



CITY OF  
**PORTLAND, OREGON**

OFFICIAL  
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **5TH DAY OF NOVEMBER, 2003** AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi, Leonard, Saltzman and Sten, 5.

OFFICERS IN ATTENDANCE: Susan Parsons, Assistant Clerk of the Council; Ben Walters, Senior Deputy City Attorney; and Officer Curtis Chinn, Sergeant at Arms.

Item No. 1290 was pulled for discussion and, on a Y-5 roll call the balance of Consent Agenda was adopted.

<b>COMMUNICATIONS</b>	<b>Disposition:</b>
<p><b>1285</b> Request of Charles E. Long to address Council regarding bigotry in the Police Bureau (Communication)</p>	<b>PLACED ON FILE</b>
<p><b>1286</b> Request of Absolom Tamar Stiletto to address Council regarding the ultimate sacrifice (Communication)</p>	<b>PLACED ON FILE</b>
<b>TIME CERTAINS</b>	
<p><b>1287 TIME CERTAIN: 9:30 AM</b> – Declare intent to terminate local improvement district formation proceedings to construct street improvements in the SW Texas Street Local Improvement District (Resolution introduced by Commissioner Francesconi; C-10005)  (Y-5)</p>	<b>36180</b>
<p><b>1288 TIME CERTAIN: 10:00 AM</b> – Green Power Leadership Award (Presentation introduced by Commissioner Saltzman)</p>	<b>PLACED ON FILE</b>
<b>CONSENT AGENDA – NO DISCUSSION</b>	
<p><b>1289</b> Statement of cash and investments September 25, 2003 through October 22, 2003 (Report; Treasurer)  (Y-5)</p>	<b>PLACED ON FILE</b>

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<b>Mayor Vera Katz</b>	
<b>1290</b> Appoint Eric E. Parsons to the Portland Development Commission for terms to expire July 10, 2006 (Report) (Y-5)	<b>CONFIRMED</b>
<b>*1291</b> Pay claim of Ms. Bonnie S. Roseman (Ordinance) (Y-5)	<b>178014</b>
<b>*1292</b> Accept \$25,176 grant from the Federal Emergency Management Agency for Portland Office of Emergency Management (Ordinance) (Y-5)	<b>178015</b>
<b>Commissioner Jim Francesconi</b>	
<b>1293</b> Set hearing date, 9:30 a.m., Wednesday, December 3, 2003, to vacate a portion of SW Caruthers Street west of SW 6th Avenue (Report; C-9997) (Y-5)	<b>ADOPTED</b>
<b>*1294</b> Accept a grant from the U.S. Department of Housing and Urban Development for the Portland Streetcar RiverPlace Extension Project (Ordinance) (Y-5)	<b>178016</b>
<b>Commissioner Dan Saltzman</b>	
<b>*1295</b> Authorize an Intergovernmental Agreement with the Oregon Department of Environmental Quality for Limno-Tech, Inc. to provide water quality modeling of the impacts of Combined Sewer Overflow control for the Willamette River bacterial total maximum daily load (Ordinance) (Y-5)	<b>178017</b>
<b>City Auditor Gary Blackmer</b>	
<b>*1296</b> Assess property for system development charge contracts and private plumbing loan contracts (Ordinance; Z0745, K0060, T0075, K0061, T0076, P0066) (Y-5)	<b>178018</b>

<p><b>REGULAR AGENDA</b></p> <p><b>Mayor Vera Katz</b></p>	
<p><b>*1297</b> Adopt Human Resources Administrative Rule to establish a vacation donation program for employees called to active military service and to continue dependent health insurance coverage during military leave (Ordinance) (Y-5)</p>	<p><b>178019</b></p>
<p><b>*1298</b> Adopt Human Resources Administrative Rule to restore 100% of Accrued Paid Leave for members of the Fire and Police Disability Retirement and Death Benefit Plan pending the acceptance of a service-connected claim (Ordinance)</p>	<p><b>REFERRED TO COMMISSIONER OF FINANCE AND ADMINISTRATON</b></p>
<p><b>S-1299</b> Amend the Northwest District Plan to add a Parking Policy and Regulations (Second Reading Agenda 1284; amend Code Chapters 33.562, 33.815, 33.910) (Y-3; N-2, Sten and Katz)</p>	<p><b>SUBSTITUTE 178020 AS AMENDED</b></p>
<p><b>Commissioner Jim Francesconi</b></p>	
<p><b>1300</b> Consider vacating a portion of the Alley in Block 34, Portsmouth, at the request of the University of Portland (Hearing; Report; VAC-10010) (Y-5)</p>	<p><b>APPROVED; CITY ENGINEER PREPARE ORDINANCE</b></p>
<p><b>1301</b> Adopt the capital budget and finance plan for the Portland Streetcar RiverPlace Extension Project and direct action for implementation (Resolution) (Y-5)</p>	<p><b>36181</b></p>
<p><b>*1302</b> Authorize contract with Stacy and Witbeck, Inc. to provide pre-construction services for the Portland Streetcar RiverPlace Extension Project (Ordinance) (Y-5)</p>	<p><b>178021</b></p>
<p><b>*1303</b> Amend contract with Portland Streetcar, Inc. to provide project management and design services during the construction of the Portland Streetcar RiverPlace Extension Project (Ordinance; amend Contract No. 31428) (Y-5)</p>	<p><b>178022</b></p>
<p><b>*1304</b> Amend contract with the Inekon Group to provide new bridgeplates for the Portland Streetcar vehicles (Ordinance; amend Contract No. 32210) (Y-5)</p>	<p><b>178023</b></p>
<p><b>1305</b> Create a local improvement district to construct street improvements in the NW 13th Avenue Phase II Local Improvement District (Second Reading Agenda 1257; C-10003) (Y-5)</p>	<p><b>178024</b></p>

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<p style="text-align: center;"><b>Commissioner Dan Saltzman</b></p> <p><b>1306</b> Authorize an agreement with Colwood Limited Partnership in the amount of \$160,000 to conduct restoration activities in the Columbia Slough Watershed as part of the Section 1135 Program of the Water Resources Development Act (Ordinance)</p>	<p style="text-align: center;"><b>PASSED TO SECOND READING NOVEMBER 12, 2003 AT 9:30 AM</b></p>
<p style="text-align: center;"><b>Commissioner Erik Sten</b></p> <p><b>1307</b> Declare support for technology and Internet access programs that benefit low-income residents (Resolution)  (Y-5)</p>	<p style="text-align: center;"><b>36182</b></p>

At 11:28 a.m. Council recessed.

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**WEDNESDAY, 2:00 PM, NOVEMBER 5, 2003**

**DUE TO LACK OF AN AGENDA  
THERE WAS NO MEETING**

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**November 6, 2003**

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 6TH DAY OF NOVEMBER, 2003 AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi, Leonard, Saltzman and Sten, 5.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Linly Rees, Deputy City Attorney; and Officer Michael Frome, Sergeant at Arms.

<p><b>1308 TIME CERTAIN: 2:00 PM</b> – Accept the Special Needs Committee Report (Report introduced by Commissioner Sten)</p> <p><b>Motion to accept this report:</b> Moved by Commissioner Sten and seconded by Commissioner Saltzman.</p> <p>(Y-5)</p>	<p><b>Disposition:</b></p> <p><b>ACCEPTED</b></p>
<p><b>1309 TIME CERTAIN: 2:30 PM</b> - Appeal of the Sunnyside Neighborhood Association against Hearings Officer’s decision to approve the application of Martin Treece and Marquis Companies I Inc for a Conditional Use with Adjustments for an assisted living facility at Hawthorne Gardens, 2827 SE Salmon Street (Previous Agenda 1225; LU 03-111111 CU AD)</p>	<p><b>CONTINUED TO JANUARY 15, 2004 AT 2:00 PM TIME CERTAIN</b></p>

At 3:01 p.m. Council adjourned.

GARY BLACKMER  
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 Transcript.

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## Closed Caption Transcript of Portland City Council Meeting

This transcript was produced through the closed captioning process for the televised City Council broadcast.

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

**NOVEMBER 5, 2003**

**9:30 AM**

[ Roll call ]

**Katz:** Good morning, everybody. Oh, good, i'm glad you're here. Let's do communications, 1285.

**Katz:** Charles, come on up.

**Item No. 1285**

**Charles Long:** My name is Charles Long, I live on Northeast Mason Street. Chief Mark Kroeker has said that there is no prejudice or, what do you call it, regarding race in the Portland Police Force, and I respectfully disagree and would give a number of reasons, one or two I'll give today. At the Albina Ministerial Public Meeting reporting on the findings that they did regarding Kendra James, one of the pastors said that he was stopped in his car coming home from a church function and was interrogated and harassed, and I think this is an example of unjustified police involvement in his freedom. Also, the Robert King, the president of the Police Union in the rap sheet publication for August, published a couple of scathing articles regarding Kendra James, and they reached down and got the worst derogatory term they could and called her a whore, and that was the best they could say about her. I have here a program, memorial program of her, memorial service in May, and I'd like to give a few highlights and request that the clerk give this copy to Robert King and make copies to the members of the City Council and also a copy to Chief Derrick Foxworth. Kendra received her elementary education in Martin Luther King in Portland, Oregon, attended Port Mouth Middle School and continued her education at Roosevelt High School. She was a very exciting and outgoing person. She was always well spoken and persistent in getting her point across. Whenever you saw her, she was in good spirits, always kept the beautiful smile and had just what you needed to hear to make you laugh. She was so full of contagious energy, that it often spilled over to everyone around her.

**Katz:** Mr. Long, your time is up.

**Long:** My time is up?

**Katz:** Yes.

**Long:** I haven't started hardly.

**Katz:** Well, you can come back. Thank you.

**Long:** Would you make this copy available?

**Katz:** Absolutely.

**Long:** Thank you.

**Katz:** All right. 1286. Thank you, Mr. Long.

**Katz:** Good morning.

**Absolom Tamar Stiletto:** As you all know, I'm a genuine prophet, the president of the United States is afraid of me flying out of the airport, so is most of the U.S. Government. Repent for the king in heaven or else, as you heard this morning. Greetings to the United States Government. Grace to you all and peace be multiplied. We're sitting -- are we sitting comfortably? Well, then, let's begin. It is with buoyancy and hope that you all understand that I obviously speak the truth and make it plain. I ain't afraid of nothing. Ok. All that I -- all that I the prophet Absolom Tamar Stiletto, also known as Adrian Martinez, am a genuinely prophet, boy the arc angel battle,

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michelangelo, by the signs of miracles provided by the holy spirit's power, such as in your dreams, the prophecy about to occur to me and to you in all -- and all else on earth. Are we listening, george? Ok. There are very satanic people destroyed throughout the united states, britain, the philippines, especially los angeles, namely a -- former jezebel amy jo johnson, a deceased actress, also known as the pink power ranger. She was destroyed in her home on this -- on the morning of november 22, 2002 at 2:30 a.m. In her comfy home, in 2000. And her coven of approximately 15 satanic bisexuals mostly women on the 8th of june, 2000, at 4:55 p.m., by the lord's power. On both occasions I was contained in a psychiatric facility in june. Emanuel legacy hospital in june, in Portland, and ucla medical center, where that -- in september. And had no contact with the outside world except with the phones which were tapped by the secret service. Sue me. You know it happened, fellas. Ok? And the truth is known to all. The israeli government has all the facts regarding these events as display of god's power and the wrath on the children of darkness do come on this country, which is babylon reincarnated. It looks like the moon any day now. And i'm glad to see it happen. All has seen the father's white turban italian face coming out of the hills, hovering over his prophet, that's me. That's me, baby. And on new year's day, at the minute 12:01, by the holy spirit's power, as well as the messiah of mankind, jesus christ, a child beside a beautiful white wooden cross with an inscription saying, king of israel's tribes, and he said, christ said, the hillbillies will identify you. You all heard god the father jesus christ say, send my prophet on his way. The king -- most of you still ignore the facts at the cost of your own souls.

**Katz:** Your time is up.

**Stiletto:** Thank you. If physical death is the price I pay to free my brothers and sisters, nothing can be more --

**Katz:** Mr. Stiletto, thank you very much. Why don't you -- mr. Stiletto, have a seat.

**Stiletto:** I'll see you later.

**Katz:** All right. Consent agenda. Any -- there are two items -- there's one item to be removed off the consent agenda. Item 1290. Any other items to be removed off the consent agenda? Roll call on consent agenda.

**Francesconi:** Aye. **Leonard:** Aye. **Saltzman:** Aye. **Sten:** Aye.

**Katz:** Mayor votes aye. [gavel pounded] all right. 1290.

**Item 1290.**

**Katz:** I have the pleasure of making several appointments to the planning commission as well as to the Portland development commission. And john russell made a decision not to seek another term, and I made a decision to appoint eric par sons. Eric and I worked a long, long time ago on the housing investment fund with then commissioner gretchen kafoury. He is very knowledgeable in housing, very knowledgeable in real estate, and I want to welcome him and I want to turn first to matt, do you want to say anything, and then we'll have mr. Parsons tell us how he sees his new role.

**Matt Hennessee, Chair, Portland Development Commission:** Very briefly, madam mayor, members of the city commission, my name is matt hennessee, chair of the Portland development commission. It's an honor and a pleasure to be with you here today as you have nominated mr. -- and plan to appoint mr. Parsons to be a member of our commission. One, we thank you for that, I think I speak on behalf of the other commissions who on the one hand want to acknowledge the support and the l.p. And certainly the ability of mr. Parsons as it relates to both running a big company, understanding the importance of economic development in general, and having the kind of experience that he has and brings to our commission. We're thankful for the work that mr. Russell did and feel very strongly that someone with mr. Parsons' background is a great fill for that position, and we thank you very much.

**Katz:** Thank you. Eric. Welcome. Do you want to say something to the council?



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**Eric Parsons:** Very briefly. Thank you. I think we all know we live in a wonderful city, and there are many reasons for that, and of course one of those is a strong and stable city government and one of those is the long history of contribution that's have been made by Portland development commission. There are many, many commissioners and staff members who have worked for years and years who are the betterment of our city and I am simply very proud and very humbled to be considered to be a part of that fine organization. I look forward to working with you, I look forward to working with matt and the other commissioners, and we have much yet to do in the city of Portland in terms of housing, economic development, and so on. I think this is a wonderful opportunity. I'm looking forward to it very much. Thank you.

**Katz:** Thank you. Council? Anybody have questions?

**Sten:** Welcome.

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

**Katz:** Anybody else want to testify? If not, roll call.

**Francesconi:** I wanted to congratulate you, mayor, on a terrific selection here. Congratulations to your chair, because now you'll have another valuable team member here. I guess eric, first thing I want to do is thank you for continuing to be one of our best employers, and for maintaining your office downtown and having all the employees downtown. I think you're the second -- first or second largest private employer in the downtown area, and we appreciate that very much. So bringing that expertise to the Portland development commission, given your real estate connections, given the fact you're one of the emerging new leaders in the whole business community, and given the fact you care so much about the community and you also care about schools, which is the first thing you always mentioned to me every time we talked, so you'll hopefully you can also help with matt's leadership and others to help bring the public and private sector back together again. So we could meet the challenges facing the city. Aye.

**Leonard:** We have your work cut out for you. Welcome. Aye.

**Saltzman:** Welcome. Aye.

**Sten:** Terrific joyce. I have worked with eric in the past on housing issues, and I look forward to continue to do that. Aye.

**Katz:** I thank you for -- I thank you for saying yes. Thank you.

[gavel pounded] time certain. 1287.

**Item 1287.**

**Andrew Aebi:** Good morning. Andrew aebi, local improvement district administrator. Could we switch to the presentation? The resolution before you today would terminate local improvement formation proceeding for improving southwest texas street, southwest 26th avenue and southwest 29th avenue if you approve this resolution, no further action would be taken on this project. Under the revised l.i.d. Procedure that went into effect in january, this enables us to save the cost of publication, mailing, and posting notification and no lid formation hearing would be scheduled. Just to give you a background, the primary reason for not approving this project five years ago were cost and the l.i.d. Process. There was a goal of reducing costs by 50% to make projects more affordable for property owners. We've been successful at achieving this in some areas of the city, but unfortunately not in this area. The previous l.i.d. Process provided for very little upfront involvement from property owners. In fact the design would be complete before the project was even taken to city council. Now we check in with property owners very early on in the process to get their feedback on costs and other issues. The message that we heard on this project over the past few months is that we've gotten part of the way in the funding, but we are not all of the way there yet. I'll explain more briefly in a moment. We did some new outreach with the property owners on texas to fulfill a promise that we made to them that we would come back to them once the new l.i.d. Process and new funding was in place. As you know, we were not successful in

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getting new funding for street mains and improvements because the street maintenance and improvement fee was repealed prior to its implementation, but with wanted to give the texas residents the first opportunity to take advantage of the new storm water funding provided by b.e.s. We held several meetings throughout the summer to explain the new funding to the texas residents.

There was a consensus at the last meeting with property owners not to proceed, primarily due to continued cost issues. While the b.e.s. Planning was certainly appreciated by the property owners, the fact remains that the lack of street funding resulted in cost estimates for property owners that were above the previous proposal from five years ago. So we had no way to leverage the funding to get to the project to a price point that the property owners could afford. This is a view of southwest texas street at 29th avenue looking east. This proposal also included southwest 26th avenue at the bottom of the hill. As well as 29th avenue between nevada court and texas. The recommendation not to move forward is based on the low level of petition support in the l.i.d. Out of the 36 properties in the l.i.d., only two petitioned in favor. 19 of the properties in the l.i.d. Are waived. Neither the petition properties nor the waived properties alone would have been sufficient to bring this before council today, but the combination of the two put total support at 52.6%. By city code, the l.i.d. Administrator's required to bring a petition to council when a majority of the property owners in the l.i.d. Are counted in favor. However, 90% of the support for the l.i.d. Is from waivers. I just want to talk briefly about cost trends. Portland is grappling with the same issues that a lot of other jurisdictions around the country are dealing with. The street construction estimate has average add 5% annual increase in cost from five years ago for a total increase of about \$76,000 with asphalt and concrete accounting for about 61% of total street costs. While the cost of these materials has steadily increased, general construction inflation has slowed recently, which in this case would have meant savings for the property owners if the bid came in below the estimate. The storm water estimate averaged in 11% annual increase in cost for a total of about \$249,000. Most of this increase was due to the increased value of the land for the storm water detention pond that the -- at the bottom of the hill. Finally we communicated to property owners that the estimate included contingency to cover the risk of encountering something new that had not been taken into account in preparing the estimate. One of the criticisms of the old l.i.d. Process is the estimate did not allow for risk. Normally contingency is not used, but it is included to protect property owners against cost increases. Property owners are only charged actual costs. In terms of the property owners share the total project cost today is \$1.6 million, excluding overhead costs which are absorbed by the office of transportation. Which is the case for all l.i.d.'s. The net result of the new funding in the l.i.d. Program practice of fully including all costs, including contingency and financing, is that the property owners estimated assessments have increased by 4.4% per year since february of 1998. This also takes into account that the area of benefit has decreased by a total of 10%, so the cost is being spread over a smaller number of property owners. So in summary, I would like to thank the texas property owners for having enough confidence in the new l.i.d. Process to ask me to prepare a petition. It has been a privilege to work with them. I would also like to thank the bureau of environmental services for their financial contribution to the project. While this project would have been worthwhile in improving and protecting the stevens creek watershed, we have not been successful in getting the cost down to a price point where the property owners were prepared to support it. If the council disagree was my recommendation and inbound stead wishes to move this project forward, council my direct me to bring a substitute resolution forward for consideration. Thank you.

**Katz:** Thank you. All right. Questions? Does anybody want to testify?

**Jerry Willkins:** Jerry wilkins, 2830 southwest texas street. Frankly I wasn't going to reiterate some things, but after listening to the proposal I think maybe I did. I sent each of you an email on september 10 that listed out my position and what happened to me over the years. Frankly, you

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know this, is a 91/2-year process through no fault of ours, just because of how the process was. So in that time, the first estimate back in 1994 was \$334,000 for the whole thing. This last one is up to over a million and a half dollars. When we came to council the last time, it was a little less than 800,000. That's a huge increase. Now, that's -- even with b.e.s. Coming in with the funding for the detention pond, which we've always declared should have been their responsibility in the first place, since it's serving the whole watershed and not just our street, and the fact that b.e.s. Doesn't have a plan to purchase these properties in these areas that are going to have to have some kind of storm water treatment sometime in the near future, I would guess, of course the land values are going to increase over those years. So I don't know. It's -- i'm really discouraged the fact that we didn't come up with a funding thing. We've tried to work within the rules that were set. I sat in on those meetings for 21/2 years after our l.i.d. Was negated. Coming up with a better process, which is a better process, because we're here now instead of five years later, but the funding part is just -- just boggles my mind. I can't believe that -- I have a hard time believing that it could increase that much from five years ago. My share right now is \$33,000 something. For this. Which is just out of the question. So I urge you to dump it and frankly, you know, we would have all been better off to bootleg way back in 1994, like our neighbors did. Because then we could have maintained the bootleg with the city's blessing. But we played by the rules and so we've basically got screwed. Thank you.

**Jane Claus:** Good morning. My name is jane clause, I live on southwest texas street. I'm also opposed to the l.i.d., I would urge the council the agree to terminate the proposal at this point. I'm relatively new to the neighborhood, I purchased my home a little over two years ago and was totally unaware of these issues. I purchased my house because I liked the neighborhood, I liked the gravel road, and I liked the whole concept of having a country setting very close to the city. So i'm not as familiar as jerry is with some of the issues, but the key points i'd like to point out is the fact that the project was initiated by a developer who no longer even owns property in this area. And the neighbors at least the neighbors i've talked to, have repeatedly voiced their opinion that we are opposed to this project. And my understanding is that it continues to live only because of the waived yes votes from the community. Also the high cost per resident of the project, my anticipated share is 15,000, which is probably more than the equity that I even have in my home. And finally, the project will not solve the water problems that plagues our neighborhoods, especially the neighbors who live on the south side of southwest texas, like myself. The -- i've been advised that the neighborhood and some of the neighbors have already started to plan for expanded maintenance options, and that these options will provide for a smooth road, some water control, and I am told it will be at least one-40th of the cost of the proposed l.i.d. Now. Thank you.

**Elana Emlen:** Hi, i'm elana emlen. I live on southwest texas street. Eight years ago we bought our house and we were told that it would cost \$14,000 for our share of fixing the road. Five years ago we were told our share would be \$17,000. Now, even with the b.e.s. Subsidy, our share is \$21,000. That's a 50% increase over the original \$14,000 estimate. And \$17,000 made me cough, \$21,000 makes me choke. Even with the subsidy I have to say, thanks, but no thanks. But I do want to tell you what I wish had happened. Five years ago, or last time we were here, council directed the office of transportation to go out, be creative and come up with a less expensive way to do something. And this is what I wish had happened. First I wish that we had been asked what we were willing to pay. It's not zero, and it's not 21,000, but it's something in between. And if council -- if the city had gotten information on willingness to pay and just a more reasonable budget, then they could have started with something and they wouldn't keep striking out with the folks who live on texas street. And in terms of design, commissioner Saltzman especially was urging creativity and coming up with something new and good to deal with the water. To me, being creative means maybe considering the possibility of not having a standard design. But because pdot was so

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wedded to the standards, they didn't have a chance to do anything new, and in the short time I can't tell you the many, many ways that the standards don't make sense on this road. But we should have and we could have made this road a model for doing something really different, much less expensive, and very effective for dealing with storm water. But we didn't. The other thing, and I'm not sure how this would work, it seems like if you knew our willingness to pay and if you had a scaled-back model, it seems like could you at least put that out to bid. I know Andrew talked about the costs going up, but you don't know unless you ask. And maybe there would have been a good firm out there willing to do it for the price that we could afford to pay, but how will we know if we don't ask? So I wish that had happened too. In general, I feel like this was a missed opportunity, and because of the all or nothing attitude, we have nothing, Stevens Creek has nothing, and it's just not fair because we would have paid something. Thank you.

**Katz:** Thank you.

**Rick Meigs:** I'm Rick, I live at 7032 Southwest 26th Avenue. I'm opposed to this I.I.D. For two reasons. One, the cost. It continues to increase and is prohibitive for the average homeowner. Our modest 1700-square-foot home, our cost is going to be over \$29,000 for this I.I.D. Secondly, the developer who was driving the original I.I.D. is no longer owning property in the area, and has actually moved out of state. Finally, I do want to compliment Andrew Abei for his excellent work on our behalf. He has done all he can to try to make this process work and get the cost down within reason. And I think we're simply plagued by the structure of the I.I.D. Process, the engineering, and more than anything else, the geography of our particular area. So I again urge the council not to approve this I.I.D.

**Matt Emlen:** Matt Emlen, Southwest 26th. We've been hearing about two issues today, both cost and design, separate and related issues. A lot has been done on the cost front, or a lot of work had been done since you last heard about this issue, but nothing really had been done on the design side. I'd like to point out again some of the issues that weren't part of the original design for this project. It didn't address the water problems that we've heard about under people's homes and elsewhere on their property. It didn't address a damage wetland at the bottom of the hill that you saw. In fact, the design actually skirted that issue, sending the need to plow through Rick's yard, which is the gardening role model for the entire role model, rather than dealing -- taking a straight shot through the property where there was a wetland issue the city didn't want to be party to. It didn't address row houses zoning that is a problem at the bottom of the hill that drove the cost for the entire 26th Avenue side of the project, because of that zoning, the whole project had to be larger and more expensive. It didn't address pedestrian connections through to Hillside, which could be a wonderful amenity for neighborhood and would connect with some semiformal and informal pedestrian paths that are there. And it didn't draw connection to the broader watershed issues, and I think if we're going to deal with these problems successfully, if we're going to look at cost, we've got to look at all of these things together, because they are connected. So we didn't revisit the design process in this round. I think the new I.I.D. Process should do that because it's talking to neighbors earlier. We would hope from here that we can move ahead. I wanted to say, I don't think this is the last you've seen of all these neighbors and of this project. We've had some good conversations with people at B.E.S. Who are interested in coming out to work with us, help us understand more the watershed context, give us some ideas on some small projects we could start on. And maybe we'll come up with some new solutions. And I think as Rick once said, we want to make the water an asset in the neighborhood, and I think there's some possibilities to do that. And as we work on some citizen initiated projects to do the gravel road differently or solve some of the immediate issues that we do that in a way that fits with the broader watershed context. So you haven't seen the last of us. Thanks.

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**Katz:** Anybody else want to testify? Questions by the council? If not, roll call. Did you want to add anything?

**Francesconi:** You don't need to, Andrew. It's all right. Unless council has any questions.

**Katz:** Roll call.

**Francesconi:** This has been -- to the staff, it's been a very difficult experience. To the neighbors, it's been worse. So the question is, can we learn from this? I think there's a couple of things. Both on the cost and the design side. On the cost, as it was said, we've learned some lessons here. The truth is, we still need some way to subsidize, to bring down the cost of I.I.D.'s. So far we've been approving I.I.D.'s if you're fortunate enough to live in a tax increment district, or if we can work something out with B.E.S., but that's not fair to all the other neighborhoods. And all the other citizens that want these improvements. So we were fortunate, the legislature is kind of easy to criticize the legislature, but the legislature and the governor did the right thing with the bridge money and the bridge repair money, and from that we were able to get some money to maintain our local roads and to fix the potholes and stop the deterioration in our roads. So that we can do our multimodal projects and continue our national reputation. But we also have to maintain things. Now, there's not enough money from there to do the kind of work that it's going to take to help southwest Portland and large parts of east Portland. But we're beginning to work on a strategy for getting some more resources to address that. I don't know if they're going to be fruitful or not, but we're working on it. And so that's a way that you citizens here can help us if this strategy continues to evolve. On the design side, the engineers at the top level, some of the top people in PDOT, also know that we have to try to make some changes in order to deal with storm water in a different way. One of the things that's emerging from the strategy plan in parks, I'm sorry, I'm so used to saying that. The strategy plan in transportation, is to create a new vision for PDOT that recognizes the changing reality of trying to do a better job of protecting our environment. So the whole issue of sustainability, which includes an economic component, and we've moved on the transportation of freight, but people are also looking and -- about how we can work more closely with our partner, B.E.S., in sustainable practices in infrastructure. So this is something that Commissioner Saltzman and I are just beginning to explore about how we can do this. And I can tell you people at the top levels of PDOT want this to happen. We need it to continue to merge -- emerge from the strategy plan, but that's the way that I think some of these good citizens here can also plug in. So it's my commitment to you to see if we can turn this into a learning experience on both the necessity of having resources directed to infrastructure, and the need to make our infrastructure sustainable. Aye.

**Leonard:** Aye.

**Saltzman:** Well, I've witnessed part of this process on my term on the council, it's obviously had a history that preceded me, but I do think we are getting to the point where we need to -- and I think you're going to help us perhaps, get to where we can do an I.I.D. That does address storm water issues and things about doing streets differently that keep storm water controlled, management, creativity with storm water in mind. And it sounds like there's a lot of creative talent in this particular I.I.D. District, and I do hope we'll see you back again. Aye.

**Sten:** Aye.

**Katz:** Mayor votes aye. [gavel pounded] thank you. 1288.

**Item 1288.**

**Katz:** Commissioner Saltzman.

**Saltzman:** Thank you, Madam Mayor, and members of the council. This is a matter -- this is a cause for some celebration. It's no secret that we in Portland are big supporters of renewable energy. From adopting an ambitious energy plan in 1979, to under Commissioner Sten's leadership, establishing the first municipal global warming action plan in 1993. The city of Portland has

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steadily greened its power supply and raised the bar for other local governments. The city has been to the forefront in adopting new green power technologies. We've installed microhydrofacilities in the city's water system, we've captured methane waste gas at the columbia boulevard wastewater treatment plant, and we've added solar electric to our parking meters and to bureau of maintenance fans. This year the city passed another significant milestone by reaching its target of getting 10% of its power from renewable resources. Today our leadership in renewable energy is being acknowledged and celebrated by the federal government and susan anderson from the office of sustainable development is going to tell us a bit more about the award and then she'll introduce mike slater from the e.p.a.'s seattle office.

**Susan Anderson, Office of Sustainable Development:** Susan anderson. We're here today as dan said to accept and be honored by the u.s. Environmental protection agency for the green power leadership award. The national award winner. You all know that the city's been the leader in energy efficiency in renewables for more than two decades barks -- back when the city was the first local government to adopt an energy policy in 1979. Today the award is really for three things. First, because in 2002 as part of our local action plan on global warming, we adopted a goal to have 100% renewable power serving city government facilities by 2010. Second, because this year, as kind of a milestone in reaching that goal, we are now have purchased and/or are generating our own power for 10% of the city's facilities and third, because we've taken a lot of innovative actions within our own city's facilities as commissioner Saltzman mentioned, with the fuel cell and microturbines at the waist water treatment plant, solar panels on our parking meters and maintenance vehicles, and a project that you're going to hear a little bit more about in the near future, which is something that we're calling our urban turbine, which will be a wind generated that's going to be sited near the airport that will produce power and not only that, it will be a place, sort of an education place where children from around the city's schools and others can learn about renewables. The credit for these projects goes to dave in my staff, but also very much to brant and mort and dean as b.e.s., the water bureau. And transportation, because they've taken this on as a real issue, and seen it as a priority as a part of how they run their bureau, and part of doing business in the city. So we're very excited about it and I want to introduce mike slater.

**Mark Slater:** Good morning. I'm happy to be here on behalf of our regional administrator for the environmental protection agency to present the -- this -- the nation's highest award for green power leadership, the 2003 partner of the year award to the city of Portland. Mr. Yani was in Portland last week to celebrate Portland's accomplishments in brownfield revitalization during e.p.a.'s national brownfields conference. We are back again yesterday at the green power marketing conference in chicago, e.p.a. And the department of energy recognized Portland's outstanding equipment to renewable energy resource was this green power partner of the year award. Portland has already generated and purchased millions of kilowatt hours and plans to become as susan said, the first city that is 100% renewable energy powered. My favorite of course is the solar powered parking meter in a city that's always cloudy. Portland's record of environmental achievement shows that while it's not easy being green, it is rewarding. Congratulations.

**Katz:** Thank you. Let me accept it and then i'll hand it over to commissioner Saltzman. Thank you very much. Say hello to john for me.

**Saltzman:** Thank you very much.

**Katz:** Anybody else want to say anything? Let me -- let me just say, does that mean that chicago didn't get it? Yes: So there, mayor daly: This is really quite an honor. And I want to congratulate two of our commissioners sitting to my left. They have been out in front on this issue supported by the council, but it's been their vision to work at this with susan and her team, and the council supported it. This -- for us to be the leader in the united states on this issue is quite, quite an honor.

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So appreciate it, thank you, we're glad to be partners with you, we've got other work that we need to do with you, and we're willing to stretch and make it happen. Thank you. All right.

**Francesconi:** I just want to also thank the bureau of transportation. We're one of the leading bureaus -- we're thought of as a national, international model, and it's because of the talent of the people there who care about this environment. Sometimes we label them as just engineers who don't care, but they care a lot. So thank you.

**Katz:** Ok. Did you want to say something? We're not voting, but come on up. Since you're here and -- I know this has been an important issue for you.

**Jada Mae Langloss:** Oh, yes, I want to talk to you about a green space out where I am living as the mayor of dignity village, right next to the columbia corrections center. That area along there has been declared a superfund toxic waste place. If you want to see green, you can see green scum in that area right there where fish cannot live. If one does, it might have three eyes and two tails. Because it's very toxic place. And one of the reasons that I have not been able to get here is because of the mold that is affecting this whole area. And I try, I try. In fact, i've tried so hard to get here, that I got up on the first bus to make it. It's hard for all of us dignitarians to breathe these days, because of the jets going in, and the jets going out, sometimes they have to dump their load for safety reasons. And we get it. It dumping on us. The people, the corrections institute are very lucky they have a roof over their head and probably the kind of stuff that -- in there so they don't have to breathe these toxic waste fumes. So I would be very happy to give you kids a tour. I say kids because i'm the oldest one out there. My immune system is not quite as good as the rest, but I live the life of a poor candidate. I see the things, I suffer the things. And i'm not complaining about anything. I just want you to know I am one candidate for 27 years that lives like the poor. I don't ask for money, I won't pay the press. And I sass off the media every chance I get. And when you ran off to austria, I showed up here and when I showed up here, I saw all the smiles of the other council members go into frowns, and I thought, how am I ever going to tell any stories up here if you're not here? That was the first thing I noticed, is, I always appreciate the smile that you give to me when I have the -- when i'm healthy enough to make an appearance. Usually not on time. But i'm on time, it's a miracle.

**Katz:** Thank you.

**Langloss:** Thank you, mayor. I don't know what the -- what's going to happen to this city with you not in it.

**Katz:** Thank you.

**Langloss:** As the leader.

**Katz:** All right. I think we're at regular agenda items, 1297.

**Item 1297.**

**Katz:** Let me say that I think on this commissioner Saltzman's name also needed to be on this ordinance. He's worked on it, and we worked on it together, and so I wanted to make that very clear. Anna?

**Anna Kanwit, Bureau of Human Resources:** Anna kanwit, operations manager for bureau of human resources. Yes, we had a tremendous amount of support from both offices to move forward with this ordinance. We have two components, one is the leave component to assist employees called to active duty, reservists called to active duty, and a second component concerning the insurance. Briefly, we started this last spring. At that time state law prohibited local governments from taking this action. The law was amended in july. In essence what the ordinance does is create an administrative rule somewhat similar to our catastrophic leave donation program, where an employee called to active duty can receive donated vacation hours which will then be converted to cash to help bridge the gap between what the employee would have earned as a city employee and what they earned as a reservist. We've put a cap on that amount at six months. The equivalent of

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six months of pay to give us an opportunity to review the rule, to review the expenses, to see how the program works, because as noted in the costing, we had a difficult time ascertaining what the cost of this program could be because we actually don't know the number of employee that's we have who are reservists. So that is an issue for us. Potentially depending on the amount of vacation we've donated, we just looked at the police bureau, nine employees on reservists who are military leave, the cost if they received the full amount to bridge the gap would run from \$87,000 to \$172,000, which points out the huge difference between what these employees make as city employee and when they're called to active duty, which is one of the reasons you've seen other legislative actions prohibiting things like foreclosure proceedings and things like that. The second component of the ordinance is a benefit continuation provision. Dependence of employees called to active duty can continue insurance coverage through the military. They could also purchase the coverage through the city via cobra. We have very few families who do that latter, take advantage of that latter opportunity. We believe because it's such an expensive way to go, what this ordinance does is provide that if the employee is on active duty for more than 30 days, the city will pay the cost of continuing the insurance coverage for the employees' dependence, that allows them to continue with their providers that they had before, and we waive also the 2% administrative charge. So that's the ordinance, and we urge its adoption.

**Katz:** Thank you. Questions of anna? All right. Anybody signed up to testify?

**Parsons:** No.

**Katz:** Anybody want to testify? Ok.

**Kanwit:** I should state I did get one email from one of our reservist who's was very appreciative of the city's efforts to move this forward.

**Saltzman:** I have one question, that is, does this become effective right upon passage?

**Kanwit:** It does.

**Katz:** Yes. It's going -- it's an emergency ordinance. All right. Roll call.

**Francesconi:** This is the least we can do for those among us who have chosen to defend this country. Aye.

**Leonard:**

**Francesconi:** And thank you, commissioner Saltzman and the mayor. Aye.

**Leonard:** Aye.

**Saltzman:** I just want to thank the mayor and everybody in the city who worked to make this all happen, but asana said, this could not have happened without the legislature and governor kulongoski signing house bill 3601 into law, and that really untied the hands of cities throughout the state to assist our men and women in the armed forces in this manner by providing both for health coverage from their families when they are called up for national guard duty, and the ability for colleagues to donate vacation time to help make up the salary difference between what they earn as a city employee versus what they're paid in the national guard. It's certainly a very human measure, it's a very family friendly measure too, when you think about how expensive it would be for them to purchase additional health insurance for their family members while they're in the guard. So it's a great thing, and i'm really glad we're doing it, and i'm glad it takes effect today. Aye.

**Sten:** Very glad to vote aye.

**Katz:** Without universal draft, our military counts on men and women who have made a decision to participate in duty at the national guard or in reserves, and as employers, our role is to make the life of our city employees as well as their families a lot easier to deal with, especially when their loved ones are called to active duty. So commissioner Saltzman and anna, thank you very much for making this happen. Aye. [gavel pounded] 1298.

**1298.**



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**Katz:** I'm going to ask the council to pull this back to my office. I will bring it back. I chair the fpd&r board of trustees. This issue has been languishing, and an issue with regard to retroactive payment has come up that was never discussed, and I want to make sure that we have conversations with julie leonard and anna to see what we can do to deal with that issue. So you have my commitment that it is coming back. All right? Any objections? Hearing none, so ordered. [gavel pounded] all right. S-1299.

**Item 1299.**

**Katz:** Roll call.

**Francesconi:** You know, our neighborhoods and our neighborhood small businesses are both cherished. People choose to live in hawthorne, st. Johns, and, yes, northwest Portland because they enjoy the vibrancy of being able to shop and dine locally and to support local businesses. I'm extremely concerned about the health of our small businesses in this entire city, and along northwest 23rd. If we lose the vibrancy of our business districts, we lose the vibrancy of our neighborhoods. And the ability much our citizens to support themselves. I do believe that this is not a perfect plan, and I wish it were a better plan. But I believe that the -- allowing some off-street parking in small garages can help those businesses and help maintain the strength of this neighborhood. It is our obligation to provide other kinds of transportation infrastructure, so it's multimodal, and we've tried to do that. But allowing some -- 150 less spaces than this plan originally called for is just part of our effort to preserve the neighborhoods and to preserve the businesses. I also think that sometimes we have to make some tough decisions here. This came down unfortunately in my view, to a dispute over one garage. And I think that we have to make some tough decisions and try to move forward. Aye.

**Leonard:** Aye. **Saltzman:** Aye.

**Sten:** I made my comments last week, but briefly, i'm not going to support this. I do believe we have to make some tough decisions, I think in this case the tough decision is to say to the different sides we don't have it yet. The proposal we began with wasn't just for 150 more parking spaces, it was for parking garages, parking meters, and a transportation management scheme that would allow the neighborhood and the business leaders to work together. I think the council has failed to come up with a plan that meets both Portland standards and simple transportation common sense. There are vacant parking spots as we speak, despite the parking problem. It's because there's free parking on the street. Doing garages without meters to me is a transportation policy that is not going to work. And although I would be supportive of doing garages that have said, that I think it has to be in a context that will make things happen, and particularly if we're going to ask the neighbors to put up with garages, which I think everybody agrees was not something you want as a neighbor, but it's something that I think could work, we ought to have the permit system in place and the other things that would make it worth the neighbors' while. So I think this is not the council making the tough decision, but actually making the easier decision to kind of go forward with a plan that actually I think will ultimately serve neither side's interest, and for that reason I vote no.

**Katz:** Well, I scolded the council last week as well. I just want to add that this has been one of the most successful neighborhoods and one of the most successful small businesses in the city, and it's been successful because it is pedestrian friendly and it brings people on the street to do their shopping. I go around on a regular basis and ask the businesses, how are you doing? I also need to remind you that not only was business booming in the 1990's in this area, and there wasn't a need for all that additional space, including one that will rip a home down, but business on the avenue as I like to call it, is booming even today. So I think the council made a wrong decision on this one, and I don't know what the future is going to bring to northwest 23rd and northwest 21st. No. [gavel pounded] all right. Item 1300.

**Item 1300.**

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**Katz:** Ok. Anybody want to address this issue? Anybody want to speak to this issue? Come on up.  
**Jim Kuffner, Director, Office of Personnel and Administrative Services:** Thank you. Good morning, mayor, members of the council. My name is jim kuffner, I reside at 7040 north chase in Portland. I'm a director of administrative services at the university of Portland. My comments are brief and they're mostly directed to marcia wilder, who is the right of way staff in the bureau that assisted us with this project. It was wonderful to work with her again on a very easy request. This just so you know, is vacating the remaining third I guess of an alley that had been vacate add long time ago. University acquired the last property on that house -- on that lot about a year ago, initiated the process, it sailed through, we were supported all the way around, and so i'm very grateful to be here on something that was -- everybody had their arms around, and I appreciate marcia wilder's help in bringing this to the council. Thank you.

**Katz:** Ok. Anybody else? This is a hearing, I need a motion. You have to bring this back for an ordinance. Is that -- are there any objections on this one? All right. Roll call.

**Francesconi:** I'm glad we could do our small part to assist a terrific institution here in north Portland. Aye.

**Leonard:** Aye. **Saltzman:** Aye. **Sten:** Aye.

**Katz:** Mayor votes aye. [gavel pounded] 1301.

**Item 1301.**

**Katz:** Come on up, vicky.

**Vicki Diede, Office of Transportation:** Thank you. Good morning, my name is Vicki diede, i'm with the office of transportation, and i'm the city's streetcar project manager. The resolution before you will adopt a capital budget for the extension to riverplace. And I need to back up just a little bit. Back last january, after meeting with the federal transit administration, Portland streetcar inc. And the city embarked upon a plan to federalize this project whereby we could use the local money that we're spending for riverplace as future match for a federal grant that we would use to get to gibbs. However, after 10 months of working with the federal transit administration and responding to numerous requests, they finally came to the conclusion that they just couldn't fit us into their program. And told us that the only way they could guarantee that we used -- we could use this local money is future federal match was to do a full-blown environmental analysis for the project from Portland state to gibbs. Where we'd already done a documented category call exclusion to riverplace. And that would easily add 12 to 18 months on to the project. So the recommendation from the office of transportation and from Portland streetcar inc. Through a resolution they passed at their board meeting yesterday, is that the delay has been significant, but additional delay would be very critical. The recommendation is that we move forward with this project as a local project. So the finance plan in front of you indicates it will be a \$15.6 million project, and this includes the harrison street connector from -- that will build a new harrison street from front avenue down into riverplace. You will notice that we are -- will be carrying forth an 8% contingency and on the resource side, you'll notice that we did approve the second h.u.d. Grant earlier today in the consent agenda. So I would be happy to answer any questions.

**Saltzman:** What was our hope in terms of federal matching? How much of that budget would have been federal?

**Diede:** Oh, we could have -- anything we hadn't spent up until the time they gave us what they call a letter of no prejudice would be eligible, in our estimate that on could have been \$10 million or \$11 million.

**Saltzman:** Of a \$15 million project?

**Diede:** Yeah. Just the match. The federal money from federal transit administration is typically a 50/50 match. Regional transportation money is about a 90/10. So it would count toward that match, not having to bring further local resources to the project.

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**Saltzman:** And we're making up that lost federal revenue, not lost, but --

**Diede:** Yes.

**Saltzman:** We're not going to go after it, how are we dog to make that up?

**Diede:** In the development agreement for the south waterfront area, they have identified \$10 million of what we call m-tip money from the metropolitan transportation improvement program. There is also an assumption of a \$2 million l.i.d., plus about \$3 million from urban renewal funds. So that money will -- we will be able to match that federal money that will come to gibbs. The money for riverplace is all local. We're not losing anything here. It was just the match potential that has gone away.

**Saltzman:** And are the mtip funds, is that a metro --

**Diede:** Yes. It's all been identified for the south waterfront and the streetcar in particular.

**Saltzman:** Metro has already approved it?

**Diede:** M-hmm.

**Saltzman:** Ok.

**Katz:** Let me follow up with commissioner Saltzman. So what did we -- how has the federal dollars been replaced for the line to gibbs?

**\*\*\*\*\*:** The --

**Katz:** You were anticipating federal dollars.

**Diede:** We were anticipating new federal money going through the federal transit administration, which would free up potentially that m-tip money for other projects in the area. But it has been identified for us so we got it covered.

**Katz:** All right. Further questions? Anybody want to testify? All right. Roll call.

**Francesconi:** And the reason the timing is so important is because we have to get to riverplace in order to then make it to gibbs in order to complete the south waterfront project. And so that's the reason for the timing, and it's also the reason to use the m-tip money now, even though not preferable, but it all connects. And that was the highest priority of -- was a very high priority for pdot, which lobbied for that money which got the \$10 million as well as our regional partners. But we're not giving up on federal dollars for the gibbs extension. And how we make this a federal project. Congressman blumenauer has been trying to create a special category and his help has been terrific, so we're still working on federalizing this project, because we all understand that for the streetcar to meet its potential, that has to happen. So thanks for your work on this. Aye.

**Leonard:** Aye. **Saltzman:** Aye. **Sten:** Aye.

**Katz:** Vicki is so excited about this project, she's talking with us during the vote. Aye. [gavel pounded] thank you. All right. Let's move on, item 1302.

#### **Item 1302**

**Diede:** That's why i'm excited. We're going to build a riverplace extension. Some time ago we sought an exemption for this project from the typical low bid process. And put into place a different competitive process, and we have since gone through that. We advertised a request for proposals for general manager, construction manager general contractor on a number of cities on the west coast, all of who have been involved with urban rail. And on october 9, we received responses from two of those companies, and since -- the selection committee has reviewed the r.f.p.'s and subsequently interviewed both of those firms. And the recommendation is that stacey and witbeck inc. Be awarded the contract. So pursuant to the terms in the request for proposals, what we're proposing is that we enter into a preconstruction services with stacy witbeck, we'll finish design, we will meet -- we'll go through all of the bidding process, including the outreach efforts to minority women and emerging small businesses, and then come back to you with a construction contract hopefully in january. We do have with us today john bolier, and he is the vice-president and area manager for stacy and witbeck.

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**Saltzman:** Who was the other firm that proposed?

**Diede:** Kiewit pacific. Both very competent firms, but it was a pretty clear distinction in everyone's mind. We had -- on the selection committee we had representatives from the Portland streetcar inc. Board, from the Portland development commission, from the office of transportation, from our citizens advisory committee, and an outside representation also.

**Katz:** I'm going to bring an issue back with regard to panel selections to the council, so that we have community members on it as well. So -- that's a whole other issue, but since you've raised who was on it, to make sure that minority women own and emerging small businesses are well represented. All right. Anybody else want to testify? Ok. Roll call.

**Francesconi:** Just two things about stacy witbeck. One is -- and the preconstruction services. They help us save money. They've been a very conscientious contractor who's done terrific work on light rail and the streetcar. And it's been very cost effective for the taxpayers. Secondly, their track record in working with tri-met on the interstate light rail in terms of hiring minorities and women has been a model that the rest of us need to follow. Aye.

**Leonard:** Aye. **Saltzman:** Aye. **Sten:** Aye.

**Katz:** Mayor votes aye. [gavel pounded] all right. 1303.

**Item 1303.**

**Katz:** Vicki?

**Diede:** This amendment to the Portland streetcar inc. Contract will provide for Portland streetcar inc. Through their consultants to provide us with project management and design services through the construction period of -- the entire construction period of the river place extension, which will be from sometime this month through march of '05, which is when we believe that we will be in revenue service.

**Katz:** Anybody want to testify? Roll call.

**Francesconi:** I'm continuing to appreciate the work of commissioner Hales in helping set up an entrepreneurial yet professional management organization to again make sure that this is -- streetcar is brought through on time and under budget. Aye.

**Leonard:** Aye. **Saltzman:** Aye. **Sten:** Aye.

**Katz:** Mayor votes aye. [gavel pounded] 1304.

**Item 1304.**

**Katz:** Go ahead.

**Diede:** The amendment to the contract with -- in the czech republic, is to provide new bridge plates for the Portland streetcar project. It is the money -- the moneys to do so are covered under the budget for the riverplace extension, as well as we are going out and seeking grant fundings from some special transportation funds from the Oregon department of transportation. The issue is that the bridge plates were designed to meet the slope requirements of the americans with disabilities act. And we've found that -- it says at a 50% load the slope can be no more than one in six. At 50% loads, we found four stops where we were not compliant, we have since modified those stops to make that happen. However, for these bridge plates to have far greater benefit for people who need to use them either in chairs or moving children around, the longer bridge plates will give us a much better profile on the slope. Because what happens when we have a very light load, the slope gets to be a little great. So we -- it's not out of compliance, but it's certainly not -- we don't think meeting the requirements of the disabled community. In addition, the -- besides being longer, the plates are a little bit wider. Right now there is a gap between the door and the bridge plate, and if that happens, you need to have a two-inch lip on it so people -- you don't have the danger of rolling off the chairs. That design just doesn't let us do a two-inch lip. So this new bridge plate will be longer, will have good slope requirements, and will have only a half-inch on each side between the door

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itself and the bridge plate. So we think this is a pretty important project that we're doing. And we do have people here who would like to testify. Michael Levine and I think Bob Pike.

**Katz:** Come on up. Anybody else? Go ahead.

**Michael Levine:** My name is Mike Levine, and I'm part of the original group of advocates for people with disabilities through independent living resources advocacy team that brought up these issues. Actually they were brought up to us and we brought them up with the Portland streetcar. The bridge plates as Vicky was just saying, really do not meet the needs of people, mobility devices, especially people in manual chairs. We have taken out a streetcar approximately a year and a half, two years ago for four hours. We tested all the different stops with both manual chairs and electric, powered chairs. And it really did not work. There are also other issues with the streetcar as far as accessible that Portland streetcar has been working with us, and I urge that the funds are made available to take care of this problem so that everybody can use the Portland streetcar in the same manner.

**Katz:** Thank you.

**Ted Wend:** Good morning. My name is Ted Wend, I'm an attorney with the Oregon advocacy center, we're an organization that provides representation --

**Katz:** You sue us.

**Wend:** We -- I can't --

**Francesconi:** Sometimes that's necessary.

**Wend:** Sometimes that's necessary.

**Katz:** We know you. [laughter] I'm sorry. Go ahead.

**Wend:** I urge you to pass this proposal. It would be great for individuals with mobility impairments and in wheelchairs who use the streetcar. Any number of people have called us and said the drop-off is formidable, I get to stops, I can't get up the slope. This is certainly one of the larger issues that was raised in terms of accessibility. We are -- our measurements would show that the streetcar was more out of compliance than what Vicky says, but in any case, I think we both agree that this solution will bring us well within the A.D.A. and serve people with disabilities very well. Thank you.

**Katz:** Thank you. Anybody else? Roll call.

**Francesconi:** Actually, this is a really important issue, probably the most significant ones we've talked about. Our public investments in our infrastructure and our -- the wonderful things about Portland have to be for everyone. And the streetcar has been identified as something for Portland, it's Portland -- special to Portland, therefore it has to be accessible to everybody, including people with disabilities. And it was brought to our attention by you, and by the advocates. We didn't do this on our own. So I appreciate your patience, because this took a while. And I appreciate your willingness to work with us on this. And I appreciate the streetcar board taking it seriously and coming up with this solution. Aye.

**Leonard:** Aye. **Saltzman:** Aye. **Sten:** Thanks for your advocacy. Aye.

**Katz:** Aye. [gavel pounded] **Katz:** 1305.

**Item 1305.**

**Francesconi:** This will continue to help the district, which is a terrific success story. Aye.

**Leonard:** Aye. **Saltzman:** Aye. **Sten:** Aye.

**Katz:** Mayor votes aye. [gavel pounded] 1306.

**Item 1306.**

**Katz:** Ok. Dean, why don't you talk to us.

**Dean Marriott, Director, Environmental Services:** Good morning, Mayor, members of Council. I'm Dean Marriott, Environmental Services Director for Portland. And if you'll indulge us for just a moment, we'll -- we'll get this set up and dim the lights and take you back. With me today, Nancy

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hendrickson, who -- on my right, with the bureau, is one of our chief folks in charge of helping to clean up the columbia slough. Next to me, bob eaton, the executive director of the Multnomah county drainage district. And on my far left, doug putman, with the corps of engineers. We're here to talk about a partnership that is really working well, and we're going to hopefully show you some pictures of what i'm talking about. The ordinance actually before you requests permission to pay money to colwood limited partnership to clean up the columbia slough, but I thought before asking you to act on that, we'd take just a moment to take you back a little bit and talk about the columbia slough and how it got the way it was, and how it's getting better. We'll start by reminding you that the slough is located in north and northeast Portland, and it used to be part of the columbia river floodplain every spring it would flood, which is why the ground up there is so fertile. Starting in 1919, the slough began to be cut off from the river and was no longer part of the traditional floodplain due to the construction of levies and fill. And of course now it's a drastically different water body and in fact it's now its own watershed. Like many urban waterways, it has faced a variety of challenges, to hide bacteria counts, pollutants discharged directly to the waterway or transported by storm water. Actually a lot of development that intruded into the riparian areas. But there have been a lot of accomplishments. The accomplishments have come from all sectors of the Portland community, not just the city, but many partners. The city has done its part to control combined sewer overflows. There used to be 13 outfalls into the slough, and as of the end of the year 2000, those are now under control. And as a result the bacteria readings in the slough have been cut dramatically. We've been working on an approach to reduce the transported pollution to reach the slough. We've built storm water quality facilities, we've planted lots of trees, we've fostered stewardship in education opportunities regarding the slough, and we've provided a lot of technical assistance to businesses and landowners either directly or through the permit review process. And i'm proud to say we were a founding member of the columbia slough watershed council, which is a very active watershed council in north Portland. The challenge facing the slough really is cold eutrophication. It's caused by high temperature and excess algae growth. Essentially you put sun on a water body that has a lot of nutrients in it, and it creates -- it does its thing. It causes dissolved oxygen fluctuations, bad for fish and other animals, and it actually when the algae dies off in the fall, then the dying algae consumes dissolved oxygen, which is also bad for fish. It's also not very pleasant to look at. As bob said, he works up there, so he knows, when it dies off it doesn't smell very good either. The problem is caused by excess nutrients slow flow of water, not very much circulation of the water, so impoundments to the slough cause this problem, help cause this problem, and frankly, a lot of shade, too much sun on the water. So actions to address this problem, frankly the city took a big step by providing sewers to mid-county. The source of groundwater, the source of water, a lot of the source of water for the slough comes from groundwater, which comes from mid-county. Know that sewer services have been provided to mid-county, the quality of the groundwater reaching the slough has improved, and will continue to improve over many years. We've planted over a million trees, and we've covered over 40 miles of extreme bank of the slough with new vegetation. We've replaced six culverts with larger lower culverts or bridges with improve circulation of water. And one of the things we want to talk about today, we've entered into some serious partnerships both with the drainage district and the army corps of engineers, and this project that we're working on right now is called an 1135 project. That's section 1135 of the water resources development act. Let me just mention that briefly. It's designed to improve water quality in the slough and restore wetland habitat in the watershed. It's a \$5 million effort, 75% of the funds come from the army corps of engineers, and it's a three-party partnership. I want to point out just some of the projects that are being done right now. The first component is to work on seven miles of the slough and create meandering channels and recreate some emergent wetlands. This project extends from about northeast 18th street to northeast 158th. So it's a considerable length of the

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columbia slough. Here's a picture of the work under way. We use inwater construction techniques. This is a tractor on a barge. It's quite a mess when it's actually -- it looks messy when it's being done, but this technique actually was pioneered by the drainage district through many years of experience working in the slew, and I can tell you that the environmental impacts of doing it this way are much less severe than trying to work from the bank. What they've done is they've deepened the champion tole create the meanders, and they've put the material up on the banks to create these benches. And the next picture is -- shows you a wetland bench that has already been revegetated, and this is working very well, about 70% of the project is -- has been completed so far. They have roughly another year to go before all this seven miles worth of work is completed. It's working well, the revegetation is flaking place and we're getting interesting results, including a plant which is a native wetland plant, beggars tick, has volunteered to show up. So it proves that if you make the habitat, they will come. Another part of the 1135 project, the second component is to restore a high value wetland in the watershed. This is an 18-acre wetland. It's in the four corners areas near 165th and airport way. He's a pick -- here's a picture of some of the groundwater that's seeping out of this area and reaching the slew. This area contains the last remaining cold water extremes in the watershed. It's very sensitive area, and it provides fabulous habitat and it provides the kind of cold water recharge to the slew that the slew needs. And we're doing site preparation now, removing invasive plants and we're going to be doing planting of native plants in this area this winter. The area is home to sensitive wildlife species, including the red-legged frog, as well as long toad salamanders, deer, and coyotes. The third component of this project is removing six of the impoundments in the slew that slow down the water flow. There are five culverts to be replaced, and one surface water withdraw point. That brings us to the importance of culverts that are too small or too high slow the water down and that slow moving water allows it to heat up in the summertime and produces the excess algae and by replacing the culverts with bridges or lower and larger culverts, we improve the circulation of the water and improve the water quality. What we're here to talk about today is work that the colwood limited partnership is going to take. They have a surface water withdraw from the slew, and this is a picture of their facility. It requires that the surface water of the slew remain high during the summer so they can pump water out of the slew for irrigation. They have agreed to sign an easement with us to transfer the water withdrawal point and to shift to using irrigation well for their irrigation water. In exchange fore that we'll pay them \$160,000 to transfer the water right. This will allow these intake pipes to be removed and frankly will allow us and the district to manage the water level more appropriately to protect the water quality of the slew. So this is another component for how to try to restore the slew, and the final slide this morning can show you what this is all about. It's truly a partnership and we're pleased today to have our two significant partners here today to say a few words of support for this effort. Thank you.

**Bob Eaton, Executive Director, Multnomah County Drainage District:** Thank you, dean. Bob eaton, executive director. I've been there six months, so it's great to be here in front of you with such a positive program as this. What I found at the district is it's a little district with a big mission, and we're -- we maintain the levies so that the Portland airport stays dry and people who work in -- and use that can continue to do so. And once we get water into the system, we're responsible for getting it out. And this project, our interest in this project is simply to fulfill our obligations under state statutes to maintain and improve the water conveyance system, the temperatures, the slews. But I think what it proves is there's more than one way to skin a cat. And we have been able to work at, not me personally, but other people within the district who preceded me have been able to work out a plan where as dean mentioned, we can do what we need to do and still benefit the habitat, improve water quality and help others meet their goals, such as the city of Portland and the corps of engineers. It's a great project, and I think aside from the habitat issues, the water quality

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issues that we're dealing with here, it's also showing the columbia corridor community that through this joint effort, we're going on the ground, the three of us, and doing something that's highly visible, that people are appreciating, and creates an educational opportunity through b.e.s. And through the columbia slough watershed council to explain to people how this can all work in an urban setting and a unique situation like the columbia slough is. So we really appreciate the collaboration.

**Doug Putman, U.S. Army Corps of Engineers:** I manage the program for the u.s. Army corps of engineers, the 1135 program is one of those authorities that we have. And i'm the project manager for the corps on the restoration project. The partnerships that we've developed have allowed us to develop the columbia slough project and the one that meets the goals of the three agencies. We're about half way through the construction of this \$5 million project, which is funding 75%. Additionally i'm pleased to say we have four other environmental restoration projects currently under feasibility with the study that have the potential to bring 10 to 15 million federal dollars for our mutual environmental restoration goals within the next few years. And the partnerships like this that have developed are really helping us get -- it's really going to grow, we're getting good working relationships, and understanding of each others' programs, and figuring out how to leverage the city money to multiply it by three or four times to get these projects built. Additionally, the partnerships that we've developed under this columbia slough project have also led to the general investigation study for environmental restoration of the willamette river, and will no doubt lead to increased federal funding after broad range of environmental restoration efforts within the city of Portland. Look forward to thanks to come, thank you.

**Katz:** Thank you. Questions? I have a question. The rain and the floods of 1996, there was a question on the levies itself, and have you been -- have you been investigating the quality of the levies to make sure that they withhold -- will withstand further flooding?

**Eaton:** The district works cooperatively with the corps of engineers annually for inspections of the levies. That was just completed. I've looked at the records over the last three years, and those -- the inspection has been given an excellent by the corps of engineers, and that includes not only Multnomah county drainage district, but also person instance la district 2 and 1 and sandy, east county as well.

**Katz:** That makes me feel better, because there was question with regard to the section of levies in 1996, and I don't know what happened since then, whether there were repairs or not.

**Putnam:** We keep working on them.

**Katz:** Ok. All right. Just want to make sure.

**Putnam:** They're thoroughly inspected, and the drainage district does an excellent job maintaining their levies.

**Katz:** Thank you. Further questions?

**Francesconi:** Just one. We talked about this before, this is terrific that you've kept on this. You -- the taxpayers spent a lot of money to clean this up and you're still working on it to improve the quality of it. The question is more of a public information one. We talked about trying to show this before and after, so that the citizens could better as a success story, so they could appreciate, you know, the investment that they made and maybe help us with some future issues. What are the barriers? Is that working, or is it too early? What are the barriers to trying to make this more of a public success story?

**Marriott:** I think it always benefits us to make sure people understand what they're getting for their investment. We take that seriously. We have worked collaboratively with the watershed council and the district and the port and the parks bureau to develop a facility at whitaker pond, 47th and the slew, which is a great educational center right on the slough. We have -- the watershed council sponsors an annual outing on the slew and every year there continues to be more and more



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people taking advantage of that. I know the parks bureau and the audubon society and the environmental services bureau all have field trips that are organized that are probably other organization that's I have forgotten to mention, so I think getting people out there, the businesses frankly, the columbia corridor association and others are taking a great deal of pride in the restoration of the slew. Companies that used to turn their back on the slew are now building picnic areas for their employees, and so it great to see people actually beginning to take some pride in this watershed. Again, we have a festival for spanish speaking members of the community out at the whitaker ponds, just in the last year or so. We're trying to include all members of the Portland community in celebrating the success. But we're always open to suggestions for other ways of doing so.

**Francesconi:** I've actually been to that -- the festival at whitaker ponds the last couple years, including the latino event, which was really terrific, actually. But I wasn't thinking of that. I was thinking of more marketing efforts to all the people that are never going to do that, which is about 99% of the citizens. I was thinking something a little more intentional. It's something we can talk about some other time.

**Marriott:** Glad to do that.

**Katz:** All right. Anybody else? Thank you. Passes. Anybody want to testify? Passes to second. [gavel pounded] all right. 1307.

**Item 1307.**

**Katz:** Commissioner Sten?

**Sten:** Thank you, mayor. I asked dave mcconnell and his team to come up. This is a resolution i'm bringing forward today for two reasons. One is just to update the council and talk just a little bit about some work we're doing that I think is critical. This is something the council has supported and been with from the beginning, but we're working very hard to make sure low-income people in particular, everybody in Portland, but this project is about making sure low-income people have access to the digital age and particularly to internet connections. And I think if you look at this from -- in the simple fashion, i'm not the only one who said this, that I think that there's a general sense that becoming more digital and becoming better communications infrastructure could help poor people get better connected to the greater society. In fact, I think what we're seeing across the country in Portland is trying to buck is that trend, is that as the country gets more dependent upon the internet and other things, the digital divide is getting wider, which means people who don't have access to the right technology or falling farther behind, rather than what I think could happen this, is like a danger or opportunity situation, where it can be used to connect people better, bring services into the home, allow people to do things in the privacy of their own home and learn and particularly students, all those kinds of things. We think that we can do a lot better in Portland. We've been one of the pilot cities, we've had some success getting both computers, internet access and all these other pieces out to our housing developments, which we see as hubs where we can help. I think this also has -- it sounds when you describe it the way I do as a good thing to do, it sounds as a charity, it's also a smart thing to do for the city, because from an economic development standpoint, getting more people employed, which is this part of getting people more connected, we believe our economic features dependent upon what's being called the creative class, and we believe jobs are going to come from this city being part of the cutting edge. And you can't be part of the cutting edge if 20, 30% of your population isn't connected at all. So this is really an update on that work, but there is a couple of specific policy things that are in this resolution which is why I brought it in front of the council and asked for a vote rather than what i'd often do, which is send a report around or give a presentation. One is that this is a policy statement by the council that we believe that the hard wire costs of getting buildings wired and properly up to the technical standards should be part of the cost of building affordable housing that we subsidize, and that we view, done in the right

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way, internet connection costs and other pieces, that people will pay their fair share for is part of the basic infrastructure of running this building. That's a technical but very important policy for the council to didn't, because without that, these costs don't become eligible for some of the state funding. And they're very marginal when you're building a big building, but if you don't do it it never gets done. If you don't wear the -- wire the buildings properly, they'll never get wired late err. The second piece, we are also looking at places where some of the city now owns some of its own infrastructure. And we have some different switches and exchanges through the ernie and we work with the i-net, and i'm also saying in this resolution that when appropriate, and there's legalities to it, but we do believe it's an appropriate use of our facilities to make easier the connection to publicly subsidize housing to get it up to speed. Dave is here, he's been terrific, we're lucky the national nonprofit has one of its offices in Portland, and dave and rob and a very strong team that have been trying to make this happen.

**Katz:** One second. We have some young people here. Where are you from?

\*\*\*\*\*: [inaudible]

**Katz:** Nice to have you here. Is this a day outing?

\*\*\*\*\*: Yes.

**Katz:** You know where you are today and now. This is where we make the decisions for your neighborhood and some decisions for you personally. Thank you. All right.

**Dave McConnell, One Economy:** Thank you. Thank you, erik, for that excellent introduction. I hardly had anything to add. What i'd like to do is say a little bit of thanks and a few words about our company and outline the resolution as we proposed it. I'm dave mcconnell, rob bole on my right, who works primarily on content for the beehive, which we'll be showing you, and this is bob wendell on my left, who is our resident expert on internet access programs for housing. We are grateful for the leadership Portland has already shown for these projects, and erik Sten's commissioning of a technology plan for the city. And this resolution is an outcome of this plan. If supported this resolution will do a couple of things. It will provide guidelines for moving an agenda forward that we're already engaged in. It will also encourage organization and city agencies to work together, the resolution is quite inexpensive I to implement and it will establish Portland as a leader. In ways that no other city yet has. Let me say about one economy for those of you who don't know. We're a national nonprofit organization focused on technology, and maximizing the benefits of technology for low-income people. We started three years ago, who some of you know, ray ramsey, he is familiar to some of you. He was once Oregon's senior housing official, and he still calls Portland home for much of the time. Even though our national office is in d.c. Like ray, most of us in one economy come to this business of technology from the affordable housing industry. And what we've envisioned is all of those 27 million people that live in affordable housing throughout the country, and we've tried to envision them having internet access, and having a place to go to once they have internet access that will be a resource to them. So it's a distribution channel for the digital age and the resources that can be brought to low-income people. What we do is focus our resource and our work in two areas. One, connecting people to the internet, high-speed access to the internet, in their homes. It's the whole question of access. And two, the building of content for those people, we're trying to build that distribution system.

**Sten:** Are you getting the presentation on to -- it's on now. The presentation will go out to cable so people can see what your website looks like.

**McConnell:** It's on. Over the last year, one of the things that one economy has been particularly focused on is moving to the next frontier. Lots of public funds have been spent on building technology centers and getting technology to schools. And we feel that the next important frontier really is the home. And that you really do need to get high speed internet access into the home for people to take advantage of the digital age. Our name for this campaign is the bring it home

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campaign. Bring it Home. And what we're trying to do is talk to cities and states people who control the financing of affordable housing to make policy changes to encourage low-income housing to bring internet access into their homes more quickly. So why is this resolution important? As I mentioned, housing is a huge distribution channel for delivering resources to low-income people. And resources have shown that with internet access in the home, kids do significantly better in school, adults do communicate more efficiently, and household does accomplish more. If you talk to people who live in affordable housing, it's really very simple. They're desperate to have their kids get connected to the internet. And have their kids keep up in school through the internet connections. Secondly, the speed of the internet connection does make a difference. People with high-speed internet access use the internet twice as much as people with dial-up connections. And the middle class families of course maximize these benefits on a daily basis. That's happening only in a trickle for low-income families. Third, the benefits of all this are very high, but the costs to bring it to the low-income families are very low. So we think this is an appropriate time to bring this forward. What exactly does this resolution do? First, as Erik mentions, it allows the cost of building a high-speed data network in new construction projects to become an eligible cost for p.d.c. Financing and affordable housing. The expense here is a tiny fraction. What this action will do is allow p.d.c. And the 70 of Portland to match what -- the city of Portland to match what the state of Oregon is already doing with all their housing programs. They're also implementing this change for their tax credit program and their trust fund. So together, we are basically touching then all the major funding streams that affordable housing organization would have to get to build their housing and encouraging the high-speed internet access.

**Katz:** Where are you all from?

\*\*\*\*\*: [inaudible]

**Katz:** I think the school is going to be empty today. It's nice to have you all here. This is city hall. Welcome.

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

**Katz:** Ok. Go ahead.

**McConnell:** The second point on the resolution is that it allows the city to explore the use of city-owned fiber rings to provide high-speed internet access to affordable housing projects as well. And this action would further reduce the cost of high-speed internet access. And then third, the resolution endorses other technology programs for the benefit of low-income residents. In other words, if we build the infrastructure, the question is, we need to make sure that people can use it to their benefit. We've been involved in a number of those programs, they have been involved in computer purchasing programs, they involve building technical support programs, such as done with Portland youth build, in other words, it's encouraging people to get involved in those sort of programs. Fourth, the resolution encourage city agencies to support community-based organizations, develop their own capacity, to use the internet to deliver their services. A good example of this is child care connect, with -- which Dan Saltzman has been involved with as well. Which is a tool in the beehive for evaluating and locating child care in your neighborhood. A tremendous amount of the work done now by area nonprofits and city agencies can be delivered online. So I think you get the picture of what we're trying to do. If you build that system for delivery, we need to make sure the area of nonprofits take advantage of it and use it to their -- to expand their programs. If we do that, low-income people then are in a much better position to help themselves. They don't have to always rely upon others helping, they can go online and learn for themselves and help themselves as well. The multiplier effect is dramatic. Rather than serving 10 or 12 people a day in -- an agency can reach out and touch literally thousands. If the -- the resolution encourage the coordination of online content. To most efficiently promote opportunity for residents. Within the city of Portland right now, there are a number of significant community

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portals that already do good work. Portland online, housing connections, the beehive. But citizens do not really care whether they get their resources from. What they want is clearly just simply ease of access. They want us to work together to provide that ease of access for them. We need to create a kind of 1-stop shopping whereby if you go once, you can find everything that you can find in the city online. Last, the organization directs -- the resolution directs the city agencies to work together and work with citizens to implement what we've been talking about. That is, the important guideline that's i've already mentioned. And we hope that Portland will continue to lead the way through adoption of this resolution. And you would be the first in the nation to do so.

**Katz:** Thank you. Did you want to add anything?

\*\*\*\*\*: Are there any questions?

**Katz:** Questions?

**Saltzman:** Just one question. The cost is still very expensive for high-speed internet, at least from my experience as a consumer. Does one economy get involved in that issue at all? Last time -- I was just -- it was like \$50 a month for high-speed. I think I pay \$9.95 for good old-fashioned dial-up, which does have its disadvantages, but we're talking about low-income populations too, and where is \$50, \$600 a year, that's a big expense. And it's only going to go up, I would imagine.

\*\*\*\*\*: Perfect question.

**Bob Wendell, One Economy:** My name is bob wendell, what we're trying to do with low-income housing, where there's density, we provide a shared service, just like you do in your office, you're sharing an access with other members in your office. So we create a 200-unit apartment complex like you would a business, so rather than bringing in one pipe for every individual, one in -- bring in one pipe and share it with everybody else. Drive the cost down to three to four per person, actual cost. We're trying tone courage housers to give it to them for free if they can absorb those dollars if not, then to charge a minimal amount, which will give them access to high-speed, which is different than dial-up. So we're not talking apples to apples like a \$10 dial-up service. So that's the concept of the shared service.

**Katz:** Further questions? What's the cost making this available to low-income families or at least the low-income housing, the construction and low-income house something.

**Rob Bole:** The cost for new construction, if you were actually trying to convince low-income housing developers and owners to change the way they wire their buildings, I don't want to -- traditionally the way things are done, low voltage, t.v. Wire, data, falls into an electric contractor, there's a hierarchy. Each hierarchy there's a mark-up. We're flying to get them to move the low voltage as having a separate bidding item to directly general contractor, like you would a roofing, roofer, framer, plumbing and electrical, and now a low voltage, which will eliminate that mark. By eliminating that 20 to 25% mark, you almost pay for the data portion, the wiring of the database.

**McConnell:** The costs to the housing organization is about \$200 a unit. The cost to the low-income family is typically around \$5 a month.

**Katz:** So what you're saying, if you can do it, it's \$200 additional dollars per unit.

**McConnell:** Per unit.

\*\*\*\*\*: Up front.

**McConnell:** Once. Yes.

**Katz:** Bye. Are you -- where are you from?

\*\*\*\*\*: [inaudible]

**Katz:** I wanted you to share that with us. Thank you. It's nice to have you here.

**McConnell:** I should mention these are things we have been doing in a number of different places, and are doing here in Portland.

**Katz:** I just wanted to know.

**McConnell:** With the housing authority in Portland.

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**Francesconi:** Is 30 any education and training component that you're doing, or -- that's necessary?

**Bole:** Yeah. Robert bole, with one economy. One of the things we feel you get the box into the unit and the service in the unit. There's a culture issue you need to overcome. It's not an everyday tool for many people. Not for my mother. So there's a teaching component there. We work with youth groups around the country, and here it's been Portland youth build. And we've also been connecting with the great library system, which trains thousands of people how to use the internet, as well as other organizations. So we don't have to actually do something new, we just need to take the existing services and make them rational, work together. And we can catch a lot of people. We've often found, what happens after the first training session is that they don't come back. Because they talk to their friends, they talk to their brothers, they talk to their significance terse, and there's a real great sort of peer-to-peer training going on. You have to hook them, give them the sense, it's ok, you can break the machine and it's going to be ok, and then they go from there. So we do have some up front resources and then we often find people take it on themselves.

**Katz:** Ok. Thank you. Anybody want to testify? If not, roll call.

**Francesconi:** Well, Portland has a digital city, is an important component of any economic development strategy that we need to have. So both the mayor and commissioner Sten are to be commended for making sure that hams. But then we also want to hang in here together in this new international economy. So on the first issue of should we provide high-speed access in new construction units, finance by federal or local funds, last I checked, we provide phone jacks and we provide electricity to these units, and this is even more important in the future. So that's terrific work. On the second issue about using the city of Portland's own technology infrastructure, I do think that this also makes sense. I do think given some of the relationships with the private sector, and I didn't ask you about this, I do think it's important that we provide them the opportunity to do it and if they don't, we have another way of -- but I think it's important that we engage the private sector in this discussion, because once we start talking about moving into housing, there's going to be a reaction. So i'm not saying we shouldn't do it, i'm saying we just have to engage them in the conversation about how it's done. And then you answered my third concern, which is the education and training component. So this is a very good effort. A terrific effort. Aye.

**Leonard:** I love this kind of thing, and it's not lost on me that you're targeting a very vulnerable group of people. And it's not just a tool children use to learn, it's also the computer and the internet, a tremendous opportunity for low-income disabled and low-income elderly people to access a world -- I don't know that they appreciate is at the end of their fingertips. For example, i'm a self-taught computer geek. I have spent years online doing genealogy research. And I can access records that literally one would have had to get in a plane or car and drive across the united states to access now online. I look at actual original census microfilm online. It's a -- it bores everybody in my family, I can't talk to anybody about it, I just --

**Saltzman:** Go to a chatroom?

**Leonard:** I get comments like that all the time. My point is it opens up a world for people who are closed in. And so this is really smart stuff, and I appreciate it very much. Aye.

**Saltzman:** Great work. Commissioner Sten and one economy, aye.

**Sten:** I appreciate the council's support. I think this will be one of the things that not only is the right thing to do, helps us get more competitive. There's so many pieces to this, and I didn't mention in my comments what -- access is one piece, that's the part I think the city can do with wires, and other pieces you can't get there without the technology infrastructure. What's interesting about this moment in our economy is that with good planning, it is not expensive to get an internet line. It's just essentially like electricity or anything else into a building, and it's not that expensive to run it. It's that the models, the a prediction years ago not to get -- I won't go on too long, if we

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gave monopoly status to the country's internet providers, they would make sure everybody got internet service. And it was a trading of like we did in the old 1800's that was proposed by the f.c.c., that you allow people to have a monopoly on high-speed internet and they'll make sure the market is served. And that model is -- failed the whole country, and is particularly failed low-income populations who can't pay that premium. In the long run, getting everybody wired is one of the things I believe is going to shore up the u.s. Economy, because it creates new models of doing business and other pieces. And low-income people have less income than others, but they also spend money and need to do things, and this -- there are also models about ways to aggravate plan - - buying power, to get to people with services they wouldn't otherwise have. These are tremendous business opportunities. That's the other piece that we want to continue to work on, working with Portland businesses to say, once we get people tuned in a way that they're not, let's find ways to sell them goods and services they need at a better price, and all these pieces. So the content of what actually is on the internet, and that's what the beehive that one economy is doing, is equally important, because you can get wired up and spend all your time watching sports, which isn't so bad, but the point of this is to get some connections that aren't there. And people want to watch sports as well, that's terrific. I want to thank one economy, we're lucky to have you and it's a pleasure working with you. I want to thank marshall from my staff who's been working his tail on this. I don't know where he is, but in absence, thanks, marshall. Aye.

**Katz:** Commissioner Sten, when you started this and when ray ramsey came in and said I got an idea, it always scares me when ray ramsey says I have an idea. But it's wonderful, and we are wired, one of the -- if not the best wired city, we now need to move to a status where we're the most digital city, and it doesn't necessarily have to be wired. So I thank you for all the work. Commissioner leonard, you reminded me not only is it a look at your genealogy within the u.s. Boundaries, but I got an email a couple of months ago from somebody in russia who had started to do a genealogy project and found me here in Portland, Oregon, and -- which has led to paths that are absolutely fascinating. And so i'm now all nut like you -- when it comes to trying to figure out where everybody is around the world and what happened to them all. So that was very exciting. All right. Thank you. Aye. [gavel pounded] all right, everybody. We don't have an agenda for this afternoon, but let me just flag to you that our sunnyside neighborhood association appeal may have to be continued, and so I need you here for the special needs report, as well as that. We may be making some inroads with our own in the design. I'm not sure yet, so hang tight. Ok? Thank you. [gavel pounded]

At 11:28 a.m. Council recessed.

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NOVEMBER 6, 2003 2:00 PM

**Katz:** Good afternoon, everyone. The council will come to order. Karla, please call the roll. [ roll call ]

**Katz:** Mayor is present. All right. Let's read item 1308.

**Item 1308.**

**Katz:** Commissioner Sten, do you want to introduce this?

**Sten:** I sure do. Beth and Linda, why don't you come on up. Mayor and council, it's actually a pleasure to bring this before you today. I'm trying to remember when it was, we'll get the date, but a while back Chair Linn and I began talking about how we would do a better job, and I think this is just a critical issue, of addressing special needs housing. If you look closely at what's happened in our community over the last, say, decade, we've become much better at building affordable housing, we're still very short on resources, but we have a good system for building housing. Unfortunately when you look at what we've done at the city, typically speaking we build housing for people who need it to be more affordable, but we have a very hard time getting to those people who have special needs. The reason is relatively simple, people with special needs, mental illness, coming back from drug and alcohol abuse, physical disabilities, often if not always need service dollars as part of their work. And the county doesn't -- does the services, we do the housing, and though we have a great relationship, we haven't been able to bring the funding streams together. We didn't have any magic to create new dollars, but if we spent time working together we thought we could take some of the service streams that are already out there and do a better job of tying those into housing development and both doing the right thing I believe, and ultimately also I think in doing the right thing saving some money, because the people who aren't being well housed are in and out of different systems, and taking up lots of resources, which is both an inhumane and uneconomic call thing to do. So we did what you often do, is appoint a committee, and Commissioner Cruz stepped in and really did a terrific job of helping us figure this out. I wouldn't say we're all the way to a plan to house anyone -- everyone who has special needs in the county, but I think we do have a lot better sense of where the resources are, and are pretty far along into pilot project work to build some house care, which is happening. It one thing to have a report, but we also have things actually moving and on the ground. So the goal is to understand the need to have real targets, real strategy to actually do it a couple of times and show what can happen, and then come out of this committee with Commissioner Cruise's leadership with a set of recommendations, and that's what our esteemed chair is about to do.

**Katz:** Let's proceed.

**Beth Kaye, Bureau of Housing and Community Development:** Good afternoon, Mayor, Commissioners. My name is Beth Kaye, I work at your Bureau of Housing and Community Development. I'm pleased to be here today to present this special needs committee report. I want to first introduce Linda Kaeser, who has been the chair of the committee. She is a volunteer, she's the kind of volunteer that people who are involved in citizen participation dream about. She is highly skilled, she has a doctorate in health and social policy, she's been a professor at the University of Texas Health Sciences Center, the administrator of Medicaid programs, and other programs, so she knows the stuff she's working on, and she's devoted the better part of the last two years to this special needs committee. Both working locally on the committee, and also spending time in Salem during the last session to make sure that the safety net did not completely disappear for the most vulnerable citizens. So we'd like to give you a relatively brief power point, highlighting the special needs committee findings and recommendations, and then we have a very

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short and select group of people to talk to you about some of the community partnerships we've built to make it happen. So thank you.

**Linda Kaeser, Special Needs Committee Chair:** Mayor Katz and members of the council, my name is Linda Kaeser, we're here to present to you the findings and recommendations of the hcdc special needs committee.

**Katz:** Do me a favor, move the sign right in front of you so we -- thank you. Now we can see you.

**Kaeser:** Now that I've said my name. The committee was charged by the -- you may remember that you gave us a charge through the city council, and Multnomah county commissioner and the board of the housing authority of Portland to assess the needs of individuals who are both poor and disabled, and to make recommendations for provision of housing and services to address those needs. To accomplish this charge, we assembled a committee of decision-makers from the above jurisdictions and added key individuals from the house and state and service provider organizations in the community. And from advocacy organizations. Their collaborations and insights I have to tell you has been phenomenal. We will quickly run through the list of participants at the end of our participation, but -- our presentation, but we want to give special thanks to certain people. We're grateful to you, commissioner Sten, 4 your leadership on this issue. And without the work of the bright, dedicated individuals within your city's bureau of housing, this work would never have been accomplished. We need to recognize the leadership shown by acting director Joe Hosberg, acting housing manager Andy Miller, manager of city's homeless program Heather Lyons, Beth Kaye, and Molly Rogers and Ruth Benson. We have broad participation from the county, including the chair, Diane Linn, commissioner Cruz, the sheriff, the housing director, and managers within the department of human services. Steve Ruddman and his team played an essential role as did many others. Now on to our power point presentation. What was the issue we were trying to address? Individuals who are disabled and poor are at increased risk of becoming homeless, hospitalized or incarcerated. Without stable housing and services, these most vulnerable people wind up in our shelters, in our hospitals, in our jails, and in front of our local businesses. This is damaging to the individuals involved, it's damaging to our community, and it's certainly increased the cost. The need is great. We have approximately 8,000 extremely low-income people with disabilities who do not have permanent housing in Multnomah county. And by permanent housing we mean a place where we can stay indefinitely. Something we would call permanent housing. We know what works. Collaboration by city and the county and the state can increase the number who have permanent housing plus services. That will result in better incomes for individuals and his or her family, and I know we all know of people or have someone in our own family who has this kind of problem. It also puts less of a demand on public service systems. We've already begun the process. The critical partners are at the table and we've had some early successes. For example, we were able to save the Taft hotel with some fine collaboration between the city and the county. We've won a \$625,000 grant from the corporation for supportive housing to implement changes that are necessary. We're winning \$9.2 million in federal grants to address chronic homelessness. I just wanted to give you a little outline of who we're including in these people and -- that needed permanent housing in 2002. We had about 1200 with severe and persistent mental illness. 2500 with substance abuse disability, 500 with developmental disability, and 2300 with physical disabilities. And we have a feeling that all of these may be underestimates. They're conservative figures that we have in hand, but we may be you be underestimating, because many people do not seek assistance, or we did not catch them in the one-night street count. Another issue that we face is that people have multiple diagnosis. Particularly those that we see circulating through the system over and over again. One of the most common is a severe and persistent mental illness and



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a substance abuse disorder. This we feel is vastly under counted, because the way we collect data is on a primary diagnosis, and we sometimes don't get that secondary diagnosis in there. On the next page, we have the summary of unmet need. And I want to particularly -- you can pursue this a little more in detail, but particularly call your attention to the number in the lower right-hand corner, which is 7,890. Which is close to that 8,000 that we've been talking about.

**Kaye:** So you have a sense of the kind of disabilities that the people that we're talking about have. Now let's add on the element of poverty. For household of one, h.u.d. Uses a definition of 0 to 30 median family income over your housing programs. H.u.d. Considers somebody poor who earns \$13,800 a year. Someone on s.s.i., very common among people with disabilities, earns only \$6,624 a year, and somebody who's got ssdi coming in, social security disability, has an average income of \$9,600. So you can see we're talking here about the poorest of the poor. This is a comparison of income and rent. Now, h.u.d. Recommends that a household spend no more than 30% of its gross income on rent or utilities. So for a household with social security income as its source of income, with a gross income of \$552, the rent should be not more than \$165 a month. And you know that you can't find a place for \$165 a month. The fair market rent for a studio in Multnomah county is \$508. The second set of bars shows the ssdi income of about 800, again, that household should be spending about \$240 a month on rent, and obviously that's short of the \$508. So this just shows you how big the gap is. So the question is, then, where do people with special needs who don't have permanent housing live? Where do they live now? What this slide shows is that people with special needs, many of them live in our shelter system, in our homeless system. That's become one of the default housing options. People with special needs are disproportionately represented among the homeless. So these two charts are from the march 2001 one-night shelter count. The first chart, the purple and blue, is for households of all sizes. From one person up. And it shows 55% of those households had at least one member with special needs. The second chart shows that among single adults, the number was even higher, 60%. So where do we go with this? Homeless people with special needs are the majority of the chronically homeless people, the 10% that use by some estimates, 50% of the resources. This is huge.

**Francesconi:** Will you repeat that, please?

**Kaye:** Sure. Homeless people -- this chart shows the number of people in our shelter system who have special needs. And high as these numbers are, they underestimate the percentage of homeless people with special needs. People with mental illness and substance abuse disability are less likely to seek shelter or use the shelter system, they're more likely to be the people who sleep outdoors, the people who sleep in cars and so on. Of chronically homeless people, we know that the majority of them are people with special needs. So people with severe mental illness and substance abuse disorders tend to be among the chronically homeless, and there is national data that suggests that the 10% of homeless people who are chronically homeless are homeless for a year or more, or three or more times in a several-year period use 50% of the resources. And the resources include shelter, hospital, jail, all the service systems out there.

**Francesconi:** Thanks.

**Kaye:** And this issue will be coming before you in a great deal more detail through the citizens commission to end homelessness that mayor Katz and commissioner **Sten** are working on and that we'll be meeting shortly.

**Katz:** So you said total of 8,000 are -- need permanent housing.

**Kaye:** Yes.

**Katz:** Of this chart here, what are we talking about? How many represent this grouping that's in the one-night shelter count? What I want --

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**Kaye:** That's a good question.

**Katz:** If you can't do it now, do it at the end, or somebody else can do it. In other words, how do you break out the 8,000? How many are sitting in bernie's institution on a one-night count --

**Kaye:** 8,000 are not all here in this shelter.

**Katz:** I know that. That's the reason for the question.

**Kaye:** Another place where people with special needs is our community justice system. This slide shows that people with special needs are heavily represented in our jails. This of course means that they've also had frequent contacts with the police prior to their incarceration. Over 79% of criminal justice clients have at least one special need. 80% of these have substance abuse disorder as one of their diagnosis. And obviously former inmates are among the hardest to house. They have extremely low incomes, one or more disabilities and a record.

**Katz:** Would I be right in assuming that of that 8,000 that the largest proportion and the most expensive are in bernie's system?

**Kaye:** A large proportion are some of the most expensive are the hospitalization --

**Katz:** The hospitalization in terms of the cost. All right. Go ahead.

**Kaaser:** And they circle through those.

**Katz:** Right.

**Kaye:** This next slide, so I just want to pull together some of the demographic information we've shown you. If you take the population with severe and persistent mental illness, substance abuse disability, developmental disability, physical disability, you overlay those two extremely low-income, cannot provide for themselves. You have an increased risk of homelessness and/or hospitalization and an increased risk of incarceration. That's the problem. Now, we know what to do. The special needs committee report contains many concrete and detailed recommendations, and we've made sure that each of you have a copy of the report. We're going to highlight just a few, implementing those recommendations will be integrated with the work that the city and the county are undertaking as part of the corporation for supportive housing grant. We're recommending a three-pronged approach. Three areas where change is needed. The first is to coordinate housing plus services to maximize success. Housing alone won't do it, services alone won't do it. Second is to create enough housing for people with special needs, and the third is to improve access to housing and services. So I want to highlight a few recommendations under each of these. Under coordinating housing plus services, we're calling for realigning services -- service systems to help people with special needs succeed in housing there. Are a lot of systems right now.

On the service side there's the mental health system, the developmental disability system, ageing and disability services, addiction services, youth system, family system, homeless system, and on the housing side, there's the housing authority of Portland, the c.d.c.'s, you can see a lot of players, a lot of very skilled players. But they're not working in sync, and they can. This collaboration among systems is needed to house the hardest to house. Second thing we're calling for is focusing main stream services on the hardest to house and homelessness. Again this, is an issue that is going to be front and center in the citizens commission to end homelessness. And the third recommendation we're calling for is cross training of housing managers and case m.. So the housing system, the people who are working, the people on site managers, will understand when to call in the social services, and the case managers will understand that if an individual is keeping therapy appointments, but has been evicted, it's not a successful outcome. The city is going to play a key role here. Accomplishing this set of goals is essential for the 10-year plan to end chronic homelessness to -- homelessness to succeed.

**Francesconi:** I have questions, can I ask them now?

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**Kaye:** Let me see if I can back up. Commissioner Francesconi? You had a question?

**Francesconi:** Well, it's basically, when we're realigning -- we don't have enough money to serve the mentally ill. We don't have enough money for homelessness at the moment. So with when we're talking about redistributing, who -- redistributing from whom?

**Kaesar:** One thing is we have not -- we have not aligned services and housing together. City controls most of the housing dollars, county controls, at least manages most of the service dollars. In order to succeed in housing for this particular group, you've got to have the services and housing coming together in a coordinated fashion. Otherwise, you're not spending your money wisely. You're also not spending your money wisely if you're paying for expensive hospital beds and you're paying for expensive jail beds. That's not a wise expenditure of funds.

**Francesconi:** Right. And --

**Kaesar:** So it's taking some funds from one place and putting them into a place where it may make a difference. And in the long run, it's not only more humane, but it's also more cost effective.

**Francesconi:** I don't want to belabor this, but -- and it sounds like it's the right thing to do, but when we're saying realign service systems, does it mean there's some people that are important to serve but not as high a priority?

**Kaesar:** I think that does mean that some people have a higher priority than others. The special needs committee felt that those most in need should get first priority.

**Francesconi:** Thank you.

**Kaesar:** That's a simplistic statement about what was pretty complicated.

**Katz:** And we -- I think that was a conversation we had at the local public safety, and we focused in on the most expensive as being the priority, since if you did the right thing, they wouldn't need to end up in the hospital or the jail system.

**Kaye:** Exactly. Ok. This slide shows that housing is one of the fundamentals for a person with a disability to benefit from services. If a person doesn't have housing, can provide select therapy and medication, and -- excellent therapy and medication, it's not going to help. It also shows we can calibrate services to need. We believe at the city, and maybe this speaks to your question, commissioner Francesconi, that we can get more better outcomes out of our housing dollars if the people we house are connected to the appropriate intensity of services for their individual needs. And one of the things that we can look at again on the city side is underwriting the enhanced property management. In other words, having a building that has 24/7 desk assistance instead of just eight hours during the day. And that person can do a better job connecting. That might be something that can be underwritten into the deal. The second prong of our recommendations is creating enough housing for people with special needs. Now, of course what would be best is an increase in resources, but until the blue ribbon panel for resource development brings home fore funds on that, one -- we have other recommendations. One is to increase the proportion of housing resources that are allocated to people with special needs. For example, using a set aside in the budget, having a special budget line item for special needs housing for development dollars. And a second would be reviewing our rent assistance to make sure that our rent assistance is outcome based and is giving us the most bang for the buck. A second thing we can do is to expedite the development of projects that package housing dollars and service commitments. And we did this in the latest spring r.f.p. Through p.d.c. With the assistance of h.a.p. And a third is always to look at ways to leverage public and private resources. Our final recommendation is to improve access to housing and services through comprehensive and culturally competent service plans, addressing housing and services and food security. You wouldn't believe how many people are now discharged from hospitals and jails without a plan for where they're going to live and how they're

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going to eat, and that just sends people cycling through our systems over and over again. We hope to see coordinated services through our web-based system that provides appropriate confidentiality.

Finally I want to give you some idea about how we'll know when we've gotten there. How we'll know when we're successful. This is just a graphic of what things look like before systems change.

Currently we operate in silos or cylinders. There's a homeless system, we've talked about how that has several different parts in it. A corrections system, where people with special needs are overrepresented. A hospital system, where people with special needs sometimes linger beyond the point -- they're in health crisis because there's no place for them to go. Our affordable housing system does as commissioner Sten said, a great job producing affordable housing, but a poor job housing people with special needs in it. And state and county supportive services are in the main not coordinated with housing. So we will know we have systems change when the homeless system is smaller and focused on providing emergency shelter. The corrections system is not the -- another de facto housing for people with special needs who are there merely because there's no place for them to go to, so they go back into jail. And our hospital beds are used for medical and mental health crises only. And also, our affordable house can and supportive services systems are coordinated at the personal level, the residential project level, the funding level, and the systems level. We'll know that because we'll have improved housing retention rates and that's something we can measure.

**Katz:** That's exactly what I wanted to ask you. Do you have numbers on all of those so that you can see how much you need to drop in terms of individuals?

**Kaesar:** We do have numbers on most of that, and I think you'll find a lot of that in the report.

**Katz:** In the report.

**Kaye:** And if you have questions that are not answered in the report, we will get the answers for you.

**Katz:** Ok.

**Kaye:** Some of the work we rely on a cost study that was done in new york, new york, sponsored by the corporation for supportive housing, and there's some other national data. We haven't been able to do a full local cost study.

**Katz:** Right, ok.

**Kaesar:** In summary, the need is great, we know what to do, collaboration can increase the number who have permanent housing plus services, and we have the critical partners at the table. The county has already accepted this report and have adopted a resolution that includes specific actions they will take to implement it. We are asking you to adopt this report now, knowing that we will be back in the spring with a resolution and a budget designed for the purpose. In the interim, we want to continue the strong partnerships that have been developed between the state, the county, the city, h.a.p., providers of housing, and services. And we want to continue the collaboration that has already begun with the ending homeless initiatives that commissioner **Sten** and mayor **Katz** have initiated.

**Katz:** Thank you.

**Kaye:** So we'd like to finish up with just a very brief, we're just going to run it through, to see who have been our partners in this.

**Katz:** Oh, ok.

**Kaye:** We want you to see who's at the table. It's on your computer, but you can see we've had god and everyone. Thank you very much.

**Katz:** Let's put the lights up.

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**Sten:** Thank you very much. Linda, again, thanks for all your hard work, you too, beth. We just have a couple of people that are going to testify and add a little bit. First our elected representatives from the county, commissioner cruz and sheriff guisto.

**Katz:** This week we had the same conversation honed in on public safety. It's nice when these things begin to fit together.

\*\*\*\*\*: It is. Mayor, it certainly is.

**Serena Cruz, County Commissioner:** Mayor, commissioners, i'm serena cruz, and it is my honor to join you today to share with you from my colleagues and myself our 100% complete support of the special needs committee, and the recommendations. The reasons for our vote and for our support. We're convinced that this type of housing policy is not only humane, but it's sensible and cost effective. And i'll give you just a bit of history. Commissioner Sten and others have given some of the other aspects of it, but for our participation at the county, it goes back to the mental health redesign, back in 2000. And mayor Katz, you were referring to a number of those issues when we realized that the -- at the county that we could no longer just purely manage our piece of the system, but in fact really had to look at how we were affecting the hospitals, and those costs in trying to keep people out of hospitals became our number 1 goal. When we did that, we realized we had to create a group called the special needs housing work group, because we found that without stable housing, folks weren't going to be able to stay out of the hospital and do that kind of thing. So in 2002, the housing community development committee convened the special needs committee with the full cooperation of Multnomah county and the city of Portland. And it's taken us 18 months to get to the point of this project that you saw before you today, and as you heard, we've already had a few successes. And it's nice to be able to build on some of the success we've had. Not only have we maintained the taft, but the hood view and the william elaine, we were able to stay open and serve vulnerable populations because of the work and creativity put forward by the folks in this committee. And was also noted, because of our collaboration, we've been very successful as a community in garnering tremendous resource that's will help us figure out how we're going to be able to meet these needs. As we all know, housing and affordable housing, the need for affordable housing cuts across class and race in our community. But what we're trying to do here is recognize that when it comes to special needs populations, the mentally ill, the addicted, and the disabled, the physically disabled, it's important -- we've got to keep folks stable if we're going to be able to address all of the other pieces of our system in terms of the hospitalization and the criminal justice system. But that doesn't even get into the costs that are associated with families whose parents don't stay stable in their jobs, and the cost then to children in the community. As you heard, we think we need 8,000 units of housing, and we're working hard to go forward in that effort with the pilot project that commissioner Sten recognized. Chair linn will work on the blue ribbon task force to find new resources, i'll serve with commissioner Sten and the mayor on the citizens commission to oversee the plan to end homelessness, and we really believe the special needs committee, and the recommendations that you're going to adopt today are really going to serve as part of the foundation for this next step that we move -- that we move on the plan to end homelessness. I'd like to take a brief moment to appreciate the work of commissioner Sten, bob dursten, his chief of staff, all of the staff at bc -- bhcd and beth kay. They know how to keep these collaborative efforts moving, and our chair, linda kazer, kept us all on track. Really appreciate your consideration and urge your support and I did want to briefly address commissioner Francesconi's question about the realignment of systems and what systems were we talking about. That became an issue before the board, and I can tell you that in our resolution, we specifically said that we weren't moving money out of poverty programs, but that we're specifically talking about

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new money and we're talking about mental health and addictions money that relates to housing. So every place that we can look at where we're spending, those resources specifically on these issues in the system, we're going to ask that next question about how are we connecting them to the servicing that keep them in housing. We don't think that means we have to take from the poverty programs in order to do that.

**Francesconi:** One question, commissioner. I appreciate your leadership in being here. If you had new money, would you put it into housing or would you put it into more mental health services for those with special needs?

**Cruz:** I'd put it into the project that's going to make supportive housing work. So as we look at -- into these new projects, the pilot project, we're going to figure out what are the pieces each of us has to bring to the table, whether we've got the piece through the **Oregon** health plan, whether we need assistance in that mental health support, or that addiction support. Or it's in fact the rent assistance we're going to need to keep that housing project a viable and sustainable one. So I think it's going to be a project by project analysis, and it's going to be a mix of that effort. But we're going to think through it together. And that's what we're saying that's different in this set of recommendations, and in the future, is that the city, the county, the state housing authority, we're all going to focus on these particular -- this particular group of people and think about how we can best spend those new resources.

**Francesconi:** Thanks.

**Bernie Giusto, Sheriff, Multnomah County:** Thanks, mayor and council. I appreciate the opportunity to be here. The interesting piece for the sheriff's office is I came into the office and the project was underway, so I received my first briefing on what is a very -- what I believe is a very good document, and for me, the only hope on the horizon I believe to reduce the number of homeless people that continually come through jail with a number of disabilities, maybe just a minute about what it is that people don't know about jails. We probably provide some of the better mental health services in the county, and we have through corrections health, a large mental health component that serves Multnomah county jails. So it's not a matter of people showing up to the booking counter and we determine they're mentally ill. We have very trained mental health staff that says these people are mentally ill, and they are treated as such, whether they stay with us at the detention center or eventually go out to the inverness jail on 122nd. The reason that's important is because average jail bed in Multnomah county costs 115 a day. The \$700 it costs for a hospital bed is expensive on that one, two, three nights, but we bypass that as people come back to our jails. The reason they come back often times is because their lives are so unstable. Interestingly enough, they were kind to say there's no plan when people are discharged from institutions. The plan at the sheriff's office is to give them to the sidewalk. That's what the plan -- where the planned ends. It's not -- i'm not saying that in a flip way, or saying somehow that's the right thing to do. It's the wrong thing to do. And maybe worse than that, we're not even sure who is it that we send out into a homeless situation, because once they are ready to matrix, meaning we have no more room in the jail and they're charged -- their charge is not seriousness -- serious enough, we don't ask them if they have a house. That's bad because we have to get a handle on what is it that brings them back to the jail. This is the -- the commission on ending homelessness, they kindly invited me to, but this plan puts services together with people who come out of the jails. What my commitment is, and I mentioned this the other day, is the sheriff's office will give you access, will give commissioner Sten's bureau access and this project access to people coming out of our jails so that we can, over a consistent period, find out who's coming out homeless and what the answers are. It's hard sometimes to get that when you're the jail staff, so we'll arrange for that interview to

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happen with people other than us, because there is some belief that we'll come back to get them if we know where they are, and we really won't come back to get them, we hope we won't have to see them again, actually. But it is a way that we can get a better idea about how we can make this plan work, because most of the clients that you're going to see that are on the street will eventually get to jail, because without a home, without services, they will eventually end up in the criminal justice system, 90% of them, because they eventually come to the attention of somebody who calls the police, and eventually they'll commit some kind of a crime, low level or not. So i'm pleased to be - - our office was a part of this committee. I'm pleased to support it and i'm pleased to help implement it in a way that helps capture the data and might make it more effective.

**Katz:** Thanks. Questions?

**Sten:** I have two more guests, steve ruddman from the housing authority and richard harris from central city concern.

**Katz:** Let me just add to what bernie said, then there's the whole population that he won't take that is out on the street committing things that they ought not to be doing. And it's only when that gets serious enough that bernie will take them. So we have a whole other population that never quite makes it through his door. That create this whole homeless, vicious circle.

**Steve Rudman, Housing Authority or Portland:** Steve rudman, housing authority of Portland. Mayor, commissioners, thanks for hearing this today and hopefully adopting these recommendations. I'm here to say the h.a.p. Board has heard this and approved it, and is invested in working to make this a reality. What's not shown in the 8,000 need is right now within the subsidized housing in Multnomah county, about 40% of our voucher holders, it's almost 3500 households, are also low-income people who do have special needs. And about 70% of folks living in our high-rises, it used to be elderly high-rises, are younger people with disabilities. So it's about a thousand households. These folks are housed, but it's a very vulnerable situation without supportive services and that linkage, it's important to keep people in the housing. So this is a critical, critical need. And my experience, it seems to me this is a watershed. I think there is political will now to actually realign systems so that we really do try to find ways to connect and better utilize limited subsidies in all systems of support to really make a difference. Really hope it happens. Thank you.

**Katz:** Thank you.

**Francesconi:** One question. On that report on the hardest to house, it says that 17% of your section 8 vouchers are turned back, and -- which means there's money out there, at least -- but of that, many of those who turn their back are in the -- those back are in the hard-to-house category. That would -- from that I could conclude that if we really focus more on the support services with the voucher, that that would be more effective than building housing, and even I was thinking we needed a lot -- and we do -- a lot more rental subsidy money, but a statistic like that makes it seem that we should first focus on support services. Am I missing --

**Rudman:** That's a good point. One of the things important we say 70% of the folks fail. You have 120 days to go find a landlord willing to rent to you. If you can't, then essentially the voucher goes to the next person on the list. Remember, we opened a list up last fall for one week, and almost 9,000 households signed up.

**Francesconi:** That took care of what I said.

**Rudman:** You're right about another thing, and that is, the link for supportive services, that's why the housing authority working with the city and county, we have dedicated local project based section 8s for developments that actually help the 17% who fail. In that case, certainty of finding a unit is much more important than choice. So what we're trying to do is recognize there are people

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who are not attractive for a variety of ways to deprive a landlord market, and we need to do something to better align our resources, so we are targeting that 17% by using our local project base system. It does come out of the same voucher poll, but we as a community think and support that we do prioritize people with special needs.

**Francesconi:** Thanks.

**Katz:** Go ahead.

**Richard Harris, Executive Director, Central City Concern:** Richard Harris, executive director, central city concern, 232 northwest sixth avenue. Mayor Katz and commissioners, I'm happy to be here -- to be here today and I love this report. This report actually verifies something that we've been trying to do for years, and it really is a great effort to bring the perspectives of both the city and the county together on this issue. You may recall from years ago the streets of Portland with 20 years ago handled a number of public inebriates on the street. When I started managing the detox center, it was real quandary for us to admit people sometimes three times a day, and we seemed like we were in a revolving door. When we looked at the problem it became obvious to me that one of the big failures in the system was that there wasn't a place for people to live when they left the hoover center. There was never enough treatment available, so we started with a small alcohol and drug-free housing, which is really supportive housing in this model, and eventually have now grown it to, we operate over 840 units of supportive housing. And there aren't public inebriates on the street anymore there. Are other homeless on the street, but you very seldom see what we used to see on the streets. And the reason for that is housing. If I drew you a line from the day we started with 16 units on Couch Street, to the 840 units that we're operating now, you would see the number of housing units increased, there would be a corresponding line to the number much decreased and the number of public inebriates in the community, and that's because of housing. Another study that we did, which illustrated this even more dramatically because it happened in a fairly short period of time, is that we hired an outside evaluator to come and look at our outpatient alcohol and drug program, the Portland alternative health center. And we wanted to know how well the program was performing, what were the outcomes of the people who came through the program. Now, most of the individuals in that treatment program were homeless and many of them are serious drug addicted individuals. What we found at the end of six months, that about 80% and more of those people had a job and were living in permanent housing and were clean and sober. If they were living in supportive housing. When we looked at those -- the -- those who came into treatment and weren't living in supportive housing, about 25% of them were clean and sober at the end of six months, had a job, and were permanently housed. So the real difference is not so much the configuration of the services, but the linkage to the housing where people can stay. That came as a big shock to some of our counselors, because they thought they were the main event. In reality, it was that community that was established for people to live in where their peers supported their recovery. So we have witnessed the success of this model where you blend housing and services together. And I can't tell you how impressed I am with this report, because it documents clearly the direction both the city and the county need to go in their partnership to bring the housing together with the services. So I'm glad that we're going to be able to link this in with the committee to end homelessness, and I believe it's a primary and major strategy to be successful with this population. So some of the resource that's coming to the city now through the federal grants and the corporations support of housing are targeting this very thing of housing and services and bringing them together. And targeting this population of people that Sheriff Guisto has outlined as the major problem in the county jails, and that is -- I'm quite confident we can make inroads in this, because there is housing linked to services.



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**Katz:** Thank you. Questions? Further testimony? Come on up. Anybody else?

**Jean Damasker, Director, Human Solutions:** Good afternoon. My name is Jean, the director of human solutions, which serves people in east Portland and east Multnomah county, and I'm a member of the homeless families coalition. We also give our strong support to the special needs report. We really commend the city and the county and the housing authority for coming together to produce the report, and to recognize that people -- that there are people with special needs that are very prevalent in the homeless population. We particularly want to commend Linda and Beth Kay for keeping this process going, and getting us to a final product that we can use. We'd like to recognize three things about the report. First, the very obvious, that people with special needs are going to need more resources than other people -- than other people. We need to put that on the table in order to begin the allocation of resources. That special needs people will take a disproportionate share of the resources. But secondly, we'd like to recognize that in the report, you didn't hear a breakdown of the homeless population by families, singles, youth, and domestic violence. I want to recognize that that's not in this report. And I think it's important that it's not in this report. That instead, we're beginning to look at homelessness by the causes of homelessness. Alcohol and drug addiction, mental illness, disability. That those causes, we look at the causes -- causes, then we can look at what are the real solutions rather than the more artificial distinctions. I think thirdly the third thing I want to recognize is that this plan going along with the 10-year plan to end homelessness, along with the -- this morning the report, they're all moving in the same direction so take-away the distinction of who funds what. What is the city, what is the county, what is the housing authority, that distinction also doesn't need to be there anymore. That I see us coming together as a community to say, how are we going to overcome homelessness for this particular group of people. But that being said, I'd like to ask two things to sort of keep in mind as this report goes forward. First of all, that there are some people as we begin to look at who has special needs, some of the people in here are people that live in families. They are adults with disabilities with mental illness, with alcohol and drug addiction, that have children. And have their children with them. Some of them are in treatment programs that need to be reunited with their children. Some of them are families where the children have the disabilities. But we need to recognize that as we begin to house families with special needs, they will take a particular kind of housing and that will be different than for people who don't have children, to just recognize that as we're allocating resources. And secondly, to recognize that there are families who are homeless that are homeless because of unemployment or underemployment. And while of course this report doesn't address those families, because those families don't have special needs, it is important to recognize that so -- someone has to address the needs of those families, and that we not -- when we do the reprioritization of funds, that we don't leave out families who are homeless because of unemployment or underemployment, somebody has to address those needs.

**Katz:** Thank you. Thank you, everybody. I'll take a motion to accept this report.

**Sten:** So moved.

**Saltzman:** Second.

**Francesconi:** This was actually great testimony. I learned a lot that I didn't understand when I just read the report. Commissioner Cruz's answer to my question was explained it, but Richard Harris, with your testimony, and we have the -- you just alluded to it, what's happened with drug and alcohol, and that's what should happen here. And there's the example. If you bring it together. So that was very powerful testimony. The other statement that was just made here by Jean, that we should focus on the causes of homelessness instead of the artificial distinctions, is also right. Then the question is, the city has a role, the county has a role, we define the roles, because we have to be

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accountable. It's all blurred, then nobody is accountable, but then we work together like you're doing in this report. So that's terrific. The last thing is the topic for later, but on Jean's question about who has responsibility on -- for those who are unemployed, we need our partner on the county to help us, but the city has responses built. And we're not going to designate to this any other group by themselves to do it, including work force. We're going to work with them because we have responsibility. So thank you for this report. Aye.

**Leonard:** I appreciate the cooperation and hard work it took to produce this. Aye.

**Saltzman:** This is a good report, and I just wanted to say I look out in this audience and I see the faces of a lot of people who have committed their lives to ending homelessness and working with people who need assistance, and I just want to say I really appreciate your tireless efforts on their behalf. Aye.

**Sten:** Again, let me thank the staff Beth, and Ruth, and Mollie, Heather, Bob from my office and Diane from the county, and all of the folks who have been working on this. This is a building block, and I think that it's not a coincidence that we were so successful in receiving very competitive federal grant recently. The reason was when they came out to look at us and we -- they saw we have some things that are both working and as inspirations to do much better, I think Richard's statistic is just -- speaks for itself. 80% of the people who go into the treatment programs and have a stable place to live surrounded by people who support them and are helping them reach their goals succeed, and 25% don't have that stable place don't succeed -- do succeed, and 75% do not. So it's pretty straightforward, and a real testament. So there's a lot to build on. It's been mentioned a couple of times that the team of people who are working on these issues, I'm proud to be working with them, are really going to try and bring these pieces together and build on this. There is a group of blue ribbon group for lack of a better name that I'm pulling together to look at the question of resources, because I think as well as we do in Multnomah county, talking with each other, these are issues that we have to look at as a regionwide if not a statewide. And the mayor asked me last winter to begin to take another very high visibility look at how do our homeless systems work, and -- we may just not end homelessness, and the institution of homelessness, and to this extent I think the institution of homelessness is an interesting one, because as you look at people with special needs, there's almost an undefined institution out there where they move from one hospital bed to a jail, to another place, meanwhile, taking up a lot of time and energy and sort of wasting money and wasting a life, which is not the right approach. And I think ending that institution that the way you survive is moving from one to another facility is really what this is all about, and ultimately it will be not only the right thing, but a smart thing to do as well. And I also want to thank Serena, who was the only elected official who sat on the committee, distinguishing herself from me, and went to all of the meetings and hung in there and gave that leadership. So thank you, Serena, and I look forward to working with all of you on the next step. Aye.

**Katz:** There were three basic issues that we haven't really solved. We're at the edges. This is one of them. There are really three. One is alcohol and drugs. What do we do, how do we do it, and do we have all the answers and maybe we need to think a little differently to get people off being dependent on drugs. Two is jobs for people who are out on the street creating havoc in our communities and the employment opportunities that currently aren't there for them. And three is to end chronic homelessness. Seems to me that those three fit hand in hand, and this council as well as the county are elected officials, are going to have to sit down and figure out how do we use the resources that we have, or any other new resources that we're willing to commit, to deal with these problems. These are the core issues facing this community. And we have tinkered around the edges, we have worked hard all of you v. I know Commissioner Sten has, trying to get a funding

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for housing at the legislature. But i'm convinced, as he is, and you are, that we're at the point now that we can make this work. But we're going to have to set other issues aside that we've been wanting to tackle, and really prioritize our resources to deal with this. And if we're not willing to do this, let's not keep talking about it anymore. Aye. Thank you, everybody, for all your work. [gavel pounded] ok. 1309.

**Item 1309.**

**Katz:** Ok.

**Kathleen Stokes, Bureau of Development Services:** Thank you, mayor, commissioners. My name is kathleen stokes, i'm city planner with the bureau of development services. In the last three weeks there's been a great deal of work done by all of the participants in this case, the neighborhood representatives, who had concerns about the design to meet with jane, the urban design specialist, to mayor Katz had offered services, bureau of planning. I was also at that meeting, they were able to express more specifically or very specifically what their concerns were.

We took those concerns, met with the architects, the architects had met with their client, the owner of the property, who told them that they could start from scratch and come up with a completely new design, that would be hopefully addressing the neighbors' concerns. It's a great deal of work that's been done. On the recommendation of mr. Jane, both the applicants and the appellants have agreed, and it was put forward I believe also to the mayor's office, that this case be continued until january 15 at 2:00 p.m. So that the architects can have the time to fully develop the new design, present it to the neighborhood, and hopefully everyone will come back here in agreement on a design for the this site.

**Katz:** Thank you. Ok. Questions?

**Francesconi:** That's progress.

**Katz:** It is progress. And --

**Sten:** I stand corrected.

**Katz:** I hope we all can be -- stand corrected.

**Sten:** [inaudible]

**Stokes:** The neighborhood has not seen the design yet.

**Katz:** And I understand. There are issues between the neighborhood, and really, that's not neither here nor there. The issue was the council felt the design just didn't work, and it really will become the council's decision, my hope that everybody will agree that what we have at the end is a much better design, and everybody, including the council, feels good about it. That's really the issue. So thank you, then. We'll continue this item to january 15, 2:00:00 p.m. And hope we have a product we all feel good about. Thank you, everybody. We'll stand adjourned. [gavel pounded]

At 3:01 p.m. Council adjourned.