this new building we'll be housing those trucks, as well as small equipment like chainsaws, all of the climbing gear and the things they use in their day to day lives to take care of the forest.

**Wheeler:** So, it's more of a shed than building?

**Laughlin:** It's a very large pole barn type shed, it's a metal building and as we know the prices of metal have been going up, so we are anticipating the bids may be higher than we anticipate.



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**Wheeler:** Ok, that's always good to note that I think commissioner Fish said this was -- was this a medium confidence estimate?

**Laughlin:** Yes.

**Wheeler:** Which means it depends on full specs and pricing.

**Fish:** Also, mayor, in almost all of our work right now because of labor pressures and because of cost and materials, the bureau is coming in with a medium cost estimate, because of the uncertainty.

**Wheeler:** Very good. I appreciate that. I there any public testimony?

**Moore-Love:** No one signed up.

**Wheeler:** Any further questions, please call the roll.

**Fritz:** I particularly appreciate the voter for including awareness of the need for the need for staff to have good facilities or at least safe facilities and when they were approving the fix-up parks bod and this is a great example that the existing facilities are somewhat shocking, I think, might be not too far to go. So there's this and the Mt. Tabor yards that are receiving funds through our fix our parks and robin, thank you for all of your work on all of the projects. You and your team have done a fabulous job. Aye.

**Fish:** Yes, thank you Robin for all your good work and you presentation today, aye.

**Saltzman:** Aye.

**Wheeler:** Good work thank you, aye. The ordinance is adopted. Last item 1303.

**Item 1303.**

**Wheeler:** Commissioner Saltzman?

**Saltzman:** Thank you dr. Mayor. [ laughter ] it is my pleasure to bring this resolution before council as there's been an issue that the fire bureau, Portland firefighters and my office have wanted to address for many years and our fire marshall, too. And that issue is Highrise structures, Highrise buildings without fire sprinkler systems. We define a Highrise building as a structure with occupied floors, more than 75 feet above grade. Portland fire and rescue has identified 16 buildings in our city that match this definition and do not have fire sprinkler systems. Now, people should be assured that any high rise built after 1974, which we have many of in our city, do have sprinklers because that is when the requirement was put in place, per the code. But this small group of 16 buildings that were built before 1974 and thus did not have sprinkler requirements in place, I'll let chief Mike Meyers and local firefighter, international association firefighters president local 43 president Alan Ferschweiler explain in more detail their concerns and fire marshall Nate Takara, but I do believe it's high time we start having the conversation with these building owners and about sprinklers. This resolution kicks that off. It would be my hope that some solutions come out of the process that will ensue from passage of the resolution led by chief Meyers and that in hopefully the next six months they will return to council with a set of actions that will hopefully lead in my hope to sprinklers in our high-rise buildings and I will be watching. With that let me turn it over to chief Meyers and I also want to thank Alan Ferschweiler for being here today too in partnership with us.

**Chief Mike Meyers, Chief, Portland Fire and Rescue:** Thank you, commissioner and good afternoon, mayor and commissioners. My name is Mike Meyers the fire chief for the city of Portland and as you noted to my right is president Alan Ferschweiler local 43, he'll be able to make a couple comments as well to assist us in testimony and then to his right is your fire marshall division chief Nate Takara. Today we're going to discuss an international issue related to sprinklered residential high-rise buildings. The city of Portland as you said has 16 unsprinklerd high-rise building, as your fire chief I cannot express enough the important role fire sprinklers play in protecting residents, firefighters and the high-rise buildings themselves. Several recent tragedies have occurred in countries all over the world involving fire in unsprinklerd high-rise buildings. We look forward in obtaining support from you today, to engage stakeholders and discussions and work to

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find opportunities to help retrofit existing buildings to reduce the fire risk to our communities through listening, learning and collaboration with our stakeholders, we hope to make Portland a safer community to live, work and play, thank you commissioner, Alan.

**Alan Ferschweiler, Portland Fire and Rescue:** Commissioner for the record Alan Ferschweiler, I'm the president of the Portland firefighter association, still working emergency operations, I'm assigned to truck four down here at you psu fire station. In a bold move to make commissioner and one that really reflects your time and service in the fire bureau, six years you've been here and as you get ready to retire you try to take the citizen's safety of utmost importance and help finish that off. I can tell you, as the fire department has changed, I got hired in 2001 and a lot of things have changed since then. Highrise fires unfortunately they haven't and when you look at the city of Portland even the past four or five years, we've gone on multiple alarms and we had one a couple second alarms, one at 1900 on park that went to a second alarm, one at 111 south Harrison that went to a second alarm and all most had a fatality, but they were able to pull that person out. These are concrete buildings and what helped them from going any further is because they were actually sprinkler buildings. When you look at the marco polo fire in 2017 that was in Honolulu, we had three fatalities and 12 injuries, as well. This is a very serious and thing not just for the citizens but the firefighters, as well. In 1988, and 1900 block of southwest park, right in there, we almost lost a couple of firefighters in the high-rise fire. Thank goodness, they were able to share each other's air but a specific example to how it is to have the sprinklers in there. I want to say thank you and I'll take a little bit of liberty, if I may and six years together commissioner, I wanted to say thank you for all of the work you've done and it's been a wonderful relationship and I'm going to give a shameless plug to my left as well. I know one of use highlights is hiring this gentleman and it's been wonderful for the citizens and employees that work for him. So thank you on all of those fronts.

**Saltzman:** Thank you very much Alan appreciate it.

**Nate Takara, Portland Fire and Rescue:** Thank you for the record my name is Nate Takara, mayor, commissioners. Thank you for allowing us to start this discussion with out community. As Alan stated just about a year ago, we had a fire in an unsprinkle highrise building right in Alan's fire area and two citizens sustained injuries and one of the -- I think we were lucky that the fire occurred at 10:30 in the morning versus 2:00 in the morning. When I spoke to some of the firefighters that responded when they got there, one of the good things that the occupants did was close the door but even with that, the halls are smoky as they approached to attack the fire. I'm optimistic that we can come up with solutions. There's a building in southwest vista we worked with the building owner a year ago where we were able to come up with a life safety system. At this point, as we speak, they're just about ready to wrap of the project. I think it has improved the fire life safety of the building and improved the safety for the residents of that high-rise. Thank you very much and appreciate the discussion.

**Saltzman:** Thank you all.

**Wheeler:** Thank you. Public testimony on this item, Karla?

**Moore-Love:** No one else signed up.

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

**Fritz:** I very much appreciate you bringing this to council on the agenda partly to commend the commissioner and I appreciate that. Thank you commissioner for one of our lovely parting gift might think because this builds on your legacy of safety. Also, the commissioner could just directed you to do this without coming to council, but by putting it on the agenda it lets everybody know that we're going to have that conversation and they should be paying attention and that they should not come here in six months and say nobody told me and it cost too much. So I thank you for doing it this way. This is a good

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way do things. Obviously with the tragedy in London recently and all of the other ones you mentioned. We all know one fire, one fatality is too many, so I appreciate this effort. Aye.

**Fish:** First, Alan, I want to thank you publicly for the support that you and your union gave to the affordable housing campaign particularly supporting ballot measure 102 which we had a conversation about earlier today about how to stretch the tax dollars and how it may interact with the diesel standard, but thank you for time and time again stepping up and supporting good causes in our community. To the chief and to our fire safety specialist, commissioner Saltzman pointed out to me before this hearing that the building that you were able to work with the ownership on Vista Avenue to retrofit and put in the sprinklers is actually what I call my home. And so, I wondered what they were doing up and down the corridors and took forever but they put in the sprinklers and they covered them. Although it's interesting, the sprinklers actually are now -- they cross into the apartment both and the foyer and kitchen which may not be the norm, I don't know, but there's a sprinkler now in the kitchen that comes in through an auxiliary door that's locked all of the time and there's one that comes into the foyer of the apartment. It's a small apartment but a foyer and they have done, I think each floor and now they're in the process of camouflaging those sprinklers by putting wood around them, wood casing and then painting. So thank you for making the building which I live in, my rental building, a little safer and I'll be interested to see what you come back within six months. It's encouraging there are only 16 buildings of this size but thank goodness the code changed because after going through the comp plan process and a lot of the up zoning and the central city plan, I think we can anticipate a lot more tall buildings downtown, so it's nice to know we have the right standard in place going forward and we only have to tackle the 16 buildings that are technically out of the compliance. So thank you, dan, for this presentation, aye.

**Saltzman:** I must of mellowed out in my six year tenure as fire commissioner

**Wheeler:** Is that possible.

**Saltzman:** This is probably the final major resolution I'm bringing to council and you may recall six years ago when I became fire commissioner the first thing I brought to the council was a ordinance requiring night clubs to install sprinklers. So this time we'll have a process around it. You know, I'm sad to say, unfortunately the state of Oregon is still challenging our authority to require nightclubs to install sprinklers it's a disgusting low for the state in my opinion, but we will prevail. I'm confident of that and fire marshall Takara is doing a great job representing us in Salem and elsewhere. But it is important that we look at this issue, too, because there are so many lives at stake, not only the people who live in those residents but our firefighters who respond to those incidents, as well, as Alan Ferschweiler just said, their lives are in danger as well by not having sprinklers. So I am confident that we will put -- chief Meyers will put together a stakeholder involvement process that will reflect all interests of the table and I feel confident that this council will do the right thing several months down the road and require that the system similar to what was installed in the St. Vista St. Clair building will be installed in the other 16 high-rises. The way you do it isn't that expensive with the system and finally I want to thank my chief of staff Matt Grumm for his help in bringing this to council and I am pleased to vote aye.

**Wheeler:** First of all, commissioner Saltzman, thank you for bringing this forward and thank you, gentlemen for your leadership on this. Chief Meyers, thank you for your incredible leadership of this bureau and we look forward to many more leadership moments coming out of you in the years ahead. I want you to know in my first two years here, I've been extremely impressed with your leadership and I hope you're here for a long, long time to help guide this council forward. Alan, thank you for your leadership of the firefighter's association. I want to join in with commissioner Fish in thanking you for not only supporting the housing bond, but for supporting other good causes in the community, always being there with a philanthropic mindset, but also thinking about how to get the

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tools, the training and the resources that our firefighters need to be safe and successful in their jobs you've done a great job. Fire marshall Takara, you have one of those difficult jobs where you have to weigh the public interest against sometimes very narrow, but important interests to those who own the buildings in our community. You mentioned the Grenfell towers fire and I happened to be in London some several months after that fire and the building was still there kind surprised me, as you drive into central London on a major highway, there it is and it was really haunting and when you think about the circumstances of the fire, the clouding on the sides, the lack of proper safety equipment when it happened the very next day, there was public outrage, not just in London but really all over the world. People were wondering, how can people even get away with this? I'm combining that thought with what commissioner Fritz said that hopefully people will come in and tell us A, that they didn't hear about this, and B it's too expensive. I predict we'll hear both of those things, but when you have a situation like Grenfell towers, people forget those criticisms and they will looking back to all of us, the five of us here and the three of you there and they will remember, we are the leaders who are responsible ultimately for ensuring the public safety on these matters. I really applaud you trying to get this out to the broader community, hear what ideas there are, bring those ideas back to us and let's see what we can do and which ideas work the best, but I'll put down a marker for me right now doing nothing is not going to be an option. That cannot be an option because we have the burden of knowledge, we know what happens when these standards don't exist and therefore, we must do something. That's the mindset I'll be approaching this with. Let's throw the net out there and let's see what great ideas there are, lets engage the community stakeholders and I really applaud your approach. I think it's a good model for me and others to follow on these issues but at the end of the day we'll have to make tough leadership decisions and that we will do. Thank you for being here, thank you for your patience. I vote aye the resolution is adopted and we're adjourned.

**At 4:23 p.m. Council adjourned.**