

CITY OF

PORTLAND, OREGON

OFFICIAL MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **21ST DAY OF APRIL, 2004** AT 9:30 A.M.

THOSE PRESENT WERE: Commissioner Sten, Presiding; Commissioners Francesconi, Leonard and Saltzman, 4.

Commissioner Saltzman arrived at 9:35 a.m.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Ben Walters, Senior Deputy City Attorney; and Officer Anthony Merrill, Sergeant at Arms.

Item 377 was pulled for discussion and, on a Y-4 roll call, the balance of the Consent Agenda was adopted.

	Agenda was adopted.	
	COMMUNICATIONS	Disposition:
365	Request of John Haines to address Council regarding school as the greatest minority (Communication)	PLACED ON FILE
366	Request of Alison Stoll of Central Northeast Neighborhood Coalition to address Council regarding 30th Anniversary of City Neighborhood Associations (Communication)	PLACED ON FILE
367	Request of Susan Hamilton of Central Northeast Neighborhood to address Council regarding 30th Anniversary of Neighborhood Associations (Communication)	PLACED ON FILE
368	Request of Bill Parish to address Council concerning Portland General Electric: new perspectives regarding a City of Portland purchase (Communication)	PLACED ON FILE
369	Request of Merrick Bonneau to address Council regarding criminal violations by officers involved in his case (Communication)	RESCHEDULED TO MAY 12, 2004
	TIME CERTAINS	

PLACED ON FILE

371	TIME CERTAIN: 9:35AM – Authorize an Acquisition, Disposition and	
3/1	Development Agreement between the Portland Fire & Rescue and the	
	Portland Development Commission for the Fire Station #1 Relocation (Ordinance introduced by Mayor Katz and Commissioner Sten)	
	Motion to accept substitute language from Portland Development	
	Commission for Exhibits D and E: Moved by Commissioner Saltzman	
	and seconded by Commissioner Francesconi and gaveled down by Commissioner Sten after no objections.	PASSED TO
	Motion to accept amendment to finding number 12 to add "PDC and	SECOND READING AS AMENDED
	PF&R will comply with City and PDC Green Building policies	APRIL 28, 2004
	requiring this project to be LEED certified, and will not seek an exemption from those policies for this project" and change	AT 9:30 AM
	development agreement paragraph 6.6.3 to "PF&R will require that	
	the Architectural/Design team selected to design Fire Station 1 ensure that the project receives LEED certification": Moved by	
	Commissioner Saltzman and seconded by Commissioner Francesconi.	
	(Y-4)	
	CONSENT AGENDA – NO DISCUSSION	·
372	Statement of cash and investments March 11, 2004 through April 7, 2004	
	(Report; Treasurer)	PLACED ON FILE
	(Y-4)	
373	Accept bid of Stacy & Witbeck, Inc., for the South Waterfront Central District Street Improvement Project for \$3,467,778 (Purchasing Report – Bid	
	No. 102808)	ACCEPTED
	(Y-4)	
374	Accept bid of Henderson Land Services, LLC for the Kelley Creek Flood	
	Mitigation Package for an estimated amount of \$648,605 (Purchasing Report - Bid No. 102849)	ACCEPTED
	(Y-4)	
*375	Authorize request for proposals for Graffiti Removal, Prevention and	
	Education Services (Ordinance introduced by Mayor Katz and	178313
	Commissioner Leonard)	1/0313
	(Y-4)	
	Mayor Vera Katz	
*376	Pay claim of Richard Wiland (Ordinance)	178314
	(Y-4)	
*377	Pay claim of Eunice Crowder and Nellie Scott (Ordinance)	178340
	(Y-4)	

	April 21, 2007	
*378	Authorize expenditure up to 30% of original contract amount with Par-Tech Construction, Inc. for renovation of fire stations 8, 19 and 20 (Ordinance; amend Contract No. 35011)	178315
	(Y-4)	
*379	Authorize contract with Burgee Architecture, LLC and provide for payment for the remodel of Fire Stations 6 and 17 (Ordinance)	178316
	(Y-4)	
*380	Create two new classifications for the Bureau of Technology Services and establish compensation rates for the classifications (Ordinance)	178317
-	(Y-4)	
*381	Create a new classification of Parks Maintenance Crew Leader and establish an interim compensation rate for this classification (Ordinance)	178318
	(Y-4)	
*382	Create one position of Community Outreach and Information Assistant in the Bureau of Parks and Recreation (Ordinance)	178319
	(Y-4)	
*383	Authorize an Intergovernmental Agreement with the Portland School District 1J for financial support (Ordinance)	178320
	(Y-4)	
*384	Authorize an Intergovernmental Agreement with Centennial School District 28J for financial support (Ordinance)	178321
	(Y-4)	
*385	Authorize an Intergovernmental Agreement with the Reynolds School District 7 for financial support (Ordinance)	178322
	(Y-4)	
*386	Authorize an Intergovernmental Agreement with the David Douglas School District No. 40 for financial support (Ordinance)	178323
	(Y-4)	
*387	Authorize an Intergovernmental Agreement with the Parkrose School District 3 for financial support (Ordinance)	178324
	(Y-4)	
*388	Authorize Intergovernmental Agreement with the Housing Authority of Portland for a Liaison Officer to address crime issues in Housing Authority of Portland properties in the Central Precinct (Ordinance)	178325
	(Y-4)	
	Commissioner Jim Francesconi	
*389	Grant revocable permit to Pacific Northwest College of Art to close NW 13th Avenue between NW Johnson and Kearney Streets on May 5, 2004 through May 9, 2004 (Ordinance)	178326
	(Y-4)	

April 21, 2004	
Authorize the continuance of negotiations for the purchase of property required for the SE 128th Avenue LID Project and authorize the City Attorney to commence condemnation proceedings, if necessary, and obtain early possession (Ordinance)	178327
(Y-4)	
Accept \$10,000 grant from the Oregon Department of Forestry Urban and Community Forestry Program for the Portland Urban Forest Canopy Study (Ordinance)	178328
(Y-4)	
Authorize a Submerged and Submersible Land Lease with the Department of State Lands for a portion of the Willamette River adjacent to Gov. Tom McCall Waterfront Park (Ordinance)	178329
(Y-4)	
Commissioner Randy Leonard	
Authorize a Software License Agreement with HCKM LLC, dba Oregon Dispatch Service, through December 1, 2007 to provide access to software and hardware services for Washington County (Ordinance)	178330
(Y-4)	
Amend Graffiti Nuisance Abatement Code to specify process to obtain and serve abatement warrants (Ordinance; amend Code Section 14.80.040)	PASSED TO SECOND READING APRIL 28, 2004 AT 9:30 AM
Commissioner Dan Saltzman	
Authorize a contract to construct the SW 6th Ave. Drive Mains Package and provide for payment (Ordinance)	PASSED TO SECOND READING APRIL 28, 2004 AT 9:30 AM
Amend contract with CH2M Hill for the Beech/Essex and Oak Basins Predesign, Project No. 6673 (Ordinance; amend Contract No. 34226)	178331
Authorize contract with the lowest responsible bidder for the Columbia Boulevard Wastewater Treatment Plant Wet Weather Capacity Improvements, Project No. 6904 (Ordinance)	178332
(Y-4)	
Accept a grant from the National Oceanic & Atmospheric Administration in the amount of \$125,000 for revegetation services and outreach in the	178333
Tryon Creek Watershed (Ordinance)	170333
Tryon Creek Watershed (Ordinance) (Y-4)	170555
	Authorize the continuance of negotiations for the purchase of property required for the SE 128th Avenue LID Project and authorize the City Attorney to commence condemnation proceedings, if necessary, and obtain early possession (Ordinance) (Y-4) Accept \$10,000 grant from the Oregon Department of Forestry Urban and Community Forestry Program for the Portland Urban Forest Canopy Study (Ordinance) (Y-4) Authorize a Submerged and Submersible Land Lease with the Department of State Lands for a portion of the Willamette River adjacent to Gov. Tom McCall Waterfront Park (Ordinance) (Y-4) Commissioner Randy Leonard Authorize a Software License Agreement with HCKM LLC, dba Oregon Dispatch Service, through December 1, 2007 to provide access to software and hardware services for Washington County (Ordinance) (Y-4) Amend Graffiti Nuisance Abatement Code to specify process to obtain and serve abatement warrants (Ordinance; amend Code Section 14.80.040) Commissioner Dan Saltzman Authorize a contract to construct the SW 6th Ave. Drive Mains Package and provide for payment (Ordinance) Amend contract with CH2M Hill for the Beech/Essex and Oak Basins Predesign, Project No. 6673 (Ordinance; amend Contract No. 34226) (Y-4) Authorize contract with the lowest responsible bidder for the Columbia Boulevard Wastewater Treatment Plant Wet Weather Capacity Improvements, Project No. 6904 (Ordinance) (Y-4) Accept a grant from the National Oceanic & Atmospheric Administration in

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At 11:43 a.m., Council recessed.

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **21ST DAY OF APRIL, 2004** AT 6:00 P.M.

THOSE PRESENT WERE: Commissioner Sten, Presiding; Commissioners Francesconi, Leonard and Saltzman, 4.

Commissioner Leonard arrived at 6:04 p.m.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Kathryn Beaumont, Senior Deputy City Attorney; and Officer Curtis Chinn, Sergeant at Arms.

407	TIME CERTAIN: 6:00 PM – Adopt the Gateway Planning Regulations Project Urban Design Concept and Action Charts (Resolution introduced by Mayor Katz)	Disposition: CONTINUED TO MAY 12, 2004 AT 2:00 PM TIME CERTAIN
408	Adopt and implement the Gateway Planning Regulations Project (Ordinance introduced by Mayor Katz; amend Portland Comprehensive Plan and Outer Southeast Community Plan; amend Title 33)	CONTINUED TO MAY 12, 2004 AT 2:00 PM TIME CERTAIN

At 7:46 p.m., Council recessed.

April 22, 2004

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **22ND DAY OF APRIL, 2004** AT 2:00 P.M.

THOSE PRESENT WERE: Commissioner Sten, Presiding; Commissioners Francesconi, Leonard and Saltzman, 4.

Commissioner Francesconi arrived at 2:03 p.m.

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

409	TIME CERTAIN: 2:00 PM – Reassign duties between the Office of Neighborhood Involvement and the Bureau of Development Services, and clarify administrative and enforcement responsibilities (Ordinance introduced by Commissioner Leonard; amend Code Titles 3, 18, 24 and 29)	Disposition: PASSED TO SECOND READING MAY 26, 2004 AT 2:00 PM
410	Clarify role of the Development Review Advisory Committee to provide advice regarding development review processes (Ordinance introduced by Commissioner Leonard; amend Code Section 3.30.030)	PASSED TO SECOND READING MAY 26, 2004 AT 2:00 PM

At 3:49 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.

April 21, 2004 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.

APRIL 21, 2004 9:30 AM

Sten: Good morning everyone. The Council will come to order. [roll]

Sten: The Mayor's absent on medical leave. Everything went well and we'll expect her back in a couple of weeks. Meanwhile I'll fill in. We'll start with Communications, 365.

Item 365.

Moore-Love: He will not be speaking today.

Item 366.

Sten: I know Ms. Stoll is here, please come on up. I think these cup cakes have something to do with this.

Alison Stoll, Central Northeast Neighborhood Association: Yes, it's the happy birthday celebration. I'm here today to address the council really about a celebration, celebrating volunteers in our communities, in our neighborhood, and in the city of Portland. Of course with any kind of birthday celebration you have to have birthday cake and balloons. We've brought those to you today to help you enjoy our celebration. I've prepared a presentation today, and actually susan hamilton will be doing the first part of the presentation. I'm doing the second part. We'll just do second and then first. My name is allison stool, the director of central northeast neighbors in the central northeast part of Portland. There will never be enough money to do for the community what needs to be done, but the city Portland has wealth beyond belief in the volunteers that not only serve private groups and institutions, but city groups and agencies as well. Each citizen who volunteers brings with them a commitment to making the city of Portland a better place to live and work. Neighbors donate their time and resources every day to make sure elderly are cared for and fed. They clean up parks and parks and provide funding for amenities that the city doesn't have the funds for. They spend days doing cleanups and tree plantings and work with police and fire bureaus to provide assistance to their personnel by way of donating toys and times to help -- time to help officers and firefighters make their jobs easier. They do this and much, much more without compensation, other than knowing that what they do does make a positive difference for their community. If we place monetary value on what neighbors and volunteers do, we would be astonished at the dollar amount these defeated citizens contribute to our, and there's not enough words of thanks to give to these deserving and devoted neighbors. Now we have the opportunity to celebrate citywide the efforts that our volunteers make, along with the fund will a city bureau, whose goal is to assist neighbors and neighborhoods by providing the conduit between citizens and the city. Just think about it. 30 years of working together. It's truly amazing. And look at all the wonderful projects accomplished by everyone working together. They're just too numerous to name. Let's take this opportunity of this 30th birthday occasion to recommit ourselves to the city, the office of neighborhood involvement, and Portland's great neighborhoods to working not independently of each other, but together to build on what is an exceptional relationship for the continuation of a partnership to keep Portland on a path that is inclusive and respectful of cultures that make up Portland's unique diversity. Happy birthday.

Sten: Thank you. Happy birthday. 367.

Item 367.

Susan Hamilton, Central Northeast Neighborhood Association: I'm susan hamilton, Portland, Oregon. I'm the first part of the presentation. There is a time and place for everything. Now is the time and the place is Portland. We're talking about the 30th birthday celebration of Portland's neighborhoods and office of neighborhood involvement of course. As citizens we see every day what city employees and neighbors can accomplish by working together, whether it be traffic issues, urban forestry, solving lighting issues on dark -- in unimproved streets, you name it, we've done it. Those of us at central northeast neighbors, inc., really make an effort to outreach and enthuse our neighbors with assistance in their own neighborhood projects. Cnn's neighborhood's and staff felt you would appreciate a more intimate look at just what our area citizens are doing to make their part of Portland an outstanding place to live and work. Included in your birthday gift you will find newsletters from c.n.n.'s neighborhoods, outlines of projects that c.n.n. Employees have worked with in conjunction with its neighbors, as well as with residents and city agencies and bureaus citywide. We hope that you find the accomplishments and efforts of c.n.n.'s neighbors and neighborhoods, as well as the work done by Portland's other coalition offices and residents as we do. Thank you for 30 years of outstanding work.

Sten: Thank you very much.

Item 368.

Bill Parish: Good morning. The reason i'm here this morning, bill parish, city of Portland, the reason i'm here this morning, it seems like the whole p.g.e. Situation is coming down to two things, either a municipal utility or the t.p.g. Offer. There's so much opportunity for creativity if the city were to resurrect its proposal. One example being negative consent rights. I don't know if you've considered the notion of providing those for industrial users. Very powerful tool. Industrial users have negative consent rights over the city, that would handle a lot of concern associated with city ownership. Second is a financing structure could be much stronger with a municipal. Might be creative condemnation measures that could also send a message to enron with respect to taking a city bid seriously. For instance, maybe a very simple select condemnation of a couple small properties within Portland's boundaries. What's most unique about this proposal perhaps is it's the same players that enron had, credit swiss, of course, is the primary financial backer, and calvin davis, remarkably I sat here a couple weeks ago when he made his presentation, and he lied to the council, lied over the control issue, lied over the fundamental nature of rights. It was quite astonishing. If I were to maybe summarize my comments -- jim, you may be mayor, and I hope you follow mayor Katz's lead and be a mayor of the people, because it's starting to come out in the press quite a lot that there are lot of issues. Be an important question to ask neil goldschmidt, would be whether they've been a client the next couple years. Erik Sten has done great work in trying to reexamine new facts associated with the city proposal. Perhaps most important is the notion that lower utility rates may be the number one tool for economic development and economic justice. I mean, lower income people are dramatically affected by higher utility rates. I'm available. I've got some information out on the web. And I know Portland initiated a sister city relationship with bologna the last couple of years. Maybe if we asked, what do you think? I can't help but think that the mayor of bologna would try to attic late a italian expression, and it's "it's a very good thing."

Sten: Thank you, bill.

Francesconi: Your italian's better than mine.

Sten: 369. **Item 369.**

Moore-Love: He has rescheduled.

Sten: Consent agenda? Would anyone like to pull any items from the consent agenda?

Leonard: I initially indicated there were a couple I would. But no.

Sten: Ok.

Saltzman: Pull 377.

Sten: If we could pull 377. Then I will take a roll call on the consent agenda.

Francesconi: Aye. Leonard: Aye. Saltzman: Aye.

Sten: Aye. 377.

Item 377.

Saltzman: This is a settlement where we're paying \$145,000 to settle all claims with Eunice Crowder and Nellie Scott, and it's an incident where i'm very disturbed by it, the facts of the situation, where our police used a taser on a 71-year-old woman and her 95-year-old mother, I believe. So I wanted to just state that while i'm going to approve the settlement, i'm disturbed by the facts of the situation, and I hope there will be a thorough investigation. I realize the mayor's not here as commissioner in charge of police to respond to this, but I wanted a chance to state wide open that this incident deserves to be investigated, and I believe that the i.p.r. And the internal division should both take a look at this case. I'll that to them separately as well.

Sten: Thank you.

Leonard: Is there anybody from the police bureau who --

Sten: Is there anybody here from the police bureau who could speak about this to the council? **Leonard:** I would agree with commissioner Saltzman, to set it over a week so somebody can come

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Saltzman: This is really the settlement. We're going to pay \$145,000. I have no objection to paying the settlement. I want the circumstances that let to the situation where a 71-year-old woman was tasered three times, and the grandmother was taken down.

Leonard: I understand. I just wonder if it would be appropriate for them to come and explain themselves as opposed to just approving it without hearing.

Saltzman: I will follow up with i.p.r. and internal affairs about this situation. I wanted to state that.

Sten: I think this is an emergency ordinance of one member, not going to vote for it, then we should set it over.

Leonard: I agree with commissioner Saltzman's sentiments completely. Just wanted them to explain themselves.

Sten: Ok. Is there any public testimony on this item? Seeing nobody, roll call.

Francesconi: Well, it's a significant settlement. So it's good that the -- that the victims are getting some compensation, but I -- from the face of it, it appears that this does need more investigation on the disciplinary side. There may be another side to it but it's hard to see it. Aye.

Leonard: And i'm becoming increasingly concerned about the management of the police bureau and the lack of any formal communications with the police association. They have not been included in the budgetary process, they don't have a labor management system to air these kinds of issues, to help us cooperatively, get to the bottom of things like this, and it's quickly rising high on my radar as something that needs to be addressed. Aye.

Saltzman: Well I think that my concerns are well stated. Aye.

Sten: I appreciate commissioner Saltzman, you bringing that forward, and I agree completely. Aye. [gavel pounding] i'll move to 370, which is a 9:30 time certain.

Item 370.

Francesconi: Oregon tree board is a state nonprofit organization dedicated to supporting, enhancing and protecting the forest through leadership, education and advocacy. For the last 10 years they've presented awards to individuals and groups for outstanding achievement. And today we're going to hear about the alder basin project, which is another partnership between b.e.s. And parks for handling stormwater. And the b.e.s. Project manager steve berger partnered with tree inspector joe hinz to do street tree planning for the benefit of the neighborhood, watershed the environment. Thank you, folks, for coming and sharing.

Chris Neamtzu, President of Oregon Community Trees: Thank you, commissioner Francesconi. For the record, i'm the president of Oregon community trees. I'm here today with joe hintz and steve burger of the city of Portland staff. Oregon community trees is a statewide nonprofit organization, who's dedicated to proposing healthy urban forests. For the past 10 years we've given awards for outstanding achievements in urban forestry. Today i'm here to give the 2003 government project award to the alder basin project, which was a project geared towards street tree planting in the alder basin area. It addresses a basin where there are 6200 households where they have a combined sewer system, where one sewer is handling the sewage and water runoff. An informational flyer was distributed to the residents in the area, as well as community commercial properties throughout the project area. The flyer helped property owners and informed them about the planting and brought them on board for the project. Tree inspector joe hintz provided inspection services and identified specific sites and recommended appropriate tree species for the planting. Some of the trees were purchased and others were provided from the Portland parks urban forestry nursery. A total of 66 trees were planted in this area and they were large caliber trees ranging in size from two inches to five inches caliber. Trees were matched to meet specific site factors and to accommodate historic ladd's neighborhood street program. Property owners have been instructed in ways to ensure establishment of new trees. Staff received numerous compliments on the quality of the plantings from residents and commercial property owners. Neighbors who already had trees were delighted to see additional trees being added into the neighborhood. Urban forestry staff will continue to provide technical assistance and some physical assistance for watering, young tree maintenance, and monitoring of all 66 trees for the next two years. Property owners have been provided with slow drip watering barrels and instructions to ensure that the trees will receive the necessary water that they need. Urban forestry will work with b.e.s. To monitor and augment the tree care program through the establishment period to assure long-term success. This project represents a true spirit of cooperation between divisions and a long-lasting partnership with the neighborhood. The alder basin planting project provides numerous environmental benefits and demonstrates good public involvement and technical competence with maintenance and monitoring sessions that will result in long-term success. These are just some of the reasons that Oregon community trees has granted the alder basin project with the 2003 government project award. I'd like to congratulate these gentlemen on their achievements. Thank you.

Sten: Would the award winners like to say anything? This is your chance.

*****: I'd like to thank the Oregon community tree board for this award and for their ongoing support for programs such as ours, in appreciation with b.e.s. Partnering with this project and continue to look forward to future partnering projects with the city.

Sten: Terrific.

*****: Thank you.

Sten: Thank you. Great.

*****: Thank you for your time.

Sten: Thank you. And good work. Congratulations. Next up is 371, which is our 9:35 time

certain.

Item 371.

Sten: Come forward, and i'll just comment, in the mayor's absence, this was resolution brought -- ordinance brought forward by the two of us, something that's been in the works for a while. And it's been at least a year and a half or two years that p.d.c. Has had a vision for naito parkway and working very hard to figure out how to get housing in a public market. The first step of these pieces, potentially, we hope to move fire station one from its current location and in order to do that, to free up that room for the redevelopment, we had to reach an agreement between the Portland development commission and the fire department, and I should say we've been working at that for the better part of a year. Pretty safe to say that whatever vision comes out of this, and I think there's

a beautiful one in store, and potentially a real change in a very key and critical part of downtown, to get there first, we had to come up with something that suited everybody's needs, and this presentation will show that today, and it was a very thorough piece of work on the development commission's part and the fire bureau's part, and I think the commission knows more about the logistics of responding to fire and medical calls, and I feel safe to say as your fire commissioner that the fire department understands downtown development just a tad more. Hopefully this is a step in the right direction. There are two substitute pieces to this. I think we need a motion to substitute exhibit d, which -- have you passed that around, amy? And a motion to amend e. I hope the council has that language in front of them. Move that substitution before it gets started so that's on the record.

Francesconi: Sure. I can move it.

Saltzman: I'll second. I don't think I have it.

Sten: Did you bring copies?

Moore: That was handed out with the tuesday memo yesterday.

Sten: Let's make sure people have copies, and we'll make the motion at the end of the meeting once we have a chance to look at that. So with that i'll turn it over to whichever of the esteemed team wants to lead off.

Don Mazziotti, Executive Director, Portland Development Commission: Thank you, mr. President. I appreciate the kind words about the process and project. Again, just to introduce deputy chief john klum, and amy miller-dowell. First i'd like to brief you on the downtown waterfront development opportunity project, which is at the heart of the development agreement itself. Then the fire station one relocation agreement between the fire bureau and the Portland development commission. You are not being asked to vote on that today, but will be expected to vote on it subsequently. The development agreement, which you have before you, is -- or was unanimously approved by the Portland development commission at their april 14 meeting. And as the president of the council indicated, there's a motion to substitute exhibit d. There's also a motion to amend exhibit e with two new sections of language, technical changes having to do with mwesb. Our presentation will cover the Downtown Development Opportunity Strategy, public benefits, implementation, the agreement to build a new station and how the siting was accomplished. The Downtown Waterfront Urban Renewal District of which Fire Station #1 and the relocation site are a part has had dozens of redevelopment projects completed within it since its inception more than 25 years ago. City and stake holders have agreed that the work in this urban renewal district however is not completed, that there remains significant parts of this district which remain in blighted condition for a variety of reasons not attracting private investment or reinvestment as one would hope for downtown. And this body has recently extended the life of the urban renewal district for 4 years basically in recognition that the task is not completed. You also suggested that we focus our efforts in the historic Old Town and Chinatown area in which both Fire station 1 and the relocation site are located. The study area for the development opportunity strategy which was adopted over a year ago by the Commission essentially is represented in the graphic which you see in front of you. The portion to the right of this map with the white boundary drawn around it is the official designation of the Old Town/Chinatown in portland. And you can see the Burnside bridgehead and the block 34 where fire station 1 is located and then surrounding uses. This area in portland has basically a major part of our architectural and building legacy to be found in it. It has a significant number of buildings which are on the National Historic Register and it has other structures which have great significance to the city's history. Skidmore fountain perhaps being the lead among them. It's the heart of our history. The portland business alliance and the portland development commission adopted a retail strategy 2 years ago, and found that this area is sadly lacking in 2 respects. It has inadequate housing and inadequate retail development. And that it is detracting from the downtown retail development. This is no surprise, since 85% of the waterfront

building edge on naito parkway between Morrison and burnside bridges is surface parking lots or garage doors. And so it is easy to conclude that redevelopment of this area is certainly called for and that is the focus of our activity. All of the consultants with whom we've worked and our own professional judgment leads us to believe that block 34 fire station 1 and the site surrounding it is that site which would serve and will serve as a catalyst to private investment throughout the area. This is one of the fundamental strategies utilized by the development commission in accomplishing our redevelopment mission. A recent example is, of course, museum place, which itself is stimulating two major housing projects in less than a year. The notion of the downtown waterfront development opportunity strategy is reasonable straight forward. It shows 3 phases of redevelopment along naito parkway, including portions north and south of the burnside bridge. The strategy is to develop a catalyst project which will demonstrate to the private sector that there is a commitment on the part of the public, city government and development commission to revitalize and redevelop the area. And that would support an infil strategy which would add 1,000 residential units and reinvigorate our most historic neighborhood. It would also address the very significant public safety issues in this area. I might call to your attention that the max station under the burnside bridge has the highest drug arrest rate of any station in the city. The area around the station is also significant in its crime level and we believe that a project of this kind will quickly drive crime out of the area. We also believe that a catalyst project will cost an onflow of significant private investment. As we have spoken with many property owners and developers who either own property or wish to do business in this area, and they are all supportive of the project which underlies our development agreement. Ankeny Plaza as you know is the site that we know is the most important historic area. It has however a rundown appearance, high vacancy rates, absence of residents, absence of shoppers. The fire station is in the heart of the district. It's the only full block site in the area that doesn't have a historic building on it and therefore can be substantially modified. And it's unique in being of an adequate size for major residential development up to 168 units which is part of the plan of the redevelopment of fire station 1. Our project also would improve the area and pedestrian links under the burnside bridge, one of the most dangerous areas in downtown. It would be dramatically improved with this project as we would upgrade buildings and streetscape throughout the area. But there is a big picture here that is not simply fire station 1. The big picture is that there are a whole series of projects which are about to be underway that are being developed or redeveloped in tandem with the development commission's plan for fire station 1. We have made commitments, subject to Ankeny Plaza redevelopment, to revitalization of Ankeny Plaza, making significant improvements on Naito Parkway including improvements to the northern portion of burnside that would allow greater access and egress from that area which is now restricted. Potentially we could redevelop Globe Hotel; we support the burnside couplet on the Westside of the river to bring a new light rail line through the area; to develop a new 26 story affordable housing project at 3rd and oak. Currently we have a project underway for affordable housing. Not shown in our strategy is the way finding system that is being deployed currently, our commitment to central city no net loss in the area where we are doing affordable housing projects throughout the area. Now it's time to get the private sector to move in with market rate housing as well so we have a balanced neighborhood. And to redesign and provide a permanent location for Saturday market. Probably on both sides of naito parkway. One of the concepts for the catalyst project we have shown the public and discussed with you is the potential to convert fire station 1 and the adjoining skidmore building currently owned by the city and Ankeny Plaza into a vital active destination for people not only in the city itself, but to substantially support tourism in the area. This rendering which was developed at the suggestion of John carroll, indicates what one of the city developers would be interested in competing for. This is one version of what this could look like. The fire station would be converted from its current use to a ground floor as a public market and then extend into the skidmore building in the structure shown attached to the skidmore

building in this graphic and would be wrapped in by 168 mixed income residential units on the back side of the fire station where there is now a parking lot. We would also make significant changes in pedestrian crossing that would allow a safer crossing to mccall waterfront park just across naito parkway which itself would act in parallel with the comprehensive plan that was approved for the park last year. At that point the park would be stepped down to the river. There would be much easier access, open feeling to the whole area. When Impregilio finishes their work there will be a large open plaza site for a market.

Leonard: Could I just ask a question about the step down to the river? Will the sea wall be removed?

Mazziotti: It is my understanding that portions would be removed for access/egress to the river. Amy can correct me on that.

Amy Miller-Dowell, Portland Development Commission: I don't think too much will be removed. There are people in the audience who can address that.

Mazziotti: The water level will not reach to naito, I can assure you. [laughter] By contrast to what we envision, you have the existing conditions in this area. The fire station itself, while a good building basically fronts naito parkway with a series of blank doors that the public doesn't relate to. Although it is a high activity center for school children and visitors, the learning center program that is underway there and that the chief hopes to expand, attracts something on the order of 18,000 students a year. We would expect under new development to be greatly increased. But it's a 1950's fire station. It has very little active street front. There are closed space as you can see and half of the super block itself is a parking lot. By contrast, the plan which has been developed by working with the fire bureau closely is to create a new type of station that creates a mixed use fire station on the block. At square footage costs which are below the city average for fire stations which have been built in the last 10 years. ³/₄ of the block then would be a fire station as shown here. ¼ would be the Globe Hotel, rehabilitated possibly with housing but also office space. There would be below grade parking as shown on the diagram and internalized operations courtyard, so the exterior is ringed with ground floor active and visible uses in the area in which it is located. So that the street would be active at all times of day. The building on naito parkway on block 8 would be removed and replaced with the fire station design you can see on your screen. Its principal characteristic is that it's open, surrounded by glass, easily accessible by pedestrians and an inviting structure, replacing a structure which arguably does not perform the same functions. It also adds fire administration to this location, which would bring 125 new jobs to this area, a significant enlivening factor for the area itself and for the businesses located there. The view from first avenue and davis shows the other part of the development, where the globe hotel would be renovated, and on the leading corner, as you look at it, is a fire learning station that -- or fire learning center that would be part of the overall design. The fire museum would be located on the corner right next to the max line, and would act as a gateway to old town. The idea is that this would be a flagship fire station, attracting children and families and tourists to come to visit, including retail in the globe, and it would meet all of the latest homeland security requirements for a central fire facility, producing a much more active street front than is currently at this location. Chief klum is going to discuss the process used to pick the site for the redeveloped fire station.

John Klum, Deputy Chief, Portland Fire and Rescue: Thank you for the opportunity to speak to you today. Back in 1998 the voters passed a fire general obligation bond levy for the seismic upgrades within the city of Portland. In that process we felt it very important to have community involvement, and so we established a program where station advisory committees were created to reflect the community, both with the neighborhood association's representative and the business community in general. Station one, redevelopment committee, was composed of a seven-member that reflected not only the neighborhoods in the area, but the businesses associated with it. Station one's advisory committee was actually broken into what I call two phases. Phase one was a presite

specific geotech analysis of 55 ash block, and the second phase was postassessment for the geotech issues. 55 ash was determined, that the soils weren't as initially assessed as bad so that we could bring that facility up to central facility status. At that time phase two was created, because we were proceeding with the retrofit and the architect and engineering selection to actually renovate 55 ash's current location. At that time the waterfront development opportunities study was being completed through p.d.c., and we were asked to hold off on incurring costs associated with initiating architect and engineering at that time. So waited until the spring of 2003 for the dots to be completed, an p.d.c. Had identified that 55 ash, or block 34, was a catalytic site to the overall development of that area. Through a series of site selection criteria that was established, they looked at multiple sites and actually evaluated each specific one. And the site selection criteria there were 6:Core criteria. that all sites needed to meet all those criteria or they were eliminated at that time. The net result was that some of the properties that we looked at met our response time considerations, but were eliminated for the actual size of the particular piece of property to accommodate the uniqueness of fire station one. Fire station one is our -- Portland's one and only specialty rescue house. It has six pieces of apparatus in it that are frontline, an engine truck squad, a dive and confined space trench, as well as an operations deputy chief. It was impossible to have a schematic to fit on half-block sites. If the fire station were to relocate that would fit Portland fire and rescue's needs. I'd like to just briefly go over the history of -- background of fire station in neighborhoods. Currently Portland fire and rescue has 29 fire stations, all but three are sighted in residential areas. We have a history over the years, of actually being an active component as far as community involvement in those -- in those areas. So this is not unique as far as resiting it in this particular location. The fire learning center component is a concept that has been talked about for several years. It fits into Portland fire and rescue's strategic plan, as far as community involvement and community outreach, and it is designed to target the at-risk groups in our community, both the young and the elderly, and try to eliminate just fire safety-related issues, but safety issues in general. A key component of this is that as the demand for emergency service increases in the Portland area, we're concerned about maintaining our ability to respond effectively to those emergencies. As the responses increase, it creates voids in service that increase response times. If we can go and be proactive at the targeted age groups to try to reduce the frequency of emergency responses, it helps us maintain our response capabilities in our fire management areas. One other thing on the successful learning centers is that although it's relatively new concept, they've had some success stories in other parts of the country, both in texas and also you can see that the -- that the main one -- main one in rockefeller center in new york is a prime example of the community outreach in delivering our safety message to the public. Thank you.

Mazziotti: Thank you, john. So to summarize the development agreement that is before you, p.d.c. would acquire at least 3/4 of a block of block eight to accommodate the full fire station development. It would deed that 3/4 of a block to the fire bureau in return for p.d.c. ownership of block 34. Second, Portland development commission would ensure that the globe hotel would be seismically upgraded and renovated under some alternative, perhaps in partnership with a new owner with the existing owner. That the development commission would appropriate \$10,500,000 maximum to the new fire station and project. As I mentioned, this is on a square footage basis below the city average in redevelopment cost and p.d.c. funds are available from the 2003-2004 budget. They were previously appropriated for a potential project that the location. \$11,668,000 would come from the fire bond. Headquarters office, fire museum, emergency response operations, fire learning center, the shell only, 86 parking spaces, including 74 spaces underground, would be included in the redevelopment. There would be design competition for the new fire station. Environmental remediation would be covered by p.d.c. of the current and relocated properties, and there are a series of material default provisions contained in the agreement. Those are the broad outlines. The broad budget is -- total budget for the project is \$22,168,200. I've indicated the p.d.c.

contribution, the fire bond utilization, and as i've mentioned several times these costs are in line with other new Portland fire stations built over the past five years. In fact, a bit lower. Renovation of the globe hotel, we've looked at three alternatives. The most important thing and essential to the agreement is that we seismically upgrade that building, which is a historic building, so there's no chance that it will interfere with the new fire station facility itself. We've committed to that and haven't landed on renovation of the hotel, but all three of these are feasible at different ranges of cost. The public benefits of this activity are very substantial. It develops a critical mass of redevelopment, like museum place, and provides a very strong incentive for private investment, private redevelopment. Without the fire station move we're unlikely to see any significant investment along the waterfront for some time to come. With it we'll likely see a very substantial and rapid redevelopment of that area and improvement. We think that it also presents the opportunity to address the blight of surface parking lots, which dot old town/china town, replacing those with active uses, and even owners of the lots themselves have committed to us that if we proceed with this project they will proceed with investment in their property. It would renovate the historic globe hotel. It would build a state-of-the-art fire station that is necessary for the central city. It adds 125 jobs north of burnside. It would dramatically increases the eyes on the street and on waterfront park provides a new and permanent home potentially for the saturday market. It creates the potential, not only for redevelopment of ankeny plaza, but for the creation of a Portland public market, which I think can be said is of great interest to many, many people. And we believe it has the potential to leverage about \$500 million in private investment, which in an option three district would generate a substantial amount of revenue for the city and the other taxing jurisdictions, since 55% of the total valuation in increase in a given year in an option three district does not go to tax increment, but rather flows to the taxing jurisdiction. So it would substantially increase the city's revenue line. Our next steps are to continue negotiations to acquire block eight. To obtain approval of the d.d.a. to come back to planning for their recommendation about a city council resolution to acquire block eight if necessary. To undertake a Portland public market feasibility analysis, which we would not do until we're certain of having site control. Audio tape stops here-kml

Saltzman: The other section, paragraph 24, calls for p.d.c. to reimburse Portland fire for staff costs associated with acquisition, relocation, etc. If this is a partnership why wouldn't Portland fire and rescue being paying its own people rather than p.d.c.?

Mazziotti: Commissioner, I can respond to that. In the normal course of development projects if p.d.c. creates the need if an allocation of staff time that otherwise wouldn't be necessary and due to a plan that we're advancing and part of our redevelopment strategy, we cover those costs. So it's not an unusual practice on our part, and we've agreed to do so with the fire bureau. But for our activity, they would not be incurring the additional staff costs of planning the project.

Saltzman: But, I mean, that gets back to the partnership issue. Why -- I guess i'm just baffled. I mean maybe you do it elsewhere, but it doesn't make sense. It seems like Portland fire and rescue, this is an important project to them, not just p.d.c. doing --

Miller-Dowell: They will be paying for their staff. The statement -- or the d.d.a. states only for the acquisition element. That's an unusual part that we've asked them to do. So they will be paying for their own staff for the construction, building.

Saltzman: How much do we estimate those reasonable staff costs to be?

Miller-Dowell: I don't have that figure.

Saltzman: Hundreds of thousands? Thousands?

Klum: Actually I think that dick ragland or connie johnson would have the specific numbers on

those, and they're in the audience now.

Miller-Dowell: 22,000.

Saltzman: 22,000. My last question is -- the fire learning center. What is the p.d.c. obligation for the fire learning center? It talks about the shell only. So how much money is that?

Miller-Dowell: Yes. We will be providing, you know, our share of the funding, our -- both fire and p.d.c. Will be, with this budget, providing the shell space for the fire learning center, and it's expected we have in the deal, if there are cost savings, that those cost savings would go to finishing the fire learning center, and then another concept that was also discussed was what fire was planning to do in any case, which was to do fund-raising efforts for that.

Saltzman: Right. That was my understanding, that fire was going to do fund-raising. So we have this project savings language that allocates money -- saying project savings of \$1 million evenly split between environmental remediation and then the fire learning center, and then the next \$1.5 million in savings, basically as I read it, all goes to the fire learning center.

Miller-Dowell: Yes.

Saltzman: I recall this project has a high contingency built into it. I mean, how can you sort of spend project savings? Shouldn't the project budget be such that we couldn't be expecting upwards of \$3 million in project savings? Spending that money, rather than letting it go back to urban renewal and to fire.

Miller-Dowell: Yes. Dick ragland might be best in speaking to this. My understanding is b.g.s. has developed a number of the fire stations, and has a track record of what is appropriate in terms of that. Dick, would you mind addressing that?

Dick Ragland, Bureau of General Services: Dick ragland. We included in each of the projects, so each of the stations starts with a contingency of 15%, which we found over time we're actually just below that on an average, somewhere between 11% and 12%, primarily for the remodels, because you never know what you get into with the remodels. For the new stations, actually less than that. This project, when we began negotiating, started with the 15% contingency, and we're down to about 9.75% at this point. We think it's still doable, but you need to have that because of the unknowns that we have yet to encounter in the demolition of the existing building there and the excavation of the site. Those contingencies we feel are adequate, but not the norm.

Saltzman: Ok. Then I guess i'm still curious about this whole allocation of it. As I said, I thought the fire center was supposed to be privately fund-raised, but as I read this we'll probably have project savings in upwards of a million and a half or \$2 million will go to the fire learning center, which mitigates the need for private fund-raising, i'm guessing.

Miller-Dowell: And that is in the agreement.

Saltzman: I know it's in the agreement. I'm questioning -- I'm questioning the wisdom, is there private fund-raising or are we, p.d.c., paying for the fire learning center? Which, you know, i'll confess my bias, i'm not sure what I consider this to be essential to fire station one. Public monies anyway.

Klum: Actually, commissioner --

Saltzman: Is this a roundabout way for to us pay for the fire learning center and sort of keep a facade that we'll have private fund-raising? That's what it boils down.

Klum: There's different components. There's the interactive displays and the staffing costs associated with it that are over and above what the shell and tenant improvement costs are. And as fire being the owner of this building, it would be a use that the learning center would do, but fire would retain that -- that portion of the building. So we feel that the tenant improvements are appropriate to be -- to be in that project, with supplemental funding through the friends of jeff morris foundation to acquire grants in the fund-raising activities to actually infill that learning center and adequately staff it with personnel to where it's operational.

Saltzman: So what's the estimated total budget, then, of a fully builtout, staffed learning center? **Klum:** Once it's up and running, you're talking about recurring costs --

Saltzman: Not recurring costs. Just the cost to get the interactive displays, the full tenant build-out, everything to have in there.

Klum: After the shell costs, the full tenant build-out is approximately \$700,000, plus the soft costs associated with it. Just under \$1 million to finish out the tenant improvements. The interactive displays, there's a budget, and we were successful in obtaining one grant so far to help acquire some of those static interactive displays for that. So at this particular time I don't know what their overall costs for their budget, because that's what they're focusing their primary fund-raising on. As far as the -- the budget -- projected budget for the year 2000 of when this would be completed, is approximately \$125,000 that they would have to identify for the overall maintenance and operations of the learning center, where it doesn't impact the city's general fund.

Saltzman: Ok. Thanks. My final question is over the green building standards. Maybe don needs to come back up here for that. I guess that's on page 23 of exhibit e. It talks about Portland fire rescue, we used the lead rating checklist to incorporate as many as sustainable strategies as possible, etc. That's clearly contradicts the city policy and p.d.c.'s policy that basically says any new city building, will at a minimum, be certified as meeting the standard. This is not consistent with that. So I have language I want to offer that states it in black and white, that this project will beat the standard and be certified as such. I have an amendment i'd offer to the ordinance, as well as to the agreement itself. I'll pass it out now. This is what the city policy is and what the p.d.c.'s policy is.

Mazziotti: Commissioner, if we might respond, commissioner. I think the chief and amy can discuss this point and clarify I want.

Klum: Actually the green standards leads requirement occurred after of 1998 general bond levy was passed by the voters, so the city gave an exemption for the geo bond project on that, but it is our goal to try to make as many lead points as possible to the process. With conversations and discussions with p.d.c., that we're going to try to obtain that leads component on this one, where it's actually identified in the d.d.a. That the funding will be -- will be identified.

Saltzman: Well, I realize the fire bond ordinance exempted from our lead policy, but p.d.c.'s policy and the city's policy both say that where p.d.c. public money is involved, the project must meet it. If you're not covered under the city building policy, you are covered under the p.d.c. and the other aspect of the city policy. So this is clearly an example where you're going to have to meet lead to be consistent with the city policy that we all passed. So I offer these amendments that will basically say that p.d.c. and fire will comply with city and p.d.c. green building policies requiring this project to be lead certified and will not seek an exemption from those policies for this project. I offer that in the ordinance, as well as in the development agreement itself.

Francesconi: Commissioner, before you formally offer it, could I ask two questions?

Saltzman: Uh-huh.

Francesconi: Do you want it offer it first?

Sten: I'm not going to take amendments now.

Saltzman: I do intend to offer it. Have a discussion. But I clearly think that this project is covered under the city's policy and p.d.c.'s policy.

Miller-Dowell: Yes. We did have a provision in that saying if this does not meet p.d.c. policy, p.d.c. will obtain full funding or grant an exemption. You'll have the granting of the exemption taken out.

Saltzman: Right. This language is way too soft for me.

Francesconi: I remember the discussion about the fire bond measure, but it does appear with p.d.c. coming on top here to do something that fire's willing to do, but not eager to do. That commissioner Saltzman may be right. But I guess what's the effect financially on the budget? That's one question. And what do the commissioners recommend on this is my second question.

Miller-Dowell: My understanding -- and i'll ask connie johnson to verify this -- that it's -- it will

add to the budget perhaps \$70,000.

Francesconi: \$70,000?

Miller-Dowell: Is that correct? I'm sorry.

Francesconi: \$70,000?

Sten: Connie, you have to come forward if you want to --

Mazziotti: That's for certification. That's the certification costs, which we've agreed to pay for. What we believe is, and the base of the negotiation was, that we would in fact meet lead standard, notwithstanding the bond exemption, unless that were legally compelling that we had no choice in that circumstance, because we have to follow our own policy, but the additional cost issue is really the cost of certification, which we have, by this agreement, have agreed to pay for the certification. So we anticipate this will, by going through the checklist, will meet all items on the checklist, and p.d.c. will cover the cost of certification, which is additional cost on top of the other costs, which have been identified in the development agreement. I believe that's the nature of our negotiation.

Sten: Don, would you be, then, supportive of commissioner Saltzman's amendment? Or do you need a chance to look at it?

Mazziotti: Well, I would like a chance to look at it, but as commissioner Saltzman knows the Portland development commission adheres strictly to green buildings and lead standards and have for several years. And so, you know, it's a friendly amendment to the d.d.a. as far as I can see.

Sten: Ok.

Saltzman: I'll offer it whenever the time is ready.

Sten: Let's get them all and do it at the en. There may be other amendments suggested during testimony.

Saltzman: Ok. Sten: Thank you.

Klum: Just one final comment. Portland fire and rescue would like a lead certified building. It's just that we're concerned about the project contingency being reduced below 10%, that any other impact to the budget, might not be able to make our programming goals. That's our concern.

Saltzman: Getting back to the project savings language, we can amend that and require that savings go to pay for lead certification as well as the fire learning center.

Leonard: I don't think you're going to win this.

Klum: No, that is true, but the project's completed by then. I don't know how that would work.

Leonard: This is one of those times where you go "ok."

Klum: Ok. [laughter]

Sten: Thank you very much, everyone.

Francesconi: Don, just one question for you. And i'm anticipating some testimony, too, frankly. Can you tell us what -- what's left in the budget for the other projects? You know, the reason we extended south waterfront in terms of low-income housing and other projects separate from this one?

Mazziotti: Well, you'll recall, commissioner, taking you back to our discussion on the extension of the time for downtown waterfront, our discussion focused on prospectively, that is beyond this fiscal year, what the budget implications would be for the development commission's various plans extended out five years, let's say. Because we have a five-year forecast that we routinely provide. And so funding with regard to the current fiscal year is already budgeted for, and within the current 2003-2004 budget, including this project. So there's compromise of future projects here as a result of this project. The downtown -- or development opportunities strategy is fully funded by the commission. As far as what other projects are going to occur, I did provide a list of the projects that we have underway. Recently we announced third and oak, 26-story affordable housing project. We intend to go forward this summer with the third and fourth street streetscape improvements, which

are just under \$3 million. Also, you know, in our current budget. We're working on the hotel alder, and redevelopment of hotel alder, which is in this district, which is currently underway. We have a series of minor improvements, area improvements, the way-finding system, for example, that project is in process. So there are a series of things that are in this year's budget that will be handled, including this project. Looking forward, there are a series of projects that have significant implications. There's a local match requirement for light rail, should it come in to the redesign -- the design alternatives that tri-met is looking at, that we would participate in to the extent that it induces or is beneficial to development and would generate revenue. There are several housing projects which are proprietary at this point, but that we're discussing with housing developers for this area. So the impact has been accommodated in the 2003-2004 budget and would not affect the budgets going forward.

Francesconi: Thank you.

Sten: Any further questions from council? Thank you. We'll now open it up to public testimony. You'll have three minutes to testify.

Howard Weiner: Good morning. My name is howard weiner, 210 northwest sixth. Didn't feel comfortable sitting here. We seem to be here a lot. First i'd like to say to mayor vera Katz, who isn't with us today, I know you're watching, get well soon, and come back to work. I was asked -- i'm going to wear three caps, so i'll talk quickly, but hopefully you'll give me a little bit of slack here. Commissioner Sten.

Sten: Not much.

Weiner: I bet start talking. The old down visions committee approved at our last meeting the fire station relocation after a long arduous -- I wouldn't say debate, but conflicting sides. With that said, I want to turn in a letter from richard harris in support and for the whole visions committee. Secondly I need to talk as the chair of the old town/china town neighborhood and I can tell you this, that we've spent a long, long time on this issue. It is so hard to extrapolate out the moving of the fire station to block eight from the entire waterfront development plan. It is the most exciting plan to me to come in the 20 years that i've been in old town. It offers up the opportunity to develop what is now a surface parking lot. It offers up the opportunities you've already heard for the potential for the public market. And it starts the road that we have just begun with the urban renewal district, that started in 1974, which commissioner Francesconi alluded to that now has four more years. I'm so glad that we've been found. And I hope the attention stays in old town/china town. Now i'm going to talk as howard weiner. The issue of condemnation is coming up today. The issue of naito versus naito is going to come out today. You'll have representation from both sides of the family. I'm so saddened that it has come to this point. I do not want to see condemnation anymore than you do. But I know that in my heart and in the hearts of many in our neighborhood, the neighborhood has been stagnated because of that. If bill naito was here today, he would not only be testifying for this, but he would be vying for a piece of the action. He would want to draw this picture that every one of you would buy into. So I ask you in the end to listen very carefully to the voices you will hear today and to make those hard decisions. God forbid we have to go to condemnation, because we know this is just not one block, this is multiple blocks we're talking about, but in the end we have to look at what is best for this entire city, for this neighborhood, and for the old town/china town. Thank you very much. And I did it in under three minutes.

Sten: I knew you could.

Phil Kalberer: My name is phil kalberer, 733 southwest second, Portland. I'm a member of the vision committee, and also a property owner in the old town/china town neighborhood. I see the benefits of this project in many ways. First talking about north of burnside will bring in jobs and visitors, which will then be a good fit with developing more jobs, more office, and more retail in the area. It's also a good fit with our nightlife district. In fact, it will enhance safety issues, safety

features, and as alluded to before by the p.d.c. The problem we have under the burnside bridge. It also does other things. It will basically revitalize and seismically upgrade historic building and historic neighborhood. It will also ensure that the saturday market stays in the area, and also hopefully bring the public market down to the same area. Some of the issues brought forth in the study was what will this do with parking? I think the economic impact study that was done by the p.d.c. addresses those issues. It addresses them significantly well for the old town/china town neighborhood. It also addressed a lot of other issues. We really believe this will be a catalyst for further development in the old town/china town neighborhood. This along with the third and fourth streetscape and hopefully the burnside couplet, bring back to life what the downtown waterfront district urban renewal district was trying to do. I therefore urge you to support this agreement. **Sten:** Thank you.

Amanda Fritz, League of Women Voters: Good morning. I'm amanda fritz. Today i'm testifying on behalf of the league of women voters. You received a letter from the league yesterday. Council recently gave clear direction that the old town/china town area is the priority for future urban renewal spending in downtown waterfront. The project under consideration today will cost over \$10 million, a large sum of money. We would like to know what the big picture is for this area before p.d.c. makes other major expenditures. What is the status of unfunded projects in the area? What are the other priorities for old town/china town? How will the public be involved in identifying these priorities and where should our money be spent to realize the greatest strategy advantage? The additional \$10.5 million budgeted for relocating the fire station is almost as much as the \$11 million housing investment fund included in the mayor's proposed budget. We wonder where the revitalization of ankeny plaza will result in the displacement of the problems of homelessness and criminal activity and whether money might be better spent on low-income housing. The downtown waterfront development opportunities project is sited as the guiding document for the proposed relocation. This project focuses primarily on the areas between the morrison and burnside bridges. Although community members from the affected areas were included in its development, the league believes the policy suggested in it deserves scrutiny from the community. For example, the proposal to increase heights dramatically near the morrison bridge needs a thorough airing. The planning commission recently considered and rejected a proposal for a similar increase during the south waterfront planning process. Public testimony was overwhelmingly opposed to the concept. The council should direct p.d.c. to conduct a public scoping project soon before more detailed work is done on planning for height increases near the willamette. And rather than focusing on the area described in the development opportunities report, council and p.d.c. should honor their commitment to the public and devote more attention to plans for investing in old town/china town. We urge you to explore other options besides condemnation for the acquisition of a site for the new fire station. Condemning private development in order to free up land raises serious concern. We also question whether relocating the fire station consistent with our vision for development of naito parkway. It seems a location at the foot of the morrison bridge should be considered. Finally the development agreement you're considering today was not made available to the public until after the p.d.c. board approved the draft version. This policy precludes meaningful public involvement. We encourage you to either change the policy and allow drafts to be made to the public or adjust decision-making time lines accordingly so the public can review documents before votes are taken. Thank you for your consideration of our suggestions. And we especially want to thank the p.d.c., who have been helpful in exploring he's issues with us.

Sten: Thank you.

John Russell: Good morning, commissioners. I'm john russell. I can testify on this issue from a number of different perspectives. For one, I did much of the heavy lifting on the bond measure, initial bond measure that funded the seismic retrofit. Secondly I cochaired at the request of

commissioner Francesconi the oversight group that started the initial construction program. Third, I served eight years, 25 years ago, on the landmark commission when this historic district was created. It was the first and it's unarguably the most important historic district in the region, perhaps in the state. Fourth, we have a son who's a paramedic firefighter in station one, and believe me he'd be upset if this new station wasn't a vast improvement over the current facility. Fifth, I was a member of p.d.c. when this plan was formulated. But instead i'd like to testify as a landowner. In 1974, 30 years ago, I bought a wonderful three-story building built in 1859, renovated the building, and lived on the top floor, still own the building, and i've since bought three others. What is significant is that virtually nothing has changed in that 30-year period, during the time that this has been a historic district. Despite the fact that, as don mentions, some 80% or 85% of the frontage on naito parkway, between the burnside and morrison bridges, is vacant. And some 60% of the land area in the district is vacant, meaning it's flat lot parking. Clearly the district will never fulfill its role as the soul of the city, as other people have described with that vast amount of vacant land existing in asphalt lots. Three years ago amy assembled a dream team of consultants to work with the neighborhood to develop the comprehensive plan that you've seen. The mayor's design initiative was a key component of that. The team included a member of the headquarter staff of the national trust for historic preservation from Washington, d.c. The relocation of fire station one is the first and the most important element of that plan. The city will never achieve its ambitions for the district, and particular ambitions for ankeny plaza as the centerpiece of this neighborhood without the relocation of the fire station. So I hope that you will support this initiative to finally, after 30 years, fulfill the city's important aspirations for this neighborhood. Thank you. John Carroll: Good morning. My name is john carroll. I just want to share my thoughts about the complete -- the total, the in-depth way that p.d.c. has approached this issue. As I saw the presentation today I was overwhelmed. I've been involved looking at it from a different -- a distance, the waterfront plan, but the detail they brought here today to you should give you confidence that they've thought all the way through. My first exposure to the -- to the concept was through amy, had brought the waterfront plan, and talked about what was going to be the catalyst that was going to kick off the first building or the second building or the third building. And it became very, very clear that there was an opportunity with this fire station, the fact that you needed to modernize the fire station, the fact that you needed to bring some activity to ankeny square, to an old historic part of town, that if you go down there now, and you take your family, or your friends, at about 8:30 at night it scares the life out of you, because it's not a safe -- it's not a safe place to be. Even though it is a light rail station. And the plans that you've seen brought before you today and the plans that you've seen in your side briefings, I think what would -- would answer the question, will this do something immediately for the old town/china town area, and I think the answer is, yes, absolutely it will. And the other thing, which is probably a little bit bigger picture, is will it be the cornerstone, will it be the starting point to start kicking off some of the redevelopment along the waterfront that john alluded to has not occurred over the last 30 years. We are proud to be involved in a project that p.d.c. has championed up at the other end of town, at tenth and jefferson. When you start thinking about museum place south and the safeway move and the change of opinion about that neighborhood just in the last three or four months from a seedy kind of, ooh, edgy place, why would you ever want to live there, to now a place that's clean and it's safe to walk, and you put that, and you put on the other end of the scale the fire station, I can tell you that you're going to get some infill. I can tell you there are property owners that do have substantial holdings that are now looking at that infill process. Kind of an emotional thing, the learning center for the fire station, I had a son, at the time 33, an e.r. doc in new york city. At 9/11, volunteered his time, spent the next six or seven days working close to firemen, was overwhelmed at what it is they did for their -- for their citizens, and I think a learning center, if it's -- if you could double or triple the number of kids that you could get in there and appreciate what these people do, the risks they take, the

infrastructure they have to manage, I think would be a huge asset to the neighborhood, not to mention just more eyes, more feet on the street, more use of the light rail station. And I -- the plan that we had shared with amy, that was quickly drawn -- really was a product of the inspiration she shared with me about the potential. Really hope you support the plan. Appreciate it very much. **Sten:** Thank you.

Mike Maksimowicz, Executive Director, Portland Rescue Mission: Good morning. Mike maksimowicz, executive director of Portland rescue mission. While I don't know a lot of details, and came into the knowledge of the project later on, what i've seen in general, the overall scheme I feel is a good one for our city. I'll speak this morning, putting two hats on. First of all as a citizen of the city, and a love for the city, i've seen wonderful developments in the last 10, 15 years, and it's become a shining star, and I think we need to continue that. As you walk along the waterfront, you see the backside of a lot of buildings. Not real appealing. We want to spruce up the economy in the state, we want to bring visitors to our beautiful city. We want to show it off. We need to spruce up the waterfront. Moving the station, I believe, is a good one. As I leave home, heading on the sunset highway and take naito parkway, many times I have to stop and -- it seems like it's somewhat difficult for fire trucks to move in and out, sometimes without warning, I think, a move to this other location would be a good one. I think also bringing affordable housing is a must. Now perhaps being considered a culprit of the problems in old town, with homelessness, we've been very focused at Portland rescue mission in the last several years to work closely with the city. I think the city can attest to our sincerity of helping to get homeless off the street, providing services for transition. We have several projects that are -- are doing that, and getting people back as contributing members of society. That's our goal. We need to do that. And there's many things that can be done. We have taken steps to not allow people just to hang out. We've operated a day room throughout the day, where we try to help people transition. We do overflow shelter at night, so that people aren't, especially in inclement weathers, roaming and possibly freeze to go death. And working with the police precinct and do our part in community policing. I think we have a very good relationship. We will continue to do that. The poor will be with us always, unfortunately. And the homeless will be coming downtown. But there's a way that you can best help them. I feel we have a plan and a way to do that, and we'll continue to do that. And support our city and be a good -- good citizen on the human service front. Thank you.

Sten: Thank you very much.

Francesconi: Mike, before you leave, rather than being culprit, you're part of doing what we all should be doing, but an argument could be made that by doing these fancier development projects, we displace low-income folks and the homeless, yet you're here on a daily basis serving them. So can you kind of address that, why you want this area fixed up and how it could work with the homeless?

Maksimowicz: Yes. We have some future plans to really help the chronic homeless, and have more of a program with them rather than just providing meals and shelter beds. And work with other agencies. One thing in becoming the new director of the Portland rescue mission is to work with other community groups and do a lot of community bridging. It's going to take all of us to do that. Yes, homeless people will continue to flock into downtown. That's where the action is. There's lots of things to do. There's peers, services, panhandling. That's where the action is. Every major city in this country deals with that. That's not going to go away. But there's a better way to deal with it. And we're doing everything we can to meet those needs and to be sensitive to our folks, because we are -- we love them and care for them, and see value in their lives, and we're going to take the steps we need to to help them. We don't -- we don't have a magic answer, but it's just day to day, day in, day out, trying to help people, and transition them. And many are. Many are finding -- getting their g.e.d.'s, many are going through our career center and getting entry-level career positions. So we're taking those steps to help them.

Sten: Thank you very much.

Harriett Cormack: Good morning. I'm harriet cormack, living at riverplace. I was chair of the parks bureau's citizen advisory committee for the master plan on tom mccall waterfront park. That brought me to great awareness of the full length of the park and where it has assets and where it has problems. One of the things was identified by the planning professionals and the citizens who made comments on what's great and what's problematic about the park, was the burnside bridge area, which was identified as the problem area to be addressed. As the committee considered what might be done in the long ribbon of the park, it also considered what was important about the street and what desirably would happen across -- on the private property parcels. We came to the conclusion that the master plan should contain two major activity areas in the mile-long park. One to reinforce spring street, the fountains -- or salmon. I'm sorry, salmon street fountain, but then ankeny becomes another major activity area, and hopefully it would both stimulate and respond to residential development on the other side of the street. So that is one of the major organizing principles in the plan that you have approved. Activity at ankeny, which would follow the reconstruction after the big pipe project. I've also served on the parkway committee and on the p.d.c. development opportunities committee. So i've had opportunity to chew on these issues for a considerable period of time. And the stakeholder advisory committee to p.d.c. came to the conclusion that the fire station was a critical development opportunity location and that the timing was right with the fire bureau's plans and park plans, street plans, that we could really have a critical mass of public improvements, private intervention, that would create a new neighborhood in downtown. So as a former real estate professional and a citizen who's been involved in the downtown for a long time, I really do support -- have convictions about the matter before you. I believe it's the right series of actions to be taking at this moment in time. So that 10 years from now we'll be able to look back and see that we did cure a problem and create economic vitality in an important part of the town.

Lisa Schroeder: My name is lisa schroeder. I own mother's bistro and bar on second avenue near the old town. I was asked to be on the committee, the Portland development commission committee as a stakeholder in this project. So i'm speaking to you as than ex-new yorker, ex-philadelphian, restaurateur, and somebody who adores food. I beg you to make this happen. I'm convinced that the moving of the fire department is going to be critical to allow for a piece of property that could ultimately be the public market, which I can't tell you how excited I would be about that. First of all, as a foody, but also as someone who's visited other public markets and seen how vital those areas are. I mean, who doesn't go to seattle and go to the pike place market? Also an exphiladelphian and new yorker, who has seen the port development in new york city and the philadelphia society hill area develop, all close to the river, but it needs the funding, it needs things to happen. We have to take action. And now we have a plan that really will lead to the stimulation of that area. I speak to you as a restaurateur and business owner there. I know business will boom even more as people head down to the public market. But it's really a fact that the public market can't happen down there with the fire department in its current location. So I hope, I pray, that you will support the move of the fire department -- the firehouse and support the vitality of that downtown area, so we can all prosper, everybody in Portland. Thank you.

John Beardsley: I'm john beardsly. I've owned buildings in the old town area almost 40 years. As i've been there, i've added to my holdings, one of which was fortunate enough to have a book written about it, which i've just distributed to you. This is the major intersection of the city. When you divide -- divided somebody in their wisdom divided Portland into quadrants, the quadrant was the willamette river and burnside. Old town sits at that quadrant. I started my ownerships down when the problems were winos and drunks and today the problems are drug dealers and drug addicts. It's my contention that this area has been a dumping ground for the city and the city's attentions have been focused on the south waterfront, urban renewal district, which I participated in.

We took 60 blocks, that used to be a rail yard, and smothered it with love, but here's old town, here's the original neighborhood of Portland, and it's been -- it's been overlooked and taken for granted for all of my time, and i'm thrilled that it's been rediscovered. It was starting to be rediscovered with the visions committee. It got the ownerships to talk to each other. This is an area that is -- it's -- its ownerships are family ownerships, like myself and the naitos. It isn't corporate-owned. It isn't an area that lends itself to great strategies, because you've got a lot of individuals. You got a lot of public agencies there. You know, they have their own agendas. And through the visions committee that p.d.c. orchestrated, we found common ground. We learned to talk to each other. And now we're planning to do something about it. And i'm glad that i'm still there, that, you know, I can finally see some benefit to years and years of neglect and some years of rediscovery. I certainly hope you support their efforts and pass this.

Sten: Thank you very much.

Karen Williams: Good morning, members of council. My name is karen williams. I'm an attorney at lane powell. My address is 601, southwest second, suite 2100, Portland. I'm here representing my clients, the naito corporation, the owner of the import plaza block, the site to which p.d.c. intends to relocate the fire station. The naito corporation has a series of very important issues with what is before you and with the amendment to the urban renewal plan that will authorize acquisition, including by condemnation that will be coming before you in probably early june. Naito corporation views these two actions as integrally linked and respectfully requests that you delay approval of the d.d.a. until all of the issues pertaining to acquisition, cost, and impact on the neighborhood have been resolved through negotiations with p.d.c., which has not yet taken place. There are three key issues. The first is impact on the neighborhood and this is most important to the naito corporation, because they hold many properties in this area. The p.d.c. to vern and sam naito's view has not adequately addressed issues of lost parking, impact of incompatible uses, including the planned residential use of the globe hotel across the street from an extremely active nightlife district, which is clearly incompatible, including not only the globe hotel renovation, but also firefighters who need to get a good night's sleep if they're going to do the great work that they do for this community, across the street from a nightlife district bringing a million dollars in economic and commercial activity into our community a month. This area, naito's buildings in the area, have the highest occupancy rate of office buildings in the entire city at this time, and the main reason that they do is naito corporation has fee ownership of parking and able to use that parking as a lever and a benefit to its tenants and to employ it in marketing negotiations for its office space. P.d.c. proposes to condemn that parking and its proposal for replacing it is to invite naito corporation's tenants to occupy the parking garage. There's been references to the redevelopment of museum place. It did also involve condemnation of the safeway site, as you may recall, but it was resolved through negotiation, including by providing safeway adequate parking to make sure that its business needs would be met. That kind of negotiation has not yet taken place with p.d.c. until it does it is impossible for you to measure the actual economic detriment that moving this fire station will bring. P.d.c. is not solving an urban development problem, they're moving it three blocks to the north. Another important issue is the cost. Does that mean i'm out of time?

Sten: You're out of time. The council would be willing to extend the time.

Williams: Thank you very much. P.d.c.'s presentation to you indicated that p.d.c.'s entire subsidy of this project would be \$10.5 million, yet their documents and information provided to vern and sam naito is inconsistent with that representation. P.d.c. anticipates -- has an appraisal in its file for the land with a 10% contingency that means p.d.c.'s costs will be \$4,290,000 to acquire the import plaza block, however that doesn't take into account the impacts for lost parking for buildings that naito owns that have parking rights on that site. So in condemnation, p.d.c. would have to pay the diminished value of those other buildings because --

Sten: I'm going to extend, because you got to bring it to an end. We don't want to debate the price.

Williams: We believe that the funding gap is actually somewhere between \$4.6 million and \$6.8 million. We'd provide information to you between now and the time you vote on this to make that more clear. Also the economic development plan that was done too the area had a key finding about old town, and that was above all the district must address the issue of use conflicts between entertainment and residential uses in the area, i.e. Noise and parking, which are likely to worsen with expansion of the district in the future. This is exactly what vern and sam naito are saying to p.d.c., exactly what they're asking them to address at a time when the downtown plan is expiring, as has been described to you, the uses for the available funds are already identified, and they do not include solving these problems in old town. So the naitos firmly believe that revitalizing ankeny square is a great thing to do, that but condemning their property, create parking problems, impair the highest office occupancy rate in the community, and not adequately -- for a project that is not adequately budgeted and may have up to a 60%, \$6 million additional need for capital, is not well thought out, not adequately finalized, and should not be voted on by council until those issues have been addressed. Thank you.

Sten: Thank you.

Leonard: Can I offer one bit of insight? I think the chief would agree with me, if one cherishes a good night's sleep, being a firefighter is not the best profession. [laughter]

*****: Thank you, commissioner.

Sten: I'm going to advise you not to answer that. Let's move on.

Ron Paul: Commissioners, ron paul. And I speak to you today as president of the Portland public market, inc. Historically the public market tradition dates from Portland's founding, and i'm heartened by the partnership with Portland development commission and others throughout the community in beginning to tie back together that history of public markets and especially with the area around ankeny square, which was the locust and the beginning of that history. We should pay attention to the found will of pioneer courthouse square. 30 years ago when that was a dream, the property was in private hands and we all appreciated, as Portland's living rumor and can't imagine the city without it. We know when you have a party where everyone wants to be. Thanks.

Sten: Does the council have questions of staff?

Francesconi: One question of p.d.c. probably amy. Amy or don. On the last issue that karen raised on the parking, the importance of park to go the other businesses, not to mention the naito property, and whether that's taken into account. It wouldn't be appropriate to get into negotiations, so i'm not asking detail about that, but the replacement of the parking for the commercial businesses.

Miller-Dowell: You received the fire station number one relocation, real estate economic impact report. In it the booken group had a significant parking analysis of the area, and we disagree with the comments karen williams made. We have three mitigating alternatives for any shortfall of parking that are substantial and we're committed to continuing to work those out. Also, we continually pointed out that the naito and davis parking garage is under-utilized, and that's a substantial element in their parking report that could be further utilized as activities increase in that area. The report also goes on to say -- the report also goes on to say as far as the statement that there will be conflicts between parking and future improvements, the report states that in fact economic development is a good thing. Often they cite, in fact, up in the west ends, along 23rd and 24th, how active it is and how people flock to that area, yet it has some of the most major conflicts of parking noise, nightlife, and that --

Francesconi: I wish you'd picked another example. [laughter]

Miller-Dowell: Yes. Well, that was brought out in the report. They cited many other examples. In fact, many other examples from other cities.

Mazziotti: Just a short response. We've spoken with three major employers in the area. The port of Portland, odot, and northwest natural, all of whom who have parking issues, because they have many employees, and they're not concerned about this issue.

Francesconi: Did we talk to the commercial tenants that were there?

Mazziotti: We have not, but all three of the companies that i've referenced have submitted letters in support of the project and have briefed them completely. In addition, we're talking with -- we're talking with equity office, who has parking in the northwest natural gas parking, and we're talking about them having them open that up for nighttime use, which would be a replacement function.

Saltzman: So the ultimate issue of condemnation is not before us today, and could be in a subsequent amendment to the urban renewal plan?

Mazziotti: That's correct.

Saltzman: Are discussions going on? I'm not asking for details, but I know you've toured the nightlife district with them, but are you still talking about --

Mazziotti: We've had numerous discussions, transmittals of correspondence, exchange of offers, beginning with, I think, a formal offer, which we made last summer, if my memory serves me correctly. Last fall our general counsel has been in frequent contact with mr. Naito's attorney, karen williams former general council at the development commission. The chairman of the commission has requested to meet with the naitos, to sit down and talk about final terms. That's about all I can say about it. It's certainly from our standpoint the last means that we wish to take in acquiring property. We don't think it's the only means in this circumstance. We've identified swap opportunities. We've talked about other possibilities, but to date they've not been satisfactory.

Saltzman: Ok. Thanks.

Sten: Any further questions? Great. This is a first reading. We do have some amendments. I thought I would call for a voice vote on the amendments and allow the council to make its comments since we have people here that won't be here next week for the vote. First we had the matter of the substitute language from p.d.c. do I have a motion to substitute the language?

Saltzman: So moved. Francesconi: Second.

Sten: Is there any opposition to that? I will just move the substitute motion without a voice vote and then i'd like to take a voice vote on commissioner Saltzman's amendment if there's a motion and a second.

Francesconi: Second.
Sten: Did you move it?
Saltzman: I moved it.

Sten: The motion has been moved and seconded on commissioner Saltzman's amendment to require the leed standard, and i'll ask for a roll call.

Francesconi: Can we comment later on the other thing and --

Sten: This will be our only amendment. I was thinking we could let the council make general comments on this vote and we'll move it to second reading.

Francesconi: Thanks, commissioner. On this one, I think the p.d.c. Policy already requires it, the lead standard, plus I think it's an example that we can add some more luster, some more to this project. I appreciate you bringing it, commissioner Saltzman. I'm going to vote aye on the amendment. And i'm going to vote aye next week when this comes. This is actually a very exciting opportunity for the whole city. So let me just be brief about it. First, I want to thank -- actually commissioner Sten and the mayor for putting this together. This is a very exciting opportunity for the whole city. One of the greatest, as has been testified, that's come around in 20 to 30 years. I'll elaborate on that briefly. I'd like to thank the fire bureau for being a team player on this when you have something in place that works already. And yet you're willing to do this. And i'd also like to thank the fire committee, the relocation committee, there's a powerful, nice letter from the citizen

committee, who spent a whole lot of time on this, trying to make sure that there were not other locations. So the citizens advisory committee, as well as the expertise of the fire bureau, really bent over backwards for the benefit of the whole city. And they deserve to be recognized in this. And then p.d.c., you know, this is a visionary thing, led by you. And don, we appreciate it. And amy, you've been on this thing for three years. And you reached out to parks, you reached out to transportation, you reached out to the downtown community. And this is a terrific effort at letting the citizens who wanted connections happen for a long time. So you're to be commended. On the substance of it, the issue here is connections. This connects us to the river. This connects us, as it said to across burnside. This connects us as well to the downtown. Eventually we're going to have the park blocks, we're going to have burnside/couch going all the way across. There will be pedestrian connections from the park blocks all the way down here. This ties it altogether. And it does it in a way that will provoke more investment. \$500 million was testified. Even if it's \$300 million or \$400 million, that's more money for schools, for parks, for the county, but also more investment that can be used to benefit other old town with more low-income housing from the tax increment. So this is one of the exciting things to really allow the park to come alive. Waterfront. Gosh, don, for a while you sounded like a parks advocate there, buddy, that's good, because this is part of the fabric of what we're all about. So this is really a terrific thing here that can really jumpstart this whole city. The only -- on the issue that's going to come in front of us, the issue of condemnation, i'm not -- I want to be clear that i'm not signaling to you yet that i'm willing to condemn this. And there does need to be some serious negotiations, which I know have already begun. I've been pleased to see that p.d.c. is willing to talk about the globe hotel, potentially as something other than housing. I'm glad to see that you're looking on the issue of the parking to figure out what the situation is, because we do need to make sure that area remains vital. I have some serious questions, as I think maybe commissioner Saltzman did, on the learning center. I'm willing to approve this, because I hope my reservations are wrong and that it will work, but i'm not willing to condemn the naito property just for the learning center. In other words, if the learning center could be pulled out, which is probably unlikely, it's going to -- it's hard for me to get to condemnation, because I think the learning center is risky, given my own analysis of it, when I was fire commissioner. But it's not enough for me to vote against this, because there's so many great opportunities that this will provide. So thanks, everybody. Commissioner Sten, thank you for doing this, but also giving me the opportunity to express my opinion. Aye.

Leonard: While I think it's important, if we're trying to encourage private sector green buildings, so the amendment makes sense just on that basis alone. But, you know, we've had -- don and I and others, have had a number of conversations about the project and the fire bureau, and for me it came down to one poignant moment when we met with the fire chief and john and others and offer quite a lengthy discussion -- and after quite a lengthy discussion about the economic benefits, chief wilson said, "and, randy, this will make our ability to serve the citizens better." that closed the deal for me. And why would that be? Because not everybody, not every bureau head could say that to me and have me accept on face that that was true. The reason is because of, not just my former profession by any means, but what i've come to understand as a fire bureau crafted first under jim Francesconi, then erik Sten, that is a lean, mean machine, that does what it says it's going to do. It has a collaborative process with the workers to develop the budget, it has a collaborative process that's an example for all bureaus in the city, with the citizens. And I have nothing but the highest respect for their processes and for how they make decisions. So if any bureau in the city thinks that they're under some scrutiny, they might call ed wilson and ask him how he does business, because I have a lot of respect for how they do business. So for all those reasons I will be supporting, not just the amendment, but this proposal. Ave.

Saltzman: Well, on the amendment itself, as commissioner leonard just said, the whole point why the city passed the a policy back in 2001 was to say we're going to set example and p.d.c. followed

suit. This leaves no ambiguity that this will meet the leed standard. We now have more lead buildings than any city in this country, not per capita, but sheer number of buildings. We need to keep that going, and meeting lead certification is almost a no-brainer today. Most private projects are going for silver and gold and platinum, so the basic certification is pretty -- almost, you know, almost old-fashioned now. So, anyway, i'm certainly supporting the amendment. I'm still not sure where i'm going to vote on this ordinance next week. As i've said before, i'm not in favor of condemnation of property for this project. I guess what bothers me about -- there's a lot to be excited about in this plan, in this vision, and certainly a public market is great, too, and all the housing that can be redeveloped. I'm still concerned about the overall cost of the project and whether the budget before us really is the budget it's going to -- what it's going to cost. So that's one concern. I do have concerns about money going to the fire learning center. You know, we have a fire bureau that has a lot of pressing needs, we know, and we have an urban renewal area that has pressing investments, so it's the money going to a learning center versus affordable housing or other things the fire bureau needs. I'm concerned about that. And then finally, as I said, you know, i'm not sure that this rises to the level of justifying condemnation. It's an exciting plan, but exciting plans, per se, don't leave me to justify -- lead me to justify condemnation. As the league of women voters testified, it's condemning one private development in favor of another private development and that doesn't to my mind raise to the strong public purpose needs I think need to be associated where an effort -- with an effort needed to condemn property. I realize that's not before us in this ordinance, that will be a separate vote down the road, but as of right now i'm not there on that, and I hope the discussions will continue with the naitos and you will be able to reach a mutually acceptable agreement. Ave.

Sten: I want to thank everybody today. It was a terrific set of testimony. There's a lot to this. I'll start by saying, of course, i'll support the amendment. If there was any doubt that commissioner Saltzman reads every word of documents that are in front of him, let that be erased. I don't think there's any argument whatsoever that we should get it certified. I think the goal was to get the building so it would be certified and the argument was over the money to get it certified. I hope we got that settled now. I want to thank the fire bureau personnel, particularly the deputy and chief and jack, the team, quite a few people. The honest story is we walked away from this project last year, because it really wasn't particularly in the fire bureau's interest, if you want to cut right to the chase. I mean, commissioner Francesconi had come up with a plan when he was a commissioner that I thought made sense to revitalize the building, and there really is not a ton in it for the fire bureau, although ultimately I think p.d.c. stepped up and made this something that's better for everyone, but the property owners who I think play a bigger role in this than people say. The development commission kept pushing, to the point where they would put up money, a question about paying for staff costs. I said at a certain point, I can't expend fire bureau resources to push something that doesn't do anything for the fire bureau's mission. P.d.c. said we'll cover those costs to buy us some time. The importance to me of that was this just wasn't a theoretical discussion, you know, to be honest when departments put up money to other departments it means there's serious. So we dug back in. And amy did a great amount of work and came up with a strategy that will work. I really think that this -- why i'm enthusiastic about it now is I think it follows the recent work on the downtown urban renewal district very closely. And I think the league of women voters raised some important points today, that I hope to get a response to and get addressed and maybe make changes on points, but I think this actually is the building block for the vision that the league of women voters put in play and talked about from their point of view for old town. In order to take on all of the issues. I thought it was enormously important to see a union gospel mission here today. I mean, the idea that you're very self-effacing, about the idea that the problem is missing the causal effect going on, it would be worse without the mission down there. The idea is to build a physical environment in which the good work of central city and union gospel mission and others can

actually succeed. Twice as hard to do the work they're trying to do with the mess we have down there. The vision for this urban renewal district, includes, and the reason I support extending the urban renewal district and originally did not, was that it's a strategy to get the affordable housing saved. I think it's an idea of trying to upgrade this whole area and build around the fire station. I did want to get on the record one thing, which is that it actually is very hard to find a good site for the fire station. We looked at sites all throughout downtown. And there's sort of a sense that this was a site maybe that somebody wanted, and so the fire bureau worked around that. Anybody who believes that, we will be glad to provide stacks and stacks and stacks of work that the fire department did to try and come up with issues. The issue is that 30% of station one's calls are on the east side. And so if you move this thing anywhere into the one-way traffic grids, back from the river, people are in serious jeopardy on the east side, because a third of the calls are there. So we have to be close to a bridgehead. There's very few places you can find land and be close to a bridgehead. This really was the only site that was empty, unbuilt land that would work. And then finally I want to say that I think part of -- I don't think there's going to be a lot of surplus left left if my history of projects which is through. We've spent a lot of time between p.d.c. and the fire department debating a nonissue on who gets to spend the extra money on what, because I don't think there'll be much of any. Certainly willing to look at that. There's two visions for this fire station that somewhat involve the learning center, that are not set upon that, it's just a piece of it. Fire stations are enormous attractors for kids. Kids come to all the fire stations. Commissioner leonard knows this better than anyone. It's inevitable that kids are there. The problem we have is that fire stations aren't built for kids to show up, but we do it anyway in a safe way. The extra piece of this fire station, the idea is to try and build it so it is purposely designed for family and kids to come and visit. Whether it thrill has a learning center or just places -- i've tried not to call it a zoo with the fire folks, but places where you can view the day-to-day life of a fire station from the observation deck.

Leonard: Not bad at all.

Sten: I think it would be a very large part of making this side of the deal work. There's been an argument that this side is going to be the dead zone and we're trading -- making a dead zone over here to make a dead zone on the other side. If we build the fire station correctly, it's the opposite of that, because I believe from my experience that people will flock from all over the region if the word goes out this fire station is built for visitors, we want you to visit, experience, understand the issues. We have a museum downtown that nobody would ever go to, because of the access, it's not built right. We need to take the opportunity to say come down to saturday market, drop by the fire station, maybe we can get a cafe or something on the first floor. I envision people walking from the public market, over to the fire station, becoming a regular second quarter. The design of this is absolutely critical, the way it relates to the street. If you invite people to a fire station, you better have a way to get the fire trucks in quickly, and out. I think this is what we're after, why the idea of throwing, if there was extra money, at some of the public amenities, is in this development agreement from my point of view, because I really think it's one of those things that we really have to raise private money to do it, but could be part of the revitalization. I wanted to thank mayor Katz, who's not here, but probably watching, if her word is to believed, and I think it is, she did put of a lot of work into this, and if there was a day that I was going to walk away from it, she'd stop that. But as did don with coming up with this better agreement. I want to thank rich rogers on my staff who's done an incredible amount of work on this piece. This will be back for second reading, I think, next week. I'll vote aye on the amendment. Thank you, everyone. [gavel pounding] that brings us to the regular agenda, which we'll start with 405.

Item 405.

Sten: This is a second reading. Roll call.

Francesconi: Aye. Leonard: Aye. Saltzman: Aye.

Sten: Aye. 406.

Item 406.

Sten: If I could ask everybody to take your conversation outside, we're still in session, I greatly appreciate it. Folks, could we take our conversations outside? We need to keep the business going. Thanks. 406. Francesconi, did you want to introduce this?

Francesconi: Just briefly. Come on up, robin. The purpose of this is that the school board and the district wanted a little more -- wanted some things definitive in here, an option to purchase agreement, and so that's what we're coming back with, with some particulars. We appreciate the council's willingness to help with some extra money for Washington high school from this budget. And so we still have two options that we're pursuing simultaneously. Robin?

Robin Grimwade, Portland Parks: Thank you, commissioners. As indicated by commissioner Francesconi, we're now at a stage where we have negotiated a proposed agreement. It preserves us two options. One at 4.5 acres, one at 3.8 acres. We are working actively with o.m.f. to come up with a total financial package. This agreement is structured in a way that we now have until may 31 to, one, notify the school district of which option we want to pursue, and also whether we actually have all the funds put together by that point in time. So this is sort of an interim report to you, actively working on it, seeking further funding, to meet the target, and preserving two options, which would see resolution of the project.

Sten: Terrific. Questions? Did anybody want to testify on this?

Francesconi: Probably larry and julia. Thanks for coming.

Francesconi: Maybe we should have julia go first and you can follow behind her.

*****: He's the first --

Francesconi: Sorry. I was giving deference to the elected official.

*****: That's ok. I'll follow.

Larry Dully: Good morning. I'm larry dully representing the Portland schools real estate trust and Portland public schools, and also in attendance is julia brim-edwards, cochair of the school board and carrie hampton, the district's property manager. As commissioner Francesconi and robin have stated, the school district sponsored a one-year planning effort for the seven-acre Washington high school property, which was completed in february. The plan calls for parks to purchase a portion of the site. The balance will be offered for sale to housing developers. Susan lindsay chaired the advisory committee, which developed the plan. As a prelude to this work in may of 2003, commissioner Francesconi notified the district that it wanted to purchase a portion of the property. Last july the school board declared Washington high school surplus and authorized additional planning and charged the Portland schools real estate trust with marketing the property, consistent with the plan and with obtaining the highest financial return based on fair market value. As noted in the ordinance, in february, the council directed parks to negotiate the purchase of approximately 4.5 acres of the site for future community center and open space. Since that date, we've met with parks and the city attorney's office eight times to review the amount, terms and conditions of the purchase. Today's ordinance gives the city until may 31 to decide if it wants to purchase approximately 3.8 acres or 4.5 acres and how it will pay for the purchase. The city will pay fair market value for the property, determined by appraisal. If the city can't find the money, the agreement expires at no cost to the city. If the city decides exactly how much it's going to purchase, the district will pay for a lot survey and submit an application for a lot line adjustment to the city office of development services. Closing would be 15 days after the lot line adjustment is approved by the city.

Julia Brim-Edwards: Good morning. Julia brim-edwards, cochair of the Portland school board and a graduate of Washington high school. On behalf of the board this morning, I wanted to indicate our support for moving ahead with this partnership. In february of 2003, I introduced a resolution adopted by the board to make decisions on three properties -- glen haven, Washington

high school and our administrative building. As you all know, we've been able to have -- develop a successful partnership on the glen haven property with the city. We're looking to head to a similar partnership, concluding it with the Washington high school property. As a board, we want to make sure our physical assets of the district are supporting in the most productive way our core mission, which is educating kids. And as you know, we've had to work through some difficult budget issues in the last couple years, and so making more efficient use of our facilities, supporting our core mission, is very important, to make sure our dollars are getting into the classroom. As part of our work to make our facilities more effective in supporting our mission, we've taken several steps over the last couple years. One was the creation of the real estate trust, and we really appreciate the help they've given us to utilize our facilities more appropriately, and we've also developed a long-range facilities plan and moved ahead with a number of properties, glen haven being one, the masonic temple being another. We've viewed the proposal before us as a win-win for both the school district to help our students, help us with some of the financial issues we've had, and also a win for the city and the community surrounding Washington high school. It's a high priority for the board. I'd like to have this done before I -- my term ends. And we look forward to moving ahead with this agreement and thank you for the support you've given to date to looking at this proposal that we think is very good for both of us and the community. Thank you.

Sten: Thank you. Any questions from the council? Anybody else like to testify on this? In that case, roll call.

Francesconi: Well, the neighborhood wants it done before you're gone, too, julia, so this is terrific. It's a triple win. It's good for the district, hopefully in two ways. One is the money that we can transfer to you for the property. But also housing that can be built, which will give you an income stream. And you have terrific people here in the real estate trust to help accomplish that. But it also meets the goal and dream of a community center for the central east side that pays a lot of taxes, and we want to keep families in the city to support the schools and the rest of our city, and this is an opportunity to do that. So we're working hard at it. We have a ways to go, but we're making progress rapidly now after some delays. And I also wanted to thank you, julia, on the school board, and larry, because we've had our relationship over fields an facilities, too, has been strained in the past, but now we're joined at the hip on that, and it's been terrific. I want to thank you, as well as robin for helping this happen, as well as pam and carrie. Aye.

Leonard: Well, this is one of those exciting things we get to do. We get to help the school district, and we get to move forward on what I consider what should be one of our top priorities in the city, constructing a community center in southeast Portland. Aye.

Saltzman: Aye.

Sten: Great work. Thanks, commissioner Francesconi. Aye. [gavel pounding] and with that, the council is adjourned until 6:00 p.m. Tonight when we'll have a hearing on the gateway plan.

At 11:43 a.m., Council recessed.

April 21, 2004 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.

APRIL 21, 2004 6:00 PM

[Roll call taken]

Sten: The mayor is out on medical leave. The procedure went great and she'll be back in a couple weeks, is my understanding. Welcome, everyone, tonight. We'll just go ahead and get started. Can you go ahead and read both items, karla?

Item 407 and 408.

Sten: Thank you. We'll start with a presentation from gil kelley and the planning staff, then open up the hearing to public testimony. For those who have not been with us before, we will hear from the staff tonight, we will take testimony from anybody who would like to speak to any of the issues raised tonight. You'll each get three minutes. At the final piece of that, we'll bring staff back up to ask questions, and this is what's called a first reading, so we will just be hearing testimony, raising issues, and not taking a vote tonight. With that i'll turn it over to the planning director, gil kelley. Gil Kelley, Director, Planning: Thank you, commissioner. Good evening. I'm happy to say that we're bringing you the gateway regulations project, which is actually an important step, not only in the gateway regional center development, but also represents completion of much of the work of the planning bureau's activity in the area of planning effort. This is essentially along with the st. Johns plan, in front of you now. The last of the formal of our area of planning work for a little while, while we switch to a different model. It's great to be here this evening with a really good product that's come out of a lot of community work for your consideration this evening. You will have an opportunity on may 12th to make a decisions and final actions, so we'd appreciate at the close of the hearing tonight you sort of listing what issues are of concern to you in particular, so we can work on them between now and then. I would just like to sort of put in perspective that the gateway regional center has a long way to go in its development. It's designated on the city of portland's plans and on the metro regional plans as really the second most significant urban area outside of the central city in the region. So in the future it could be almost a second downtown for portland. There's a lot of work to do. There's been work in the past, as you all know, and as ellen will review, but they'll be more future revisits of the gateway site and future works with regards to parks and transportation. Even maybe a revisit of some of these planning principles. This particular project did not pretend to start from scratch and do a whole plan. This is really focused around amendments to the comp plan and regulations to implement a previous vision and planning work that's been done in gateway. With that, I want to introduce joe zehnder and ellen ryker, who you both know who'll be present this. I wanted to mention in particular Ellen's work, she's been on the gateway beat for years and years now and has developed some really important relationships in the community there for the bureau and for the city in general, and that's shown itself in the work that you're about to see. And she's been working along side joe who's very quickly established himself a key problem solver and creative problem solver in the bureau and he's done that work in gateway as well. I'd like to turn it over to the two of them and have them let you know what's in front of you tonight. Thanks.

Sten: Great.

Joe Zehnder: Good evening. I'm joe zehnder with the bureau of planning. I'm going lead you through a brief presentation of the proposed changes to the gateway planned district. Just as gil said, we've been working on this project in one form of another since november of 2000 and ellen

has been the project lead on this throughout other members of the multi-bureau team that have worked on it include jean hester from the bureau of development services, jeanne Harrison who you'll hear from tonight from the office of transportation, mark raggett from our urban design group, and sara king from the Portland development commission. Portland development commission also funded a substantial part of this work. Just to get everyone oriented, the gateway plan district includes the gateway regional center, located at -- around the gateway transit center, along i-205 and i-84, as well as includes the burnside -- the blocks along burnside to the city line along the burnside transit line. Just to give you a sense of scale, mark raggett, the urban designer on the project, likes to point out that just the regional center here, 700 acres, is the size of 4 1/2 south waterfronts, so in the regional center we're undertaking a plan for a very significant addition to the city. The area itself came into the city, what was -- experienced growth after world war ii, was originally sort of a suburb of the city, became part of the city, and was also the beneficiary and the victim of a large infrastructure projects in the 1960's and 1970's. And with the addition of light rail, the max line to gresham in the 1980's, and most recently the airport with max and with proposed one more max line addition with the max line down 205 to clackamas center. One of the reasons we're focused on gateway is it's the city's only designated regional center within the metro 20/40 design complex. So it's second in terms of the anticipated level of residents and employment to the central city as far as the regional plan goes. The outer southeast community plan was our first establishment of the gateway plan district in 1996, and there the plan once again was building around increasing densities and intensity of use in the transit-rich areas close to i-205, between the 102nd avenue and the expressway. It includes both the gateway center and this dogleg section out burnside. In 2000, we moved on to the -- the city moved on to a more detailed development strategy really for the regional center portion of gateway. This led to or was part of the creation of the gateway urban renewal area in 2001. So in gateway, not merely do we have a set of zoning tools, a development strategy, but have the tools of an urban renewal area that go along with it. Throughout this process, starting with the creation of the urban renewal area, there's a project advisory a community-based advisory committee that's seen through both the creation of the urban renewal area and the development of the zoning proposal for all those years as well. So we've had a very long-term working relationship with the community out there. What you're going to see tonight was -- is a project to make the zoning tools and development standard tools conform with and advance the development strategy. At the heart of it, we're dividing it into two sections. We're creating a new regional center, gateway regional center plan district. The boundaries of which will be the same as the urban renewal area. We're expanding it in some portions, trimming some off, but it includes all of the urban renewal area at the end of the day, and creating a second urban renewal area called east corridor, which is the remainder -- plan district, sorry, which includes the area along burnside. In the regional center, you'll see that we're proposing an urban design concept. Zoning map changes, changes to code, as well as corresponding changes to the outer southeast community plan, and east corridor we're doing very minor changes, just to establish a separate district. Let's take a look at the regional center. First the urban design concept. What we've got is a refinement of those previous generations of plans that you saw. It's a framework to guide our nearterm decisions, as well as while we're pursuing this very ambitious level of development that we aspire to in gateway, and it also -- one of the issues that came up, with the planning commission and design commission, as well as working throughout the project, is where is the center of activity in gateway both in terms of design urban form, as well as the economic engines. The facts are an area this large has several. So part of what the urban design concept does is defines those in terms of those subareas, and the specific tools or logic that it brings to the table it establishes a hierarchy of streets and has development along those streets match the character we're trying to promote on those streets. Using open space as one of the major ways we're going to create place making and organize the development in gateway, parks in the neighborhood and along the 205 and focuses

development around the transit station. Just a little more detail on these elements. The street hierarchy, there's four type of streets that we've identified. These are like the skeleton of the zoning code that we're going to put in place for gateway. First is the boulevard, 102nd, right now is under going a design project with the office of transportation to landscape the median and turn it into a landmark within the district, as well as keeping its function as a transportation corridor, but a greened-up medianed boulevard. Second sort of level down from 102nd avenue are what we're calling the main streets. These include your commercial -- the streets that are going to be the commercial centers, they include halsey and weidler, the traditional commercial center, streets -sections of 99th avenue to the -- to the west, extending from the gateway regional center, down to mall 205. The third tier of street is an auto corridor, within gateway, as well as having these kind of storefront retail main streets, we have -- what has become traditional auto-oriented retail and commercial corridors, including stark and Washington, and glisan. And the final type of street is the center street. So it's a sections -- the major streets within the district that are not commercial, but more mixed-use residential. Part of the urban design concept is to have the size, type and design of development along those streets promote their character. You can see that, for instance, along the boulevard we'll take advantage of the landscape setbacks and some larger buildings to create a presence along the street. The main streets, a storefront commercial kind of approach with mixed use promoted in upper stories. Center streets, once again, it's got some mixed use, but predominantly office or residential building up to the streets, getting larger-scale buildings. And the auto corridors, even the auto corridors, even the traditional kind of strip mall or auto-dominated corridor we're experienced in gateway already the ability to get sizable buildings up to close to those corridors. One of the reason that the sizeable buildings work better it gives you breathing room from the street. The building in this picture is actually in gateway. Another element, a critical element of the urban design concept is, as I said, using open space to create places, to help organize how gateway is developed, and also to create an amenity for the residential and other uses we want to see developed there. There's a need for, we believe, parks of different scales within the district itself, and there's also the opportunity for a linear park along 205. These two illustrations just show that. In the mayward park section of the same highway buffer, they've landscaped it and treated it as a trailway park and we think the gateway section has the same potential. P.d.c. and parks right now is starting to more completely define the strategy. Fourth element of the urban design concept, as I said, was to focus density around station areas. You can see here, at the gateway center, at all three of the station areas in gateway, we have greater f.a.r., up to 8-1. We have higher minimum f.a.r., so raising the floor as well, asking at a minimum that you development at 1.5-1, and also allowing the greatest heights in the district. This is true of the gateway center, at pacific and 99th, true at the burnside stop at 102nd and burnside. And also true at the new proposed main street station -- 97th for the 205 extension. Now I just want to quickly go through the subareas within the district and talk about the different elements of the zoning changes. First, halsey/weidler. Halsey/weidler is the historic main street for gateway. It has already a substantial -- the bones of storefront commercial and pedestrian-oriented development, but relatively low density, single-use buildings, but also high traffic volumes on those streets that we think we can build on. The proposals we're making for this subdistrict are to increase residential development by increasing -- going from r-2 or r-3 to a higher density zone, r-1 zone. Within the areas closes to 102nd and closest to the commercial core of gateway, we're going to cx, which is downtown, sort of mixed-use commercial zone. We think it's more appropriate -- this type of zoning is more appropriate in terms of the intensities throughout gateway. Along halsey and weidler themselves, we're going to storefront commercial. That's c.s. Actually already on the south side, that kind of zoning and development exists, so this mirrors what is already going along the corridor and promotes more of it. We're increasing height, because we're looking for more intensity of development, but from 40 feet to 75. For the entire gateway regional center, you'll see that we're

creating a design review for all properties, and on halsey and weidler we're introducing some new development standards such as required building lights, get buildings up to the street, make sure they have active uses and ground floor windows. Second subareas around the gateway transit station. In addition to being the location for the transit station, it's also a location for the fred meyer shopping center, so it's one the two large retail centers in gateway. It's also -- has a number of publicly-own sites between tri-met and p.d.c. owning some land in this sub-area. And there's already some developer interest to see sort of a commercial -- an employment and residential development of some significant size take place there. The proposals we have for the gateway station subdistrict are to move from a current high-density residential r.h. zoning to rx and cx once again the mixed-use, sort of downtown type of zones for both residential and commercial. Actually, in this district, we're lowering height from 120 to 100 feet. When the zoning for gateway was originally done actually the heights were set at 120 feet. So it's already got an intense amount of f.a.r. and intense amount of height. In current zoning part of what we've done in this project is to sculpt it and focus it around the transit centers. In line with that, we give you greater height, f.a.r. bonuses in the immediate vicinity of the transit center, design review and development standards apply to the major streets. All the properties have design review and development standards applied to the major streets in the gateway stationary as well. 102nd and burnside, is the next subdistrict here it's a transit station community with a transit station at burnside and 102nd. The transit line down burnside itself is a blessing, because it brings transit but also a barrier because the track runs down the middle of the street and there's more limited crossings of the street. The area in part known as prunedale is characterized by small lots, a significant lack of open space, a significant lack of connectivity, and what we mean by that is street segments that aren't extended through, although small lots, large blocks of property. And of course the western boundary of this subdistrict is up against the interstate. Here the strategy is to make it more of an employment or mixed-use office and residential zone. Towards this end were putting in place e.x. zoning for much of the district, especially to the area west of 102nd. There's a section also in this subdistrict where were taking some storefront commercial rezoning it to high density residential. This is the russellville section, so it really conforms with what that residential project is developed at. We are lowering the height and far outside the immediate stationary in general. Once again the heights are already set pretty -- very high, so we're pushing them down, except around the transit station. There's another exception to that along stark, where we're going from 45 to 75 feet, and stark is a similar situation to halsey and weidler. We're trying to get that larger, but not very large, but larger buildings to stand up to a high -- high volume -- high traffic volume street -- the area has design review, and along the major streets development standards. The last of the subdistricts, we're calling the southern triangle. In this district is mall 205, adventist medical center, the largest employer in the gateway regional center, the civic center, which is the where the community center, public park and floyd light middle school are, as well as Adventist academy a private school located near the proposed main street station. Here the changes are comp plan changes largely for the institutional zone around adventist academy, to change the underlying comp plan designation to r.x.d., with the purpose of this being in the future to signal then in the future if the academy -- if that institutional use were ever to leave, it's not to be thought of as a commercial site, as a residential site the similar approaches were taking for the floyd light middle school which is currently r5 were comp planning it to r1 once again to signal that if under you know the future that school were to be relocated or changed, the intended level of development is multifamily. Greater height in f.a.r. and bonuses around the stations as we've done around each of the subareas. Lower height and f.a.r. outside the stationary, with the exception being south of main street. So adventist medical and adventist academy we're keeping at 120 feet. Design review applies here as well as development standards to the major streets. One of the results of the existing heights, 120 feet throughout gateway regional center, is that just across the line, outside of the regional center, are single family

neighborhoods, and that's always been a very abrupt, which would have heights of 30 to 35 feet. It's always been a very abrupt height change at that boundary. With this plan, we've proposed to do a transition height to require new development, to step down as it goes towards a single family. The proposal would be wherever higher -- greater heights comes up against a single-family lower height zone, that the first 25 feet back from either the property line or the street that would be adjacent to the lower height zone be no taller than what's across the street or what's across the line. If it's a 30foot height residential zone, the first 25 feet of the gateway regional center site would also be 35 feet. And then in two steps it could step up to whatever the allowed height is inside of that. The first step could go up to -- within the next 25 feet, you step up to 50. Within the remainder of the site, you can step up to the full height of 75. The planning commission struggled with this. You'll hear testimony tonight from residents who are considered about even this height transition. And i'm just showing you where we started in that this two-step proposal was a compromise to try to make the transition more comfortable for -- for all the parties involved. And the two moves that were made in revising the original proposal was to lower the maximum height from 100 to 75 and also add the second step. As I mentioned, throughout the regional center, all properties will be subject to design review with the adoption of these revised regulations, and that we've -- unlike anywhere else in the city, we've -- other than the central city, we've developed specific design guidelines for the gateway regional center based on a -- modeled after the central city model. There was a lot of discussion from the design commission on this, and after several iterations, we were very comfortable that we have a very effective set of design guidelines for gateway. And we've also made this required design review, single tract, so there's no standards option, but it depends on the size of the improvement to whether or not it's a type two or type three review. There's a number of other -- just a few more specific elements of the proposal that I want to highlight. Currently in gateway there's a provision that requires on large -- very large commercial sites, residential development to be developed in addition to the commercial. There's also a requirement for additional open space and a requirement for additional connectivity. 30% of a site for sites 80,000 square feet or larger. The purposes of those regulations were to promote mixed use, to promote connectivity, and to address this acute sort of lack of open space in gateway. But the way that they're currently in the code were causing problems and stymieing, according to some points of view, were an obstacle to a redevelopment of sites where we would seek to see redevelopment. We've seek to do redesign the requirements. We've introduced a new open area requirement that will apply to all sites 80,000 square feet or greater and made it proportional to development. The gist of it is you provide extra open space, and it's based on how much you actually -- how much square feet you actually develop on the site, up to 15% of the site. Required landscaped areas that you might build on the site, have to build on the site anyway, get to count towards this open space. We've also added a couple of points of flexibility. You could arrange to have the open area be offsite, so this way if there's a better way to either combine or a better location than on site to provide the open space that's beneficial to the community and new development, we can go to that site with city approval. Or the developer may even pay into a fund that would be operated by the parks bureau to be used to acquire and develop open space within gateway. That's the open area requirement. We created a new connectivity requirement as well. Connectivity in this case means that in gateway -- between the shopping malls and between sort of just the large blocks, the way they were platted and developed, even if they're filled with small parcels, there's a lack of streets, especially east/west streets, which lends -- which results in very large blocks and lack of pedestrian connectivity and vehicular connectivity. What we've done in gateway is the bureau of transportation -- or the office of transportation established a master street plan that calls for proposed new streets and pedestrian connections throughout the district. That's what this map shows, the dashed -- the hatched lines are streets that don't exist, but are called for in that plan. We're going to use the street master plan as the means by which we get in the future these street

segments, if and when those parcels that are related are developed. The street master plan was adopted as part of the t.s.p. in 2002. Any building permit or land division will trigger the connectivity requirements, and then it's up to the city engineer at the office of transportation to determine the timing and extent of -- of the improvements we may just go for an easement, we may just go for a dedication of the right of way without improvement. We could go for dedication of right of way in creation of the improvement. It depends on the level of development and what the city engineer believes is necessary to make the transportation system function adequately. By having an adopted street master plan like this, we think we're able to proactively -- put in place a safeguard to assure that if and when the district develops in the way that we hope that it will, we have adequate connectivity and an urban forum that's more reflect of the kind of density in place that we're after here. We've also created something we're calling a master plan option. The master plan option is a tool that offers flexibility for large -- for -- it's for really all development sites, but originally we were designing a -- especially for these very large parcels. If you look at this map, these are just parcels or sites within gateway that are 80,000 square feet or more. There are very large sites here. And that the type of development in -- both in terms of use and urban forum and connectivity, an open space that we're after in gateway could, we believe, be best delivered if we take a master planning look at how some of these large sites are developed in the future. We're trying to create an incentive for the property owners to do that. We've created this master plan option that in return for master planning the site, gives the developer flexibility, flexibility in where they locate their buildings, their floor area on the site, flexibility in terms of location and phasing of some required elements, such as if there's required housing, required open space or street improvements. Also makes them available for height and f.a.r. bonuses. In the future, if we have an adopted master plan now, and develop a future phase in conformance with the plan, you go through a simpler review process that would be administered by bureau of development services. So the gateway -- the provisions -- this is a new provision, a new option that we're improving, especially because of the large lots located in the regional center. The second part of the plan district is a new plan district we're establishing, calling it east corridor that runs along burnside. Here as I said before, we're only making minor changes. One of the major types of changes we're making is to limit some of the prohibitions and limit some of the requirements to the pedestrian districts located -- the designated pedestrian districts located around the existing transit stations, ones at 122nd, called ventura park, the transit station at 148th and 162nd, these areas shown in shade here are already designated pedestrian districts and within them certain prohibitions to uses would continue. The whole gist of it is to promote transit support of a pedestrian oriented development. In addition, the other changes that we're adopting with the creation of the east corridor plan district, is we're separating it off so it's a stand alone plan district. Were eliminating the record housing provisions for large commercial sites. What I referred to earlier where we required residential on 120,000-square-foot sites or more so were getting rid of that provision entirely. We're going to limit prohibitions to pedestrian districts, in the areas along the transit line. We're going to allow currently automobile repair is a prohibited use, and we're going to allow auto repair as part of auto dealerships since there are a number of auto dealerships, located even in the pedestrian districts, and it's a typical function of those kind of dealerships. We're going to focus height and floor area in the pedestrian districts, and we're lowering height and floor area, the level of development outside of those districts. So once again, it's not all increasing at the -- the levels are so high now that we're sculpting it and focusing it around the transit station. The same kind of step-down height requirements we had in the regional center we're putting in the east corridor plan as well. And on 122nd avenue, where there currently is a number of automobile dealerships, and there's a prohibition of outdoor display and storage, we're keeping that prohibition of outdoor display and storage with this current proposal, but committing to a follow-up study, more specifically looking at how to design those kind of uses and commercial uses along 122nd to make

it -- to sort of have it both ways, to have an auto -- an auto oriented commercial corridor that's also part of a successful transit neighborhood and pedestrian district. Just quickly here's a floor area ratio shows you we're focusing, were decreasing it outside of the pedestrian district the transit centers and focusing it around those three transit station neighborhoods and sort of focusing of building heights. With that, that concludes our presentation. In summary of the -- of the plan district.

Sten: Great. As the lights come up, thank you very much. That was a very good presentation. I will turn to the council for questions first. Any questions from the council? I'm sure there will be, so don't go anywhere.

Francesconi: President sten transportation has -- there's three issues, three amendments, and it might be good if we presented them before public testimony so people know what's going on, if that's all right.

Sten: Sure. That sounds great. Somebody from transportation -- there's jean.

Francesconi: I'll just list the issues and you can explain them, if that's all right.

*****: Sure.

Francesconi: First there's concern that the current prohibition on auto access on to the light rail alignment could prevent some redevelopment in the future. There's one amendment on that. The second is the issue that transportation and the citizens committee agree in principle, that parking maximums should be increased and parking structures in order to support office uses, and there's some different ideas about that. And then the third is it's critical that the new streets get created on connectivity, as development occurs. So those are the three areas. Why don't you elaborate. **Jeanne Harrison:** Jeanne harrison, Portland office of transportation. As commissioner

connectivity, as development occurs. So those are the three areas. Why don't you elaborate. Jeanne Harrison: Jeanne harrison, Portland office of transportation. As commissioner Francesconi said, we've been working on these issues with the bureau of planning and the bureau of development services to come up with some modifications to the existing code language, as planning commission adopted it, to address these issues that have come up relatively recently. The light rail issue is that currently this prohibition on access on to the light rail line is actually stricter than any other regulations we downtown for light rail. That's especially unusual, because the light rail line in gateway and east corridor are actually separated from the roadway. There's very little possibility of conflict. We want to bring those regulations more in alignment with what's appropriate for the situation, without opening it up to widespread encouragement of driveway access on to those streets, because they do have a function, as well as for transit, for pedestrian movement. Secondly, we understand that a large contingent of the citizenry in gateway, as well as the citizens that have been working on this project, are interested in encouraging parking structures as opposed to surface parking lots. We certainly support that approach. Right now the regulations do not provide that incentive, and we've been looking at some ways to do that. It's going to take a little bit of thinking on our part before may 12 to come up with exactly the right thing to craft for this area. We've done that in the past for hollywood, and we think we can come up with something that will encourage the right kind of development with parking structures without opening up parking to be excessively provided and sort of negate our \$60 million investment that we're going to be making in light rail in that corridor. Thirdly, we want to make sure that the connectivity plan as identified in the gateway master street plan is carried out. I think we share that concern with the community. We have some regulations now that give us authority to carry out that plan, but the linking policy and language back to the gateway and east corridor regulations is not there. We want to develop that and make sure that we're sending the right message to future applicants and developers, that we're indeed serious about carrying out the connectivity plan and we'll be prepared to bring those amendments back on may 12.

Francesconi: This third amendment is known as the charlie Hales amendment, don't you think? I hope you're listening, charlie.

*****: Thank you.

Sten: Great. Thank you. I take it no questions on that. We're going to open this up for public testimony. For those of you who haven't been here for, karla will call three names. We'll ask you to come down and sit in the three seats. You'll each have, by coincidence, three minutes. We'll also call the next three names coming after, so if you're upstairs you'll have a advance to come downstairs and be ready for your turn. There's a clock on the television screen in front of you to show how your three minutes is progressing.

Peter F. Fry, 2153 SW Main St., #105, 97205: My name is peter frey. I'm here on behalf of the tonkin organization. Once upon a time there was one light rail in importantly. To protect that line, there was a lot of zoning organizations that were put in place. What was done then was that they did not really see the destination commercial that existed on 122nd. Destination commercial that produces over a quarter of a billion in sales every year. \$20 billion spent on other businesses in the area. We bring in 70,000 people every year on to 122nd. Things have changed. Now we have light rail everywhere. We have different kinds of stations in different places. The dealerships have changed. Cars are more valuable, buyers have changed, they're more discerning. The showrooms are now retail showrooms. They're not just asphalt, cheap cars. These are expensive cars that are needing to be presented in an attractive ways. The zoning regulation prohibited the intelligent reinvestment into our dealerships, but we worked with the community, neighbors, and the city, and today we're happy that we are pretty well far along to our goal. The proposal by the planning bureau has substantially affected and made things better for us. The only major issue, and it is a major issue, is the issue of exterior display and storage. It's prohibited in the gateway district, in the central city it's not allowed. Our goal is to have it permitted outright under certain standards. We look forward to working with the community and the city in developing these standards, because we want beautiful showrooms as well as the neighborhood does. So we intend to embark on a focused design study for 122nd between glisan, stark, and we want to keep it really focused and moving forward, and we also want to look at 122nd, because it's in a pedestrian district, but it's over 100 feet wide. Your downtown streets are 60 feet wide. So this street is almost twice as big as a downtown street, yet it's a pedestrian district. We want to look at ways to beautify 122nd, perhaps creating medians down the center, some way to bridge that huge width of a street. So over this process with planning bureau and the neighborhoods, we intend to come back to you by the end of summer with proposals to allow display and storage outright, to beautify 122nd and address the issue of connectivity raised by the bureau of planning. My clock right here. 20 seconds. I don't know that I should say anymore. I'm done. Thank you.

Sten: Thanks, peter.

Steve Abel: Good evening. Steve able, attorney with stoel rives, representing pac trust, 900 southwest fifth, suite 2600. Pac trust is the owner of the gateway shopping center, the shopping center that contains fred meyer and other retail uses and office uses. Your staff and the planning commission had a difficult balance when they approached this particular plan. They had to balance the need to set the right course for planned development in this district in an environment where development had already taken place. And balance that against the economic drivers, if you will, of maintaining the business environment in that location and enhancing that business to environment. Those two things, in many instances, can be in opposition and hard to balance. We think your staff did an excellent job in balancing those two factors. Early versions of the plan looked a lot like planning documents that I saw when I was on the planning commission, which were planning documents. This is one of the most refreshing processes i've been in this quite some time, working with staff and the planning commission, where the economic realities of an existing development and the future of that development were balanced against the planning effort. We think the proper balance has been struck between planning on the one hand and economic vitality on the other, and we recommend to you that you adopt the -- the version of the plan district as advanced to you by the planning commission. Thank you.

Sten: Thank you.

Francesconi: Just briefly, because I don't think we have time, but why was it different this time? Why do you think the economic realities were taken into account more?

Abel: I don't actually know the reason for that, but we had a situation in which, of course, there were many uses in this particular district, and the users, including my client and its tenants, were very open with explaining to the city what the economic realities are of preserving those businesses and allowing those businesses to expand. And in fact very open with getting the city staff to understand the constraints under which a retail operator, or any business owner operates. I think that clear understanding between your staff, the planning commission, and the business owners was the most important factor that made that advance occur.

Sten: Thank you. **Abel:** Thank you.

Terry Parker, 1527 NE 65th Ave., 97213: Thank you for having us here tonight. My name is terry parker, speaking as a private citizen and homeowner in northeast Portland. The first problem I have with the plans of the proposed district are the curb extensions and streets where buses stop in travel lanes, block other traffic and create congestion, while the federal government and the auto manufacturers are working to increase motor vehicle fuel mileage standards, the city of Portland is counter productive with these bus blockades, increasing fuel consumption for motorists, at the same time creating a negative impact on air quality. Curb extensions became a matter of city policy with no studies on the negative effects to traffic or the environment. It seems the city is more concerned about social engineering and artificially creating congestion to our streets rather than good transportation planning. Bus turnouts or zones on all redesigned major streets should be required. Eventually gateway will serve as the junction point for the i-205 gresham airport max lines. I believe a major mistake to remove a park-and-ride from this location. Limiting overall parking will only hurt the economics of the area. Limiting residential parking will only force more cars to be parked on the street, make housing less desirable for the majority of citizens, and increase street crime. The parking problems that now exist in northwest Portland have been self-inflicted by these same restrictive policies. Gateway could easily end up with the same types of self-induced problems. Not allowing auto-oriented businesses to replace or rebuild structures is just another nail in Portland's friendly business coffin. At the best hess of the city council and some planning guidelines Portland has being the antibusiness, antijobs capital of Portland. Auto industries combined make up the state's second largest employer, reducing or eliminating auto oriented businesses in one area only adds v.m.t.'s causing people to life-longer distances to obtain auto services while also doing other business at the same destination. New residential properties should include attached open greenspaces, including setbacks and not be built sidewalk to sidewalk, especially if the expected tenants are families with children. Daycare centers should be required with all new residential construction. Finally, another issue, it is the likelihood that new residential properties will be tax abated or taxes on increased values siphoned off for urban renewal. Tax incentives on all but low-knock property should be discontinued. How can schools be taught priority if money is skimmed off from the top? Programs that include incentives for upscale properties only prove that developing these structures are a higher priority than educating our youth. Thank you.

Sten: Thank you.

Michael Robinson, 1120 NW Couch, Tenth Floor, 97209: Good evening, president Sten, members of council. My name is mike robinson. I'm a land use attorney with perkins coie. I'm here on behalf of the owners of the adventist academy site. With me is randy robinson, vice president of finance for the conference. We support you support what the planning commission has recommended. We're pleased with the changes as they affect the site. I would be remiss if I didn't

tell you that the staff worked cooperatively to address our concerns. We're pleased with the process. We hope you adopt the planning commission's recommendations. Thank you. **Sten:** Thank you.

Arlene Kimura, 112 NE 133rd, 97230: Good evening. My name is arlene kimura. I'm here as a representative of the hazelwood neighborhood association. The neighborhood association does support the planning regulation changes with the one exception and the amendment with the transportation piece that came up with the -- about removing the ratios on structured parking. There is the biggest conflict between business and neighbors, when you have new-the structures that do not have what we consider enough parking. We don't want surface parking. Structured parking is really, you know, acceptable, because I don't believe that it takes up as much space. And we would really strongly urge that you support that amendment. The other issue I have, as a neighborhood association representative, is a study on 122nd. As joe zinder knows, it was a very significantly heated discussion, and we support that with some reservations. Our reservations include the fact that we asked that a larger study site be given real thought to through a t.g.m. grant or through a combination of t.g.m. and planning bureau money, so that it encompasses sandy boulevard to -- for 122nd, that is a huge auto orientation and another major commercial street that's gotten no attention, other than asphalt. We also ask that the study area include the commercial area north of halsey, san rafael shopping center, another major center where we have auto orientation, auto dealerships, and also very large retail, big box property that has no connectivity. We ask that the current provisions for the pedestrian district remain in place and be intensified, because we have virtually no pedestrian amenities on 122nd. We also ask and sincerely hope that council safeguards the interests of the community as well as the development interest of economic business interest and that this is a study that is in fact going to benefit the entire community and not just the business interests. Thank you very much.

Francesconi: Arlene, on your first point, on the transportation amendment, i'm just not sure I understood it. Do you want some limitations?

Kimura: We want to have the study done that would remove, or at least lessen the limitations. Right now it's so, so limited, that we would -- we would really like to see an abatement of the limitations for at least five years or so, as long as it's done as a structure in conjunction with other development or large-scale redevelopment. We don't want parking garages as a commercial entity, no, but we do feel that office building redevelopment, shopping center redevelopment, should be allowed to have some parking structures so that they eliminate the surface parking areas.

Sten: Ok.

Francesconi: Thank you.

Duke Shepard: Commissioners, my name is duke sheperd. I live at 13735 northeast brazee court in Portland, and i'm the current chair of the gateway program advisory committee. Thank you for the opportunity to testify --

Francesconi: How do you have time to do this? That's what I want to know.

*****: He talks fast.

Shepard: That's right. I know you have my letter, so i'll be brief rather than reading that word for word. First, i'd like to share with you the pac's appreciation for the work and careful consideration of these regulatory issues by the planning commission and its staff. They were responsive and helpful and committed to problem solving, which you've heard other folks testify to, was very much appreciated by everyone involved. The pac had no additional comments or disagreements with the regulations. We would urge you to support them with the exception of the restriction on structured parking. We believe that gateway needs more flexibility in encouraging office developers, and we want to move away from the current vermont of vast expanses of surface parking. If a developer is willing to pay to build a parking structure, we wouldn't want regulatory limits to impede that development. We do have outstanding light rail access, and we absolutely want to increase the use

of alternative modes of transportation so that as a community we move away from being so heavily auto-oriented, but gateway's also at the intersection of two freeways. That's part of the reason that it is a regional center. We believe that given the many challenges to structured parking ever being built, the proposed limitations serves as an extra impediment unnecessary and potentially counterproductive. In addition, the pac hasn't formally talked about or considered the connectivity issue referenced by commissioner Francesconi and transportation staff, but from what i've heard tonight that is completely consistent with our vision for the district. And the conversations we've had over the years about greater connectivity throughout the district. Thanks.

Sten: Thank you.

Linda Robinson, 1115 NE 135th Ave., 97230: I'm linda robinson, a resident of the hazelwood neighborhood association. I just wanted to bring up a couple of points that arlene couldn't say as frankly as I might as a member of the hazelwood neighborhood association. We have several members of that group have some real concerns about the proposed study of a land use provisions -design provisions on 122nd and the proposed study between glisan and stark. We think, first of all, it's our understanding it will be primarily funded by one of the businesses that's the major property owner in the area. So we have concerns that they're -- that there'll be an inclination to -- to push toward their interests and not the overall interest of the community, and we want to make sure that you're aware of that. And that it really should go beyond those, it should go north and south of -include the north and south part of those intersections at stark and glisan, and it should include the halsey node where there are the large big box, and two more dealerships, one of which is owned by the same business owner. That study should include that. We really have some concerns that we maintain the pedestrian atmosphere, that the intersection of 122nd and burnside is probably the most heavily used by pedestrians in this whole area because of the location of the park-and-ride lot there, and it's a very difficult street to cross, pedestrians do crazy things. There needs to be a transportation study as well as a design study to make that whole thing work better for both cars and pedestrians. So we have a real concern about that. And there are other -- our other concern is the -their desire to change the prohibition on outdoor exterior storage and display. Our concern is that as new dealerships, they may have very attractive outdoor storage and display, however the way the regulations are, if you permit that, who's to say we won't end up with used r.v.'s, used tires, all other sorts of exterior displays. Once you open that up, there's nothing that says only new car dealers can have that outdoor storage and display. We have concerns about what that might do for other lots and other uses on the street.

Leonard: If I could ask a clarifying question. You're not necessarily that a new car dealership have an outdoor display, you're concerned that might open it up to more inferior kinds of display? **Robinson:** Yes. In fact, in looking at where that is allowed in other parts of the city, there are lots of other very undesirable uses that fit under that same category. If you open it up to outdoor display, you're going to get -- you're going to get something more than new car dealerships.

Leonard: Are you trying to think of solutions to that, to allow the new car dealerships.

Robinson: If you can do that. It was my understanding you couldn't say no exterior display, except new car dealerships. If there's a way to do that. You know, we don't have any problem with that, because that tends to be a more attractive, a more, you know, viable use.

Leonard: Because, understand, we're talking about 800 jobs that are provided --

Robinson: I know. But we also don't want an 82nd avenue running through the middle and connecting with our light rail thing.

Leonard: Sure. I appreciate your concern.

Joseph F. Rinella: My name -- first of all, good evening. I'm glad to be here. Thank you for the opportunity to testify. My name is joe rinella, and my wife, patsy, is in the audience. We live in a single-family dwelling located at 255 northeast 103rd in the opportunity gateway area. Our family has lived in this house for 26 years. Initially when we moved in the area the properties were zoned

r-7 for single-family homes with building heights not to exceed 30 feet. That is a great place to live. Currently the bureau of planning is recommending building heights up to 75 feet on my block, located between 102nd and 103rd from dayis street to glisan street. At one of many opportunity gateway meetings that we've been attending over the years, a representative from the Portland development commission told my wife that our house would not be a desirable place to live after a tall apartment house is constructed along our backyard. The p.d.c. person said we would be facing a loss of privacy and increased noise. The p.d.c. person was not threatening us, she was only telling us her sincere feelings. Although p.d.c. clearly understands our concerns, it is difficult for my family and for all of my neighbors who live along 103rd to understand why the city would willingly impact our families, our lifestyles and our life savings, that is the values of our homes. A tall building constructed along the east side of 102nd, which would be behind my property along my backyard, would result in the following -- excessive shade, a 75-foot building will excessively shade my property for much of the day, and probably result in a 40% loss of direct sunlight. There goes my garden. Excessive noise especially during the summer months when people tend to use their balconies and keep their windows open, loss of privacy with apartment residents hovering over our backyard. Severe parking problems, because structures in opportunity gateway do not require adequate spaces. Increased traffic on our street, which is currently quite peaceful. Increased crime per square mile associated with increased population and property devaluation resulting from my above list. At a recent neighborhood meeting, the majority of my neighbors voted to maintain building heights on my block, that is between 102nd and 103rd to two stories or less. I've submitted their -- their votes. I hope you consider their request. I hope you understand the impact of your decision on my property and my neighbors' properties. Some of my neighbors have lived on 103rd for 40 or more years, and now we're facing your life-alter decisions. Thank you for listening to my concerns.

Sten: Thank you.

Leonard: I wonder if I could just add, not so much question as a comment, actually when this issue was raising when a briefing I had with planning, I asked those questions about the impact on the property. Can we flag that for something we can discuss further, what solutions there might be? **Sten:** Yes. I think we're keeping a list of all of this.

Leonard: Ok, great.

*****: Could I ask the commissioners for an extra time to translate my testimony into spanish for the gateway residents here who don't speak english?

Sten: Sure. We'll give you the extra time it takes.

Sten: Keep an eye on it. About three minutes for the testimony. I don't want to count the translation against her three minutes. We'll give you three minutes to testify, plus the time to it takes you to translate it.

Leanne Serbulo, 5115 NE 28th Ave., 97211: My name is lee ann zurbula. My testimony is to give you an introduction as to what has been happening over the past few months at the gateway apartments. The voices you really need to hear tonight and will get an opportunity to listen to tonight, are the voices who should have been heard leading up to tonight's zoning change decision. This is the voice of the tenants who live in the gateway apartments. Part of the land that is part of the proposed zoning change. I'm an organizer with the community alliance of tenants, a renters rights group. We first became involved with the tenants about a month and a half ago after receiving calls about serious repair problems on the sites. We went to the apartments one saturday afternoon with three volunteers and knocked on people's doors and were warmly invited into people's homes. Tenants shared their stories with us. We've been working to support them in their efforts to get repairs made. Tenants there have suffered with rats, cockroaches, leaky roofs and windows, sewage leaks, mold, ceilings falling down, doors that don't lock and appliances that don't work. Just as we were working with management to finally get repairs made, they received an

eviction notice, informing them that the owner wanted to demolish the apartments and build an office/retail complex. The tenants were told they have to leave by may 31. According to the letter tenants received, the plan had been in the works for over three years. No one during that time, from the landowner to the Portland development commission, to the Portland planning commission, attempted to contact the tenants and find out how they felt about the proposed changes to their homes. These tenants have lived in the gateway neighborhood for years and even decades. Their children go to school here, they work, shop, and use the public transit. They're living the vision for the gateway community that is outlined in the urban renewal plan. Why weren't they at the table? If our small nonprofit, which has a fraction of the budget and capacity of the Portland planning commission can visit this complex, and be welcomed into the tenants' community, why can't planners come out of their offices, away from their technology, and begin to talk to the people whose daily lives are affected by their decisions? Why is the landowner a stakeholder in this process, but the people forced to leave their very community that they helped create, not considered important? Mailing postcards and posting notices in the neighborhood are not adequate outreach. I'm sure that the landowner received more than just a notice at his local grocery store inviting him to the table. The city should have been involved in this complex a long time ago. The city should have been out there enforcing the housing code, which requires owners to maintain their properties at a minimum standard that ensures the life and safety of the residents, particularly the children that live in this complex. This city is world renowned for its planning process. We are able to stop sprawl and save salmon, but what about people? We're supposed to be the city that works? But who does it work for? Just only those who can afford it? Thank you.

Sten: Thank you. I don't know how to say this in spanish. Maybe the translator could come back. I wanted to share with the audience upstairs that we don't allow clapping in the chambers, but if you like something somebody says, wave your hands. So feel free to let us know that you appreciate something someone says by waving your hands. Gracias.

Sten: Why don't you come and testify, sir. **Curtis M. Lilly, Jr.:** My name is curtis lilly. **Sten:** Can you move the mike a little bit?

Lilly: I live at 837 northeast 102nd avenue, apartment 17. I've lived there for six years. I managed the 76 gas station on the corner which I managed. I have a family, expecting another one, due this july. We've lived there for a long time and a lot of people we know in the community have lived there for a long time. We've built up this community. And now we're faced with your urban renewal, which is saying that we're going to have to leave this neighborhood because we have insufficient money to mind a place.

Leonard: The 76 station on 102nd and glisan? **Lilly:** Yeah, I used to manage that station.

Leonard: Why do you have to move from there?

Lilly: I live at the gateway apartments.

Leonard: Oh, the apartments.

Lilly: Yeah.

Leonard: I'm sorry. Ok, thank you.

Warren Desonra, 837 NE 102nd Ave. #3, 97220: My name is warren desonra. I have resided at the gateway apartments since august of 1991. And basically i'm commenting on the maintenance and one or two other things that i've heard during the testimony. The maintenance at times could be described as cosmetic in nature, and unless something broke down it wasn't fixed. And the cockroach problem has been alluded to, and I can state from personal experience that it's been there ever since i've been there. And as for comment on the testimony that the commission has presented so far, I would have to disagree very strongly with the development commission -- development commission's characterization of the traffic on 102nd avenue as moderate. Because it is not

moderate. I have walked from where I live over to fred meyer's and to cub's, the two main stores there, numerous times, and the traffic would be backed up from burnside clear up beyond halsey at times. So traffic on that street is not moderate. And adding more office space or something like that is going to bring more cars in there is just going to deteriorate the whole neighborhood completely. It's somewhat bad now. This -- this would just make it worse, in my opinion. And one other thing that I would like to bring up -- I don't know everything here, he haven't seen the plan or everything, but from what I gather the commission is considering knocking out about 60 rental units on this particular piece of property, and at least three houses, if i'm correct. My question is -where's the replacement housing? Especially affordable housing, not market value housing, which was sort of what bluestone & hockley presented us with, because if the rates that the apartments that they were offering were anywhere from \$30 to \$150 a month more than what i'm paying at the moment. I've got a two-bedroom there. I started out back in august of 1991 at \$350 a month. It's now \$485 a month. And the unit has not been improved that much. It was -- it was sort of bad when I moved into it, but I don't entertain that much, so I didn't press the case on it or anything like that, but the only changes that i've seen the rental company make can be described as cosmetic more than anything else. We had a great number of cedar trees and laurel bushes in there when I moved in, and then when bluestone & hockley took over the maintenance of it they cut down almost all of those bushes and trees. So I don't know what their plan was, but it's not something that I could really be proud of in that sense.

Sten: Ok. Thank you. Your time's up. Thank you very much.

Marcos Rodriguez, 837 NE 102nd #6, 97220: Hell. My name is marcos rodriguez, and i'm a tenant of the same complex that my fellow neighbors live at. My biggest concern is as a parent, because I have three kids, and I think that most of us, the complex is a family-oriented unit, so most of us have families, and they give us notice where we have to vacate by may 31. And our -- my main concern as a parent, you know, what do I tell my kids when they're not even finished school, yet? You know, for them it's a big impact, because the first question is, oh, where do we have to go? Do we have leave school and find another place? When we got this notice, it's really hard to, you know, really sit down and talk to your kids about a big move. This is a big move, you know. And there really is no big impact, just on myself, you know, as a parent, but there's other neighbors that live there like for decades, like my neighbor here. I just don't think it's fair for -- for all of us to just, you know, be given a notice of three -- you know, four or five weeks to vacate the property. My point is to create some conscience about our kids and, you know, prioritize that. That's all I pretty much have to say.

Sten: Ok. Thank you. Great. Thank you so much. Go ahead and are you going to translate? *****: Yes, I'm going to translate.

Sten: Terrific.

Maria Felix, 827 NE 102nd #23, 97220: Good evening commissioners and president of the council. Thanks for allowing me to come and speak regarding these proposals. I'm a resident of the gateway apartments. I have 10 years living at gateway. There are tenants that have up to 16 years living there. Like the gentleman that spoke earlier, we've been living at this apartments that have been in bad repair, and there is no good service to these apartments. We have been consistent with paying our rent on time. And they've never responded to our requests for repairs to these apartments. And now after all these years that we've been faithful tenants, they now open the gates, like that of a corral and treat us like animals, wanting us to get out. What we're asking for is time, at least three months' time to organize and find a place to live, because obviously we're not going to live there forever. So we have time to move and also give our children enough time to finish the school year. That's what we feel would be fair and that's what we're asking for. Thank you.

Sten: Yes, thank you. Would you like to go next?

*****: Yes.

Sten: If you could pull the mike up. There you go. Perfect.

Orlisa Deschene, 837 NE 102nd #16, 97220: I wrote a letter beforehand before I got the new notice saying that they're not going to let us out of the apartments, but regarding bluestone & hockley's decision of our neighborhood at 837 102nd, Portland, Oregon, I lived in in those apartments, apartment number 16, living here for five or six years, the first of my years were miserable, but I kept strong, took care of my renting of this apartment and made sure it was paid each month. Even when rent was increased, my son growing up here, at this complex, enjoys every neighbor and goes to school here. The children are safe and enjoy this environment of our community we developed. Crime is never an issue. We all have a close community of life in general. If it was an issue, we'd come out and let them know, it's wrong, you should go elsewhere, and do crime elsewhere, besides here. We shop at fred meyer and winco. The neighbors are safe and we walk around the area. Max is transportation to work and to appointments and so on. I'm a two-parent household, and I do the best that I can as a parent. I need more time and understanding. I don't wish to be homeless, so i've written this letter to help me and my family to get more time so we can relocate. My apartment is run down. The maintenance is a lemon. Nothing gets done, so I do what I can to keep up with the cleaning and up with bluestone & hockley's dues. I wish of you to refund my deposit and three and four months' past rent if you wish and my family to move as soon as possible. Thank you for taking the time to listen to me.

Sten: Thank you.

Margarita Castillon, 837 NE 102nd Ave. #4, 97220: My name is margarita I live at the gateway apartments. The time that I've lived at the apartments I've requested repairs like carpet types of repairs since I've lived there. Within a month of our requested repairs they came to talk about repairing the carpet we were changed to another unit that was a little different than the one that we recently occupied. Shortly thereafter we got the notice of eviction. I hadn't even finished moving from one unit to the other when we got the notice of eviction. I felt like I was in a rock and a hard place not knowing what to do. In one apartment I was having to deal with the issues of mold in and in anther I was having to deal with the issues of eviction. I've accepted the fact that we will have to move and I waiting for some kind of resolve in this matter. What were asking for more time as our children our in school and we will need more time for them to finish their school year. We hope that the resolve will be that we will all be happy with this and they take into consideration the children, the owners of the property. Thank you.

Sten: Ok. Thank you.

Ted Gilbert: Commissioners, good evening. Thank you for the opportunity to speak. My name is ted gilbert. My address is 1205 southwest 18th avenue. I am a member of the opportunity gateway program advisory committee, and among other properties that I own, I am also the infamous owner of the gateway apartments you have been hearing quite a bit about. I hadn't planned on testifying tonight, but since I have become so popular the last couple days, i'd like to ask your indulgence to give me a few seconds over the three minutes so that I can provide some facts not only that will hopefully help you in your deliberations, but might be something that will clarify and ease the anxiety of some of the people who have testified. I'd be thrilled if you wanted to have the person, when we get to that point, who translates, be able to do that with them or take notes or something because it's important -- I had the opportunity to communicate this today directly to the community alliance of tenants, but I don't know if it's made its way to the tenants. We have posted notices, but i'll get into that.

Sten: I am sure that she would be glad to do that.

Gilbert: When we get to that point, however, you think the most effective way to do it is. I know the reason for tonight's meeting is to talk about design guidelines and regulations and design standards for 600 acres of a district that's been designated as Portland's only regional center, and not to talk about any specific project, and certainly not to talk about landlord/tenant matters, but i'm

sure you, as I am, are sensitive to the concerns that you have heard mentioned tonight, and you are also concerned about a bigger, broader issue that I think is, perhaps, behind that, which is the issue of affordable housing, and so with that, i'd like to just speak briefly about that and provide hopefully some facts that will help clarify. If, and I want to emphasize "if" the project, the specific project that we're involved in gets built, it is true that 32 units, because of what once was 52 units, is only 32 unions that are currently rented, of housing that was originally designed, not to have lasted this long. It was originally temporary military housing built in vanport during the war, and after the flood, it was picked up and moved to the gateway site. It was never designed to last 60 years. We have owned it the last five years. I can promise you it has been a large challenge to try to keep that place together and feel good about it and something you know the reason it was purchased was, was to knock down. Having said that, we make no excuses when we bought the property, there were numerous city violations against it. The man I bought it from told me straight to my face that yes, I am a slum lord and I don't have any more money and I am not going to put more money into it. We insisted that all those city codes be resolved before we purchased. I believe if you check, there has not been one city code violation since. There will be somebody here if you are interested in hearing, that will speak to the repair and, and the maintenance records since we have been involved in ownership, and reasonable people can disagree and people may think that it's good enough or not enough, and I understand that. I am not here to say that anybody is right or wrong, but you deserve to hear facts from our perspective on that. Next, the people that are speaking about the comment --

Sten: Do you have a sense how much time you will need?

Gilbert: 2 or 3 more minutes. **Sten:** Is that ok with the council?

Gilbert: Thank you. Sten: Go ahead.

Gilbert: Somebody made the comment, where is the housing? If these 32 units went away? As mr. Zander very well described to you, what's happening on our property is the balance, the, the vast majority of our property is being upzoned, currently it's rh, which is a moderate density housing and being upzoned to the highest level, rx. Those 32 units, if our project is built, will be replaced to 6 to 800 housing units. So, where's the housing? They will be there. Next, the comment was made about, about the commercial zone. If you take a look at the maps, I am sure that have been supplied to you, we're not changing not even the majority, not even much at all of the property commercial, to take a look at the zoning along 102nd, almost all of the zoning along 102nd on the west side is ex on a narrow strip that runs north to south, and there's a gap in it. There's one gap in it. The only gap in it happens to be the gateway apartments. So all we are doing is making the zoning consistent of what it is now by doing a narrow strip to cx, which will allow mixed use, office commercial, which will create tax increment for the district, by the way, and upzoning all the rest of the land at the highest density of housing to accommodate. Let's talk about affordable housing. Our vision for our portion of our property is not only mixed use, but mixed income and intergenerational. If you doubt it, I would urge you to take a look at the stated housing policy of opportunity gateway, which I am pleased to say that I helped co-author. It speaks to the commitment of affordable housing for the opportunity gateway district. My belief is all, all four of you also know, that affordable housing happens to be a personal passion of mine, and I volunteer more than a little of my time being the chairman of two nonprofit affordable housing entities. Take that for what it's worth. Take it with a grain of salt. There will be affordable housing in our district. We're committed to it.

Leonard: Ted I am sorry to interrupt, but I am going to have to leave in a few minutes, and I appreciate everything you are saying, and everybody on the council does, as well, about I was really interested in the announcement you wanted to make.

Gilbert: Fine are going to have the translator come, please?

Sten: Dick, do you want to let her sit down?

Gilbert: The first item that I would like everyone to know, the community alliance of tenants was notified of this, and a notice was posted on all the tenants doors because of a communication and anxiety that was created, the notice that they had to move has been rescinded. [translator in spanish]

Gilbert: There is no urgency for them to move. Even though in the past week, eight of the 32 units have already, already chosen to find new homes and have found new homes, themselves. It is going to cause us, if our project is successful, to have to push back the, our project and so forth, it's going to cost us money. That's ok. That's the commitment that we have made. In addition to that, our original notice included a free rent opportunity then. Even though people make other decisions, we're going to honor the offer that we made in the original notice. I have also made an appointment today with the community alliance of tenants and they asked me to meet with the residents, as well. The meeting has been scheduled and I will look forward to meeting with them and including them in what our plans are and discussing with them any other needs, even though I want to point out, we probably need to translate this, this is a market rate apartment. They are all month-to-month tenancies, there are no sections 8's in the entire project and by Oregon law all we need to do is give 30 days' notice. Our original notice was double that, including free rent.

Francesconi: Ted, your doing a good job. Don't screw it up. [laughter]

Francesconi: Don't screw it up. Just translate it. Admit you made a mistake and translate.

Gilbert: Know when to say yes.

Leonard: Take it from me, you have to learn when to shut up.

Gilbert: I appreciate it. [laughter] I am sure that I could learn a lot. [laughter]. I don't know if you want to translate or not?

[translator]

Gilbert: In closing, and this is for you, what I hope won't happen is a landlord/tenant issue that we are hopefully going to work through and go above and beyond on, won't penalize all those citizens that have been invested five years of their time in the opportunity gateway process on this design and guideline issue for one specific project that's not even at issue. Thank you.

Sten: Ted Thank you. And thank you. I think that I can speak for the council that we would not have been able to resolve this issue from sitting up here tonight, so we very much appreciate some more time, and I know the tenants do, as well. So, you will have a meeting with the community alliance of tenants to talk through the next plans?

Gilbert: Correct. The notice has been rescinded. There is no urgency to move. Their tenancies, eight of them have found other homes. We are going to honor the free rent portion of that anyway, but there is no urgency for them to move, and their rental agreements can continue as they are, but I am going to be meeting with them, and hear whatever else. I've been trying hard to get those facts to them, but it's not been easy, and if they have any other issues or concerns, i'd be happy to talk to them about it.

Sten: Terrific. Thank you, and then I just wanted do put on the record that there's -- the Portland development commission has, has been at ted's request, gotten involved in this, and there are extra requirements in place if, in fact, this is a site that's going to have city funding, andy welch from the portland development commission is working with mr. Gilbert and expects to work with the community alliance of tenants to address those issues because there's, there's issues on the tenant law and issues if any, any if any city money will be used in redevelopment. There's a different set of standards that need to be reached, and my understanding is that is being worked on.

Gilbert: That's correct.

Sten: Thanks.

Leonard: Ted, thanks very much. I appreciate it.

Gilbert: Thank you for your patience.

Leonard: Thank you.

Gilbert: And indulgence, everybody.

Sten: Ok. Mr cooley.

Dick Cooley, 141 SE Wright: Hi - - The, the -- I can talk about a lot of things here, but I am going to focus on, on just really two. The main one of those is, is conductivity. Gateway has a master plan for its streets. It has a lot of streets that are not dedicated at this point in time. It's really important to the gateway -- the development of gateway regional center that, that the existing suburban scale auto-oriented development that's there transforms itself over the next, next 50 years into, into compact, dense, multimodal development, and that is not an easy thing to do. It is central to, to that happening, that the existing, or the, the traditional street grid for gateway be reestablished. I am going to -- and so i, I urge you to, to introduce into this plan a rule that requires rights-of-way identified in gateway's master plan to be dedicated when property owners or tenants obtain permits, which renew, you know, which renew or intensify their land use in a significant way. An example of that would be they are doing a million dollar remodel at one of the shopping centers there, or if they are expanding the shopping center, I am, I am saying that they should be required to make a dedication of the right-of-way that's indicated for that property to ultimately reach the plan. Now, I am not asking them to make the improvements in that right-of-way. I think that the urban renewal funding and other funding is capable of making those improvements. But, I am asking that, that we, we have the land so that we do have the money to do the improvements. We're not stymied from doing that. I'll tell you, i'll guarantee you that if he don't get those dedications now, we won't get them when we are ready. We won't get them until the shopping center is ready, and those shopping centers, those large sites don't get ready until they have really, really broken down in terms of their business model. And become eyesores. So once again, I am asking you, and this incidentally is completely, I think, consistent with what pdot is saying. It's the same issue for them. But I just want you to do it in a way that has teeth, and the best way to have teeth in this is to say when you make it, hit those triggers in the permitting processes, you dedicate those rights-of-way. You don't have to, have to pay for any improvement of them, but you dedicate the right-of-way. It's a, a -- I think it's just essential that we do that. So, um, my other comment is, is really more, more in terms of, of something -- the 122nd street study. I think it's very important not to, to make it a matter of right between stark and gateway -- or stark and glisan on 122nd to have, have an outdoor storage or display for anybody. There are displays there now, and they are grandfathered but the idea of, of changing it so that that would be an outright use of those, those auto centers, or those, those auto dealerships is, is completely -- it's a breech of faith with all of the efforts that have been made to make station, light rail station centers be ultimately the same thing. Compact, multimodal kinds of places. So, all you are doing is giving up on that station center, and if I was at another station center or if I lived -- if I was there, I would be upset about that. Taking the rules that apply every place else and taking them out. Now, that isn't coming up with this particular regulation. But, I am telling you that that's how I feel about it, and, and as this study goes, Tonkin announced that that's what they mean to do.

Sten: Thank you, and thanks for all your work on this. I know how long you have been working on this, and I think the whole council appreciates this.

Cooley: Your welcome and I am no longer the chair --

Sten: you're the chair in our minds.

Cooley: We have got great things.

Francesconi: On the first issue, the issue of the street dedication, pdot is going to bring back some approaches on this. That's what we intended, but did this issue come up? Was it discussed? How much was it discussed? I am a little concerned here about process.

Cooley: Right and I don't blame you. That's a very good point. It was, it was never really clearly identified in the first round of testimony as an issue. It was identified rather in conjunction with the required housing being released and people in the community would say, if you are going to release

that, the housing requirement on these big sites, which had the purpose of making the, them multimodal and mixed use, let's find some other incentive or some other way to get there, and in talking in a small subcommittee, which was assigned to look at this, we talked about connectivity really being at the heart of what we wanted, and that was the first time we talked about connectivity but it was so far along in the process that the planning commission never had any testimony on it. The decisions by everybody were made in a scattered way, and I decided that I ought to take my position and bring it here to this -- the council so that it could be brought back into focus, processed in a legitimate way, and, and but really consider it.

Francesconi: So I guess theres going to be two issues for staff. Ones going to be the substance, but planning, you are going to have to help us think through the process here, as well. With pdot. My guess, I guess we could open it up to a hearing and invite everybody. I don't know. We can talk about it later. Thanks.

Sten: Thanks. Mr Hockley.

Clifford Hoculey: Cliff Hoculey, bluestone hoculey reality. It looks like ted stole our thunder here. [laughter] But if you have any questions about the management of the property, gateway apartments, I am open to answering questions.

Sten: Any questions? Great. Thanks so much.

Hoculey: Thank you.

Francesconi: We would have had a lot of questions. [laughter]

Sten: If anybody else would like to testify, could you come forward now? This will be the last round. Please come down if you'd like to testify.

Jose Arellano Perillo: [translator] Good evening, and thank you for the opportunity to for having - giving the opportunity -- getting the opportunity to talk to you. The reason for my meeting with you this evening on behalf of all the tenants of gateway apartments. The notice was sent to us on the 12th of this month. And today, we received another notice. And now the notice is now rescinded. We would still have to eventually move the apartments. What I would like to tell you, on behalf of the rest of the tenants, including my, my fellow tenant, maria --, she already mentioned what she would really like, and we as all tenants would like three months to be able to vacate the apartments. Because in the condition of the apartments that we are already living in, there is no, no repair of these conditions. For me as a person, personally affected by this, I am asking you to overlook the, the issues of these apartments and the condition of these apartments. We are given the opportunity for these three months to be able to vacate the apartments. That is all thank you. Sten: Thank you. Last chance is there anybody else who would like to testify tonight? In that case, thanks to everyone, and I am going to ask gil and joe to come back up. I think that we will, we will just try and quickly run through the list of issues raised tonight that should come back to the next council meeting, and at this time we'll take any council discussion or requests of staff before we close

Kelley: Well, joe and I conferred. I think we have a relatively short list of issues. Why doesn't joe go over those and we'll see if you have anything to add or take off.

Zehnder: We start with a set of issues raised by jeanne and her other testimony in terms of, of curb-cut policy for burnside transit line. The approach to maximum parking limitations, whether or not we should waive those if the parking structures were raised by -- as raised by several testifiers and finalizling some connectivity language with dick Cooley's testimony asking to take it to the extent of taking it to the dedication of right-of-way. An issue was raised about the height, the step-down heights and the overall heights, maximum set along 102nd and 103rd. You heard testimony from Mr. on that. And the third -- the next major issue was 122nd, the allowance of outdoor display and storage and the future, the proposed follow-up study, whether or not that study area is defined as adequately large, whether or not the fact that the study is being supported by the funds from the property owner is going to result in a fair study, and whether or not, through that study, we are

actually going to differentiate between good types of exterior display and storage and that which is not desirable. The final, the final issue was the gateway apartments, which, I think, we heard a lot of testimony on, and ted gilbert's testimony was the most direct response to the issues that were raised.

Francesconi: On that last one -- excuse me, commissioner. The question, you know, about outreach to the tenants that are in an area, you know, just to give information about what's going on, that's legitimate, I think. You know, when we do, even if technically, it's not, you know, because the landlord/tenant laws, but just letting people know what's happening. Do we do anything now? And if not, it seems like we should.

Kelley: We do, and we can always do better. We actually did a fairly effective job of that in st. Johns in terms of the latino and mong communities, and we probably could have done better in the gateway district. We do provide notices, but it doesn't always get to the communities who aren't necessarily in the mainstream.

Francesconi: What i'd like, if you could, come back with some -- analyze, not in depth, but look at what went right in st johns and what didn't go right here, and see -- and see if you can come up with recommendations how to proceed in the future that we can actually, actually institutionalize.

Zehnder: Ok.

Leonard: If I could just, just expand a little bit on the suggestion on the 103rd and the height. I wasn't just asking that we reanalyze the height. I think when we talked before, I mentioned, what's the possibility of compensation for the adjoining property owners? So that we can look at, if it does in fact devalue property, they would be compensated for that, or what would be the possibility of paying fair market value for those properties. I am not suggesting those as solutions, but as things we looked at to see what the impact would be in terms of cost because I would agree that if you have a single family dwelling home with a clear view out the back today, and then it's replaced with a, -- is it seven stories that's being proposed? Up to a seven-story building next year, it has quite an impact on the value and the livabilty of the house.

Zehnder: That's something that we could discuss with p.d.c. to see what, what the -- what the potential is or what the potential cost might be just, just a point of clarification. The properties at 102nd and 103rd are currently zoned commercial, and the current height limits, even on the properties in question, is 120 feet. So the houses, themselves, are ready, are zoned cm and could be 120 feet. This is not changed at all. Actually, it's a reduction in the current impact.

Kelley: Also, if we can get into this --

Leonard: I see some heads shaking behind you.

Kelley: The value goes both ways. In other words, with new development, the value, it may not be the same as the value of a place to live for that

Leonard: But commercial doesn't include multiresidential, does it? In the current zoning allows for 120-foot apartment house?

Zehnder: Yes. Sten: Sure.

Zehnder: Today it does. It's been that way for a while. Whether or not that was the right decision when it was made, it's been that way for quite a bit.

Ellen Ryker: It's c.m. or mixed commercial zoned right now, and that was a zone that went into place during the other southeast community plan. It is 120 foot height limit now, and the planning commission is recommending that it come down to 75 feet. With the transition. There's no transition in place now.

*****: Can I say something?

Sten: No, I'm sorry but we will have another hearing on this next, once this comes back.

Leonard: Ship me an email.

Sten: Great. Any further discussion from the council? Any further questions? Gil and joe and ellen, do you feel like you have what you need from the council at this point?

Zehnder: I believe we do. We are scheduled to come back may 12th I believe it's a 2:00 time. We'll bring back either specific language or additional analysis on these set of five issues that were listed for tonight.

Francesconi: Great work.

Sten: So the next hearing may 12, 2:00. Thank you, everyone, the council is adjourned.

At 7:46 p.m., Council recessed.

April 22, 2004 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.

APRIL 22, 2004 2:00 PM

Sten: The council will come to order for afternoon session. Karla could you please call the roll. [roll call]

Sten: We have two items this afternoon and I think what I'm going to ask karla to do is read them both but I'm going to take testimony separately on each as I've been told there's people who would like to testify to each of them if that's okay with commissioner Leonard.

Leonard: Absolutely. Sten: Great, thanks. Item 409 and 410.

Sten: Terrific and commissioner Leonard I'll leave it up to you if you want to make a presentation on both together, however you would like to handle that.

Leonard: Ray - - maybe I could have the folks from the bureaus come forward. And I will just open by saying these ordinances come to us as a result of the transfer of the housing folks from BDS to the office of neighborhood involvement last year. Because that required some changes and authorities these ordinances were the result of that and apparently they various folks involved felt it was also a good time to address some other issues. Ray you want to lead off.

Ray Kerridge, Director, Bureau of Development Services: Commissioners I'm ray Kerridge, bds director. With me I have Kermit robinson, director of oni jimmy brown and amy Cammack. In july of 2003, responsibility of title - - for the housing inspection nuisance program and the noise abatement program was transferred from bds to office of neighborhood involvement. To complete that change we now need to transfer the responsibility of title 29, which is the property maintenance regulations from bds to oni. Title 29 doesn't only include technical code requirements for maintaining property but it also contains language providing bds with the legal authority to enforce all of the titles in our portfolio. So another reason for this ordinance is to kind of relocate the authority that we now have in title 29 relocate that into title 3 so we can continue our enforcement of our other titles. The other aspect is that the change relayed in title 3 was to include language that reflects our current enforcement processes and practices. What the problem with title 29 right now is that reflects how we use to do things. The change in this to title three will now reflect how we do things at the present time, so it's kind of a change from the old to the new.

Leonard: Can you expand on that point just a bit?

Kerridge: Yes. Under title 29, we had one method of enforcement. We gave people notices. You would have 30 days to comply. If you don't comply then we went to the penalty phase and would end up with a lean on the property. It's like one size fits all. What we tried to write in title 3 is a case management approach where everybody has kind of a little different situation. We feel that we need to have kind of the, the sufficient kind of flexibility to deal with cases individually rather than just applying the one remedy to all issues. And that has been written into title 3. The other thing that we have done in title 3, is to consolidate the language that we had on title 24, 25, 26, 27, 28, that relates to adopting of administrative rules. What we try to do now is to bring all those things in and have them located in title 3, so we have all that authority over all those codes but drafted into the one place. Additionally the ordinance clarifies the role of the drac as both the bds oversight committee and also the advisory committee for the city's development review process. I just would like to say a few words about the public process that we have followed in getting to this point. We

drafted it in early 2003, comments were received, we had a public informational open house also in october of 2003. Based upon the comments that we received, we came up with the revised draft. Had another open house in february of 2004. The opportunity for written comments was open until mid march. There were a number of meetings with interested citizens and groups and also our development review advisory committee has reviewed and they have comments on the amendments. Some people had expressed concerns that these changes, somehow expand the authority of bureau development services and expand the authority of the director of bureau development services. There's an idea out there that also this code is reducing the standards in the code. I just want to say now that there is nothing in the title of 3 redraft that expands the authority of the bureau. Expands the authority of the bureau director - - the director of the bureau of development services, and there is nothing in here that reduces or undercuts the standards outlined in our other codes. I just want to be really clear about that because I've heard a lot of, conversations that this in fact what's happening in title 3. I think with that, I am going to hand this over to jimmy to say a few words from the oni perspective.

Jimmy Brown, Director, Office of Neighborhood Involvement: Good afternoon. Jimmy brown the office of neighborhood involvement. Only staff has been working in partnership with b.d.s. over the past year to coordinate the necessary code changes to accommodate the transfer of the noise control and neighborhood inspections to oni. For oni this transfer required delegation to the bureau, the responsibility and authority to enforce title 18 and 29. The majority of the language in the proposed code was transferred from existing code language but consolidated what was in b.d.s. chapter 3.30 with the administrative sections of title 18 and 29. This has allowed reorganization of the code to clarify the processes and responsibilities for property owners and responsible parties receiving notice. In addition, we included language to reinforce the goal of resolving violation issues and gaining compliance using the most efficient and effective level of enforcement. The current code standards remain the same and potential changes to processes are intended to reinforce a problem-solving management approach, which really requires more flexibility in code. As all housing cases are not the same. At the direction oni's guidelines review taskforce, great. We decided to create a new chapter to provide the, the consolidated administration of oni's code enforcement responsibilities separate from the existing neighborhood services captured in chapter 3.96. Although we took the opportunity to make editorial and minor content revisions during this process, the changes centered around accommodating the reassignment of responsibilities between o.n.i. and b.d.s. We have staff here today that are going to give you some more of the specific details. Amy cammack, and Kermit robinson.

Kermit Robinson, BDS: Kermit robbins, bureau of development services. And the two directors have given you a pretty good summation of the work that we have done and what is contained in these exhibits. This project, we started back nearly a year ago, with an original goal of revising and reorganizing the city titles to reflect the shift in responsibility from b.d.s. to o.n.i., as I have found in 30 years of public service, nothing is ever simple. The existing code did not reflect current administrative practices. Didn't reflect recent council directives to b.d.s. and didn't reflect current enforcement methodologies. To do the shift of the authorities and throught the shift of the responsibilities, we needed the code to provide o.n.i. with those administrative authorities to have oni have updates to their enforcement methodology to reflect current practices. B.d.s. needed the same update to administrative authorities, and b.d.s. needed to reestablish any b.d.s. title, the enforcement process appropriate and flexible enough for the nine other city titles that the bureau enforces. The, -- ray gave you a history of the development of the process -- it works primarily, initially with o.n.i. and b.d.s. staff with ongoing assistance with the city attorney's office. We had involvement early on with, with other parts -- other agencies, including the ombudsman's office, the hearing's officer, auditor's office that were involved in the enforcement processes. Then ray described the two rounds of public review. What you have before you is an ordinance with five

exhibits. The five exhibits each address a separate part of the process -- the project, excuse me. Exhibit a is chapter 3.30, which is the, the chapter that establishes b.d.s. and sets out an administrative authority. The most significant work for b.d. is in that chapter, and it includes the enforcement provisions. The first part of the chapter establishes b.d.s. lists its duties and responsibilities, authorizes the bureau to set priorities, establish procedures to carry out its duties. It also authorizes the bureau to explore innovative programs such as our facility's permit program and the major projects' program and it also sets up a singular administrative rule process for us to adopt administrative rules as directed and authorized by the council. It also establishes the drac. The second part of chapter 3.30 is where all of the enforcement processes are set up, and before 3.30 had just bits and pieces of it, it had the, what's the word I am looking for, it had the process by which we had to obtain a search warrant but it didn't have process for appealing a notice of violation that we may have given someone. The notice of violation standards were some place else, and we only had citation authority in the sign code. We have taken all the varies processes that we have from the various titles and put them in one place and laid it out in a logical format and provided flexibility for the bureau and also the guarantees for the citizens, that they have a right to, know what they are being charged with and the ability to work with us to resolve the complaint. The issue -- the focus that we have been going for in the last while is as ray said the case manager approach for compliance and not a system that is only going toward punishment. If you look at the old process, it looks like it was a punishment only process. Therefore, we have a variety of tools in 3.30 that give us flexibility to work with, with individual property owners and other responsible parties to move towards compliance. All the hard and fast things are not in there. We have to next move to adopt an administrative rules that gives staff the specific guidelines on different types of cases that give us where we are going first. What's the first line -- first approach to say somebody parking in the wrong location or somebody building without a permit. What's our first step. All through the second half of 3.30 is the various steps. How we inspect, how we notify them, how we work with them, their appeal rights, and their ability to appeal to the hearing's officer. That's, essentially it for 3.30. The other b.d.s. exhibit is exhibit d, and this places into title 24, the building regulations of the existing city standards on dangerous and derelict buildings and the unique enforcement options for, available for those programs specifically warehousing of buildings and abatement or summary abatement. There is one final step that b.d.s. will coming back to the council with, and that is because we are consolidating a number of administrative processes into 3.30, we can go back to the other nine titles or eight of our other nine titles and strip stuff out that will become redundant and out of date to this new stuff. So we'll be coming back with another ordinance in a very short order to, to, essentially, streamline the other titles. And rely total on 3.30. With that, I will turn it over to amy to give you a little more detail on the o.n.i. provisions. Amy Cammack, Office of Neighborhood Involvement: The o.n.i. provisions are contained in exhibit b, which is the, the newly created chapter 3.97, which is the administrative portions that were previously contained in chapter 3.30, title 18 and title 29. Also, exhibits c and e which are the amendments to titles 18 and 29. The majority of the changes, as we said, result from the reorganization of the existing sections of codes, so I will just briefly touch on some of the more specific content changes that we have proposed in the code. As jimmy stated, the enforcement section was reorganized slightly to try to make it -- the process clearer for the public, to make it very clear what our role was in notifying the public and what their role was in responding to our notices. There have been some concerns as ray mentioned - raised regarding a section in 397050 section c regarding the exceptions, which allows some discretion for the director and the enforcement process. This language was pulled, actually, directly from what's existing in title 29, and there was no initial content change. Since the public comment, we have made some minor changes to modify the language just simply to clarify the intent of the section and to add the requirement that the director consider the potential impact on the public for any exceptions or

waivers that are granted. O.n.i. has waiver guidelines, which have been in place for years, that are a result of this section of the code, and they will be on file as we modify those with the Portland policy documents. The policy clearly states the process for applying for waivers or exceptions and also the requirements to maintain those waivers, so there's not a lot of variation in that. We have very clear policies as far as what those apply to. The properties are still required to comply with the guidelines. It's not an option to side-step the regulations, but rather, to address the code enforcement fines that could possibly be assessed while they are in the process of making corrections to get in compliance with the property. We also have taken the opportunity in the consolidation of title 18 and 29 to add a piece of citations, which was available to noise control previously as a possible tool for the neighborhood inspection's staff, and as to how we will apply that, it will have to be developed by policy, but what we have, at least initially discussed as a potential application of the citations would be a means to try to address some areas that we don't currently have the most effective tools on with repeat offenders and other structures, such as the mobile or floating homes, so it's an added tool that hopefully will allow us to motivate property owners who otherwise aren't motivated to maintain their property. There were also some changes to the section on civil signs. Previously, the, the fee and fine schedule was adopted by council, but we also have provisions in code that allowed the director to adopt fees by administrative rules under noise control's process, so in order to make those consistent, we modified that so that the director would adopt the fee and fine schedule as well as the administrative we don't have intentions on making significant changes to the fee and fine schedule at this point. The fees are remaining the same. The only changes will be to add in the piece that relates to citation, to include some fines for that. The civil fine section is also modified to provide some flexibility. B.d.s. has mentioned, as well, in assessing the fines, as we will determine by policy. Although exceptions were previously available as described relating to the waivers. This change provides a more appropriate format for some variation from the standard of assessing fines 30 days after the initial notice of violation. And the code, itself, doesn't have that change but allows the director to adopt policy that will define that process, and an example of what has been considered at this point is, is to try to place more emphasis on the severe fire life safety violations and correcting those immediately and allowing a bit more time on violations, other maintenance violations that don't have the immediate hazard threat to its occupants. The remaining changes in titles 18 and 29 are minor editorial changes and content changes. In part to bring it current with the current building sanitation and electrical codes and also in response to some decisions that were made by the noise review board to integrate some changes to allow consideration of past compliance and violations in reviewing variance applications and to clarify the reinstatement process for revoked variances. That pretty much summarizes the changes that, that o.n.i. has made to its code. Are there any questions? At this point?

*****: Thank you.

*****: Yes.

Sten: Questions from the council? Could you -- you just explained this, and I apologize. I am just trying to make sure I have got it right. Can you lay out who can make an exception or a waiver now and how it would be different under this new system?

Kerridge: I don't think it's changed commissioner. We have the authority now to reduce the fee in the case of non-profit wanted to [inaudible] I don't think any of this changes. I think --

Sten: Who has the authority now to waive the fees?

Kerridge: We do - I do.

Sten: Basically, your level or anybody's level? **Kerridge:** It's up, basically at the director level.

Sten: The director level. So you can waive any of the fees that are there now?

Kerridge: Yes, essentially.

Cammack: I would like to clarify, though, because the code is written to make it clear that the director will adopt the policies to guide the exception and waivers, so currently, I know with our section, neighborhood inspections, we probably received 10 to 15 applications a week for waivers, and those are processed based on the adopted policies that have been approved by the director. **Kerridge:** And commissioner we also have policy of non-fee waiver. Which kind of confines how

Sten: So the authority to grant those waivers is, essentially, the same under -- maybe just walk me through again how, how do you propose this provide more flexibility from what we have now?

Kerridge: Well, what we are intending to do is to change the policy on fee waivers, the procedure. With this kind of thing the devil's kind of in the details. We have the authority now we think that we need to kind of, to dissect it a little more, kind of put some limits and parameters on the fee waivers that we would issue. At this point, I think the important thing would be to take a look at the rules that we develop out of this --

Sten: Well, yeah. I guess -- the message that I am hearing, which I think makes sense, trying to understand how it works, is that we need some more judgment and flexibility in doing these things, but if this isn't changing anything, I am trying to get at what are you --

Kerridge: See to us it's not an issue. This isn't changing anything, so the issue is not our issue. But I think other people have an issue with it. As far as we are concerned, this is no different to what we do now

Leonard: You put it in a different section, is that correct?

Kerridge: Yes. You try.

much and for what.

Robinson: Kermit robinson. There is two different kinds of sections in here. There is a fee waiver section, and that has been administered almost identically as we will in the future, and that final decision on whether to waive a fee and that's a fee for a permit application or reduce it. That has always gone to the director. The enforcement process exception and waivers we have used primarily for title 29, but because 29 was the process that we used for all enforcement, that exception process was used generally -- what we will do in our administrative rule provide guidelines on, on, -- sort of interaction on individual cases, if the compliance starts happening quickly, we can say no the fines that we set at the beginning, could have been \$200 and will be reduced to \$100. Those types of things will be spelled out, and --

Leonard: Kermit, let me help The question that your being asked is can't you do that under the current language, and if so, why are we changing it?

Robinson: My reaction is if you read the code now for enforcement, we have to give you 30 days to comply, and at that point the fine kicks in and your property has a lien on it if you haven't complied. Now we don't have to do that under this code. We said on the initial notice or compliance request that -- because of this, we would like you to be fined 60 days. At 60 days, we'll get back -- we may look at it earlier. We have we will come out and look at the site -- we are continually required to go after the site and make sure that we are moving toward compliance and help the client get there, suggest ways that will help them. The code right now says 30 days. You have a code enforcement fee, and you are into a lien process. We are hoping we will very rarely get to the lien step. We're not automatically there yet in this code. We have been trying to use the existing process, but it has been a stretch to do this.

Sten: Ok. That sounds to me like a reasonably major change. I am not saying it's a bad one, but under this you would not automatically get a lien –

Robinson: correct.

Sten: So now you automatically get a lien - -

Robinson: If you are not in compliance within 30 days. **Sten:** The director has the authority to waive those fees.

Robinson: The fees are the permit fees. The fines -- the code enforcement fees your correct, sorry.

Sten: The fines cannot be waived now?

Cammack: Yes, they can. They can right now. I don't know to what level of detail, but for o.n.i., yes, it's written right now that the standard is after 30 days, it goes to lien right-of-way

Leonard: But the point is that the director could waive it after 30 days now, but this doesn't require they get involved after 30 days because it gives more discretion?

Cammack: Based on whatever policy or administrative rule is adopted, correct. Right.

Sten: So, so -- I am not sure I understand. Does the fine or fee can be waived now but only by the director, and under this, you would not -- you would have more flexibility down the road, down the line, and you wouldn't necessarily get a lien right away?

Leonard: That's right.

Ty Kovatch, Commissioner Leonard's Office: Ty Kovatch commissioner leonard's office -existing condition now, we can go after the fact, after the case is closed, look back and say that, that the circumstances in this case were such that, you know, that we can provide a waiver from this point to this point and reduce the fees by this much. What we are trying to do with the changes that we're making is make it so that on the front end, you can say, ok, on this end, we have a landlord who has put 30 people in his apartment complex in danger with the property maintenance stuff. We are going to use the hardest hammer that we have, which is the lien, to affect his gaining compliance with the code. Currently under the code, if you have an 85-year-old woman who has her gutters that are loose and hanging off the house and her railing is shaking on her house that she occupies, we have to treat both of those exactly the same. So what the code changes do is give us the ability to recognize that her situation is much different and much less grave than the situation we are dealing with, with the, the absentee landlord who, who has left his apartment complex deteriorate to the point it is putting people in danger. So, this will give our inspection's staff the ability to, you know, to treat this one differently and say ok, 85-year-old lady, we are going to work with you and you know, and instead of 30 days, putting a lien on you, we understand it will take you maybe 60 days to get the money, to get the gutters back up and get them under control, or we are going to fix it ourselves or whatever that takes. So, what this -- what has gone on in the past, there's been really a strong effort to treat everybody the same with the idea that that is fair and what, what we came to learn through working on the case is that treating everybody the same, essentially, becomes unfair because, because you are not recognizing that this situation is much different than this situation. So, going forward, we will, instead of making the little old lady months after the fact figure out how to apply for a waiver and come back and ask the bureaucracy for a reduction in her lien, that we never get to the place that she has to do that because we, we gave her -- we recognized her situation was different and gave her a different set of, of -- used a different set tools to get her into compliance. That's -- did that help?

Sten: Yes. And you are saying that the director of each department is going to, to put forward a set of administrative rules to guide the employees, and they will have discretion to work with them? **Kerridge:** I think you will see the big change is the policy and the procedure. What this does, it kind of -- ok, it brings that forward into title 3. We have had there for some time. I think you need to take a look at the rules, which gets into the philosophy that ty just talked about.

Sten: Ok.

Francesconi: That question was very helpful. They became helpful. [laughter] It seems like -- just two things. I am repeating it. But on the administrative rules, it seems like there is going to have to be some guidance given to the -- to distinguish between those circumstances to the staff -- **Kerridge:** Yes.

Francesconi: So it's important to have the administrative rules. We don't need to have them now, but at some point it is critical, I would think.

Leonard: It is. This is probably the part where I can just help a little bit. What we tried to do is bring a really philosophical change to how we applied the housing code and enforce nuisance provisions of the various titles. There is an inherent application in the changes that, we entrust employees, that we have hired to use their experience and their training and their good judgment and applying the code equitably, and what we found is that we want the employees to approach their job that way. Our own rules have prevented them from doing that, and so this attempt has been, has been to try to get to that, kind of the technical problem we've had with employees to use their best judgment in the field.

Robinson: Commissioner Francesconi, we have working right now the draft of the administrative rule to provide those various guidelines for the staff for the different types of cases, different types of level of case and provide that sort of guideline flexibility, and it will require review by supervisors and managers, etc., and we will be putting out a draft fairly quickly, and having that available for public review, I think, in june is when we are planning. We have asked for this ordinance -- it did not go into effect until july 1, so we have a draft rule, or an interim rule working by july 1, and then we are going to step back and immediately go into a more in-depth look at developing that into the administrative rule and working with the public and finalizing it. **Francesconi:** The other issue, I have no problems with allowing more discretion to resolve things quicker without fines if you can do it as long as some guidance is given, and that's what you are talking about. But then the other issue is, I think the government does have to be transparent, and so then the cumulative effect of these decision, not the individual decisions, but the cumulative effect -- there should be a way of letting people know what's happening over time because I think that's important that we do. So the question is, two questions -- well, three questions -- does that make sense? Do we have the technology without creating an administrative nightmare, and then could you work on this idea and present it back to us at some point?

Kerridge: Yes, commissioner Francesconi, I believe on review that the need to be absolutely transparent is essential, and a lot of this will be on the internet, so you can get transparent -- people can get on the net and see where these cases are in the process, so that we are working on that technology now. That's going to be a big piece of that. But your general comment, I think, is that especially with this kind of work, there is a definite need to be, you know, the government to be transparent, and we are working on it.

Francesconi: So if you could just work on ideas about what it would look like to report it back -- the cumulative decisions and just get back to us whenever you have part of this process. Maybe in june.

Leonard: We talked about how we measure some of our successes differently in the past. Unfortunately, success in enforcing the housing code and nuisance code has been measured with how much money we raised. I philosophically disagree with that and I asked Kermit to develop standards to measure resolving cases, so the case you heard out here, the gutter hanging with the elderly senior is a real case with liens associated with it. And the discussion that we have had, and where I have tried to get folks to think about is how do we fix the gutter that seems to have been lost in the discussion? So, what we are trying to do is come up with tools to give employees to get the gutter fixed, not necessarily to put liens on houses of people who don't have the means with which to fix the gutter, and so we are going to try to come up with some benchmarks that say that we have them cases last year, and we resolved this percentage of them, meaning we had violations and we corrected them versus we have raised this much money, so one of the impacts you are going to hear about is this has an effect on the amount of revenues you are going to get. We are not going to be so much relying on, on liens and fines any more, but rather, use the success benchmark of resolving the problem.

Sten: I do think, and this is more a council discussion, and I don't know where we stand because we haven't had it, but I agree with the philosophy. I haven't had a chance to wrestle with the idea

where does, if your not bringing in the revenue to pay for the inspectors, where does the inspectors rate on my priority list compared to other things the general fund pays for. I am not going to imply that this is more important than getting the fire department to pick one --

Leonard: That was unfair. Completely unfair. [laughter]

Sten: I think that that's going to be something we won't know until we do it but it will be a real big issue. Part of the philosophy is, you used to have people doing who aren't doing the right thing pay for the cost of paying for getting it cleaned up. I am curious, my questions on this is do you have an analysis on what percentage of the revenue is coming in for example for addresses that aren't owner occupied? I'm trying to think of things you might be able to easily figure out because some of these will be hard to figure out, like who has a financial hardship, but as a general rule, I am unsympathetic to a for profit company that's not up to code

Leonard: Which is precisely why these rule changes are occurring. We have one view of owner-occupied, single family residences, particularly where there are people of some disability or age infirmities where they live there. And we have a completely different view of how we approach rentals, which I think is reflecting exactly what you are saying. The problem that we are having is that, not that we are lessening the standards on rental properties but we are having to apply that same philosophy to owner-occupied with, oftentimes, senior citizens or disabled citizens, which we have discovered is extremely unfair.

Sten: Do you have any sense of how much revenue comes in from each of those categories? **Cammack:** As far as housing cases, I think to determine how much revenue is coming from those, particularly on a year-to-year basis, we need to do a more comprehensive revenue projection and budget analysis, which is intended for the bureau, so I think that that will come out of that. I know that -- I tried to run some general numbers on our housing cases to, to see how many of the cases are -- appear to be rental properties with mailing addresses at the site address and it looked like probably about 70% of those, maybe 65% to 75% of are cases are for some sort of rental properties. About 20% of those are larger complexes. But, 80% of the cases are on one or two family dwellings. So, as far as getting it down to that revenue point, I think that that's something that we'll have to work on in the future.

Sten: I'm just making this up, but we are probably thinking about a third of the drop in revenue or something. I am trying to get a sense --

Leonard: That's right.

Sten: Than what I am implying I am going to support because while I haven't had this debate, it's not likely that I am not going to support not having a housing inspection program, so i'm trying to get what's the financial implications by my vote on that

Leonard: I take a dim view of property owners that have rentals that they take some calculated view that it's cheaper to pay a fine than it is to fix the problem. I can tell you that I take a very kind of hardline dim view of that. I have a much different view of a home that's occupied by a senior citizen that has had trouble coming up with the means with which to keep their house up, and I am much more oriented towards, as everybody that is working together on this, much more oriented on how to fix the problem, what we can do to collaborate to fix the problem as opposed to using these liens against them.

Francesconi: Well, in light of the budget implications, as commissioner Sten pointed out, we do need to know in what categories, how much money we are waiving and why. Generally, in different categories. Not now. I mean, in the aggregate, there's got to be a system for evaluating this. So, that's back to my point but it relates to this schedule that we are having here. You don't need to do it now but you need to devise a system. The other thing you need to consider, and I don't know if it is going to work or not, but in those egregious cases, you should consider raising the fine. So it doesn't come out of general fund money. You should at least consider that.

Kerridge: Commissioner Francesconi, there are two aspects here. On the b.d.s. side, were rely on fees rather than the general funds, the amount of revenue we get from fines is practically - - there are so many zeroes in front of the one it's very, very small on the permit side. It is a much bigger issue for the general fund side. And we have that information as to how much fines we bring in on the permit side.

Cammack: I think your point is well taken about trying to come up with ways to deal with the offenders that do have more severe impact on us, and that's part of the reason why these citations or other civil fines that we have been talking about leads to trying to, address those more effectively than we do currently.

Sten: Any further council questions? Thank you. We are going to open it up to public testimony, specifically on 409, and then if you would like to come back and testify on 410, we'll do that when we are done with 409. I think that we just had one signup sheet, so what well do is call everyone for 409. And if you would, do your testimony on both in three minutes, terrific, but we will also take 410 as a separate item if you would like to testify twice.

Dick Cooley: I am dick cooley, a member of the development review advisory committee -- of the committee. Thomasina gabrielle has written a memo, which I hope you all have received. Kermit did this get passed around?

Robinson: Yes.

Cooley: And I am here -- she can't be here unfortunately. She does a terrific job as the chair of the committee, of the drac, which we call it, and I told her that I would fill in. The reassignment of duties -- there is two ordinances here, and I will speak now on the reassignment, and then I will come back to the other one, after it's presented. But the reassignment of duties between b.d.s. and o.n.i. is, is really a lot of it is -- well, we support the option of that -- of that ordinance. A lot of it is -- reflects directives from council that, that have not been previously codified, and parts of it consolidate provisions -- in other titles, I think that that's all pretty good stuff and pretty easy stuff to understand. I think that the one, the one thing, and you spent a lot of time talking about it here, is the chapter 3.3. We believe that it's -- the additional language deals with enforcement issues in chapter 3.3 is an important improvement. I think commissioner leonard did a good job of describing why, and in Thomasina's words, the bureau's current operational approach emphasizes using the tools of the lowest possible level to help create and achieve compliance but the existing codified system, on the other hand, is really basically legally rigid and flexible and our sense is these changes are good. We say that with the caveat that the administrative rules that need to follow are absolutely essential here, and with the promise that our committee is fully prepared, and in fact, expects to be involved in the development of those rules. The committee doesn't have -- or I would make a comment that, that the concept of oversight, the committees talked about, and we haven't been definitive about that, and the concept of follow-up reporting and that sort of thing are both ideas that we have dealt with, and I think that commissioner Francesconi's questions are really the key ones, particularly, you know, does it, does it create an administrative nightmare, but it certainly makes sense to do those things, and I think that there is probably a way to do it. I would also comment that I think the drac is probably the best oversight committee. I don't see any point --I mean, I am open to other people. I don't feel like I need to wake up once a month and do that sort of thing. But, I think that the drac is the natural group to do that because they are already involved. Others may have feelings about that. thank you.

Mark Sieber: I am mark sieber, 2939 northwest montara court. I am also a member of the drac. I am here as a private citizen and also on the drac, speaking in that capacity. Thank you very much for hearing us. I generally support the aim of reducing the incidence of penalties that are inappropriate, that penalize people who have done minor violations, and I am certainly very aware that the current regulations to rollover into a lien provides for great hardship in some cases, and I do believe that having flexibility in that enforcement is a good thing. With any system, when you go to

a more flexible approach, you remove the surety you have in a rigid code, and the tradeoff you get there is that the rigidity sometimes constrains you and doesn't take into account very contingencies. When you move to a more flexible piece, what you lose is a certain amount of surety that the intent of the code is going to be followed, and the way you make up for that, or one way you can make up for that is to have commissioner Francesconi was saying, is good oversight over the patterns of enforcement that are generated by that new approach. Because of that, i'd like to see -- I think I would prefer like an enforcement advisory committee. It's possible that the drac can perform that role, but drac are set up with a broader constituency because it has other functions, and I think that the enforcement advisory committee would be best balanced with a city development community, and a broad community support, you know, people from those three areas on that so you get a good balance of the interpretation when you actually look and see how this is working. I am not talking about micromanaging enforcement from day-to-day. I am talking about looking to make sure they really are helping out the old ladies and not helping out institutional violators. I also think that it would be important to look and see what mechanism you are going to use if you are collecting fines that aren't going to liens, as you remember, I am sure, with the transportation fee that was being looked at, you looked at the water bureau as the collecting mechanism because that's the one really solid, you know, collections agency you happen to have. So, that piece at least needs to be looked at I think as a technical part. And the last thing I would like to say we need a regulatory impact assessment to see -- this is to address some of the concerns there has been an overt approach to get more authority into the bureau. I think if we look at what the regulatory impact is we will find out what other regulations can strain the authority in appropriate ways and we'll learn more about how the whole process works in terms of the number of violators of different types and how they are treated

Tom Scalar: Good afternoon, commissioners, I am tom. 2105 northeast [inaudible] drive in Portland. I'm also a recent appointee to drac, and I just wish to mirror the comments of dick cooley and mark and lend my support for this ordinance. I think that commissioner Francesconi had some valid concerns, and, you know, an idea that I had as mark was talking, perhaps this enforcement advisory committee, perhaps, could be a subcommittee of drac, and I would agree that the whole committee doesn't need to be involved in it. But I still believe that, perhaps, the appropriate forum for that review if you will, would be with that committee or some small part of it, perhaps, and i, too, hope that, that it can be done simply and the administrative burden will be kept fairly simple, perhaps just a scorecard to begin with as to what the violations were, how they were resolved, what fines were collected, what were waived, just to give you a snapshot as we go along of exactly what the revenue impact was of actual versus what might have happened. I would point out, too, that quite probably a number of these liens and fines that have been being assessed up until now probably aren't actually collected by the city, at least not during the fiscal year in which they were assessed. My understanding is that the liens are generally probably not collected until the house changes title and somebody needs to clear that lien off the title, particularly in the case of single family, and perhaps, even multifamily. It's often not, probably several years, between when that event curse and when the multifamily property is eventually sold. That lien might be collected, so that probably needs to be considered into the impact on current general fund -- the current general fund situation, as well. Money is probably not collected today and probably not even tomorrow. Sten: Thank you.

Amanda Fritz: I'm Amanda fritz and I am testifying for myself. The findings in this ordinance are inaccurate and inadequate. Item 4 states the city code should be revised at the same time to clarify the bureaus administrative authority and enforcement standards. This is not what the ordinance does. It doesn't have standards. It has guidelines. It changes the rules of enforcement and takes away citizen's rights. It's been done with no budget or proper citizen involvement process. The final draft was published just last week. This isn't adequate citizen involvement.

Through no fault of the excellent staff who worked on it. Do you wonder that few citizens are here on a thursday afternoon at 2 o'clock with five days notice? B.d.s. and o.n.i. have had several staff working on this project for months. Neighborhood volunteers have had five days to scramble to respond to it. I sent in four emails on this issue which I copied to ms. Moore-love to be included in the record. The most troubling problem with the proposed authority is the proposed authority for bureau directors and the commissioner in charge to waive enforcement of 11 chapters of the Portland city code. The director may grant exceptions to the enforcement process of this chapter when the processes would cause undue hardship to the responsible party or to the occupants of the affected property. Granting exceptions to the enforcement process has the impractical effect of granting exceptions to the regulations, b.d.s. and o.n.i. are supposed to enforce. This does not comply with the comprehensive plan because the ordinance which has the subject of enforcement discretion are the means by which the city applies its comprehensive plan. The ordinance, in effect, turns all requirements necessary for compliance with the state acknowledge plan into options. Whether they be options of property owners or options of city staff or officers. No public process is proposed to determine whether there is a undue hardship and/or how the alleged hardship should be weighed against the purpose of the regulations and the public benefit of the enforcement. This matter is left to the discretion of the director. If this proposal were really going to improve enforcement, don't you think that I and linda bauer and bob Frederickson and many other neighbors would be here to support it? Commissioner Saltzman, before I came in I searched for leed regulations on the city's website. It brings up the following hits in titles 10 "erosion control." 24 building regulations, 25 plumbing regulations, 26 electrical regulations, 27 heating and ventilation, 29 property maintenance and 32 signs. Have you checked with staff in all of your bureaus to see if they mind, if all of those leed regulations are made optional? Commissioner Sten, this is going to change the authority because it gives code authority, which doesn't currently exist. This is the pallentine heights development in 96. This is one of the reasons that we have the current enforcement standards in chapter 33. It resulted in a mudslide into bob's yard, that's bob's yard, he's the neighbor. This proposal would allow the, the responsible party to appeal the enforcement standards or fees or fines or whatever. But bob doesn't get to appeal under this proposal. Commissioner Francesconi, is it ok with you that council does get to review the administrative rules in the future? Are you going to support an ordinance that claims to have no budget impact when, in fact, it proposes to allow unlimited fee waivers fine waivers and change to a case management approach to enforcement? You know from your work in social services and with the schools that case management costs money. Yet this proposal says there will be no cost for the proposed changes.

Ian Slingerland, Community Alliance of Tenants: Good afternoon. My name is ian slingerland and I'm providing testimony today on behalf of the community alliance of tenants. The community alliance of tenants operates a volunteer staff renter's rights hotline. On this hotline volunteers provide callers with information about tenant's rights and responsibilities and counsels tenants on effective strategies for addressing specific problems. We currently counsel around 1,500 callers a year, and this number represents our capacity to return calls, not the need. The voice mailbox for our hotline fills within hours of being emptied. The first quarter of 2004, we counseled 319 callers -- calls from Portland renters. Of these approximately 95% were from low income renters. 70% of callers were women, and 31% of calls came from households that include a person with a disability. On our hotline we consistently received the most calls about two issues, evictions and substandard housing conditions. Over 26% of all calls last quarter were about repairs. Utilizing the inspection program that enforces title 29 is one of a few strategies tenants have for forcing irresponsible landlords to meet their obligations to maintain quality housing. What you have before you is a handout that we use for our tenant educational services. It recommends the process for tenants to address repair issues, a process that includes utilizing the city's code enforcement process, when

direct communication with the landlord is ineffective. The city's enforcement of the city's housing maintenance codes is an issue of great importance to our members. We support the goals of reducing unnecessary harm to low income homeowners caused by current implementation of the city's existing code enforcement tools. In the neighborhood of organizing C.A.T. is engaged in around issues of gentrification and displacement. We have seen how complaint-driven code enforcements for owner-occupied housing can result in targeting low income residents as income profiles and neighborhoods change. We commend the efforts of commissioner leonard and the office of neighborhood involvement to address this issue. We believe that it's possible to address these problems without weakening the enforcement system for tenants but we are concerned the current proposal may not do so. The devil is certainly in the details. We asked that any changes to code enforcement require the office of neighborhood involvement to, at a minimum, pursue all enforcement actions currently required by title 29 when addressing code violations in rental housing. In addition, we would like to see this code revision process used as an opportunity to address shortcomings of the current system with regards to the code enforcement and rental housing. In particular, we believe a system that is almost entirely complaint-driven has many deficiencies for low income tenants in substandard housing. We would like to see mechanisms for triggering systemic periodic inspections of properties with chronic code compliance problems. And finally, we ask that you look to confirm that the notice requirements for notices provided to landlords regarding code violations match the requirements for posting in the Oregon revised statutes 90.380. This will allow tenants to pursue remedies under ORS 90.380 when for example a landlord rerents a unit prior to remedying code violations listed in a notice of violation. Thank you. Beth Kaye, Manager, Bureau of Housing and Community Development: Good afternoon. Janet Byrd had to leave and asked me to deliver comments on her behalf. My name is beth Kaye, I am the manager for policy, planning and communications at your bureau of housing and community development. I am also the lead staff person for the housing and community development commission, and janet was going to testify as co-chair of hcdc. Hcdc supports the goal of stabilizing low income residents in their communities. We understand how a case management approach might protect low income homeowners and we also wanted to note that there may be some resources for low income homeowners out of B.h.c.d. Bhcd is beginning a planning process around its housing rehabilitation programs, so there might be some match there. I am not quite sure. However, we are concerned about low income renters. The low income renters as ian slingerland pointed out need to be able to enforce the codes if there are health and safety violations. It might be helpful to have some specific criteria requiring consideration of the welfare of tenants. I think that I understood there is some language in there that talks about the public safety or the public interest, but it might be helpful to, to narrow that down tighter. And hede is primarily concerned with residential tenants, although we can see situations where commercial tenants in small businesses might have similar code enforcement issues. We think that the response is going to require some policy work. For example, the recent Willamette week articles about the motels on 82nd and on sandy, those are some interesting affordable housing resources. They are very, -- the rents aren't that low, but they are low barrier. You can get into one of those units, even if there is an outstanding warrant for your arrest. I may be overstating but it's not going through the same kind of criteria as you would at cdc housing, for example. They are maybe affordable but they are uninhabitable. We don't want to reward bad actors by letting those properties continue to decay because they are part of the affordable housing inventory. On the other hand, we can't let them stay the way that they are. It's not right. Hcdc would like to offer to be in on the discussion of the policies used to participate in whatever way would be helpful and would add value to the discussion. We would like to help with the drafting of the administrative rules and offer public forums for discussion of the policy issues. Thank you very much.

Leonard: While the next panel is coming up I want to make a couple things clear. This does not reduce the standards for rental housing. In fact I have directed the housing inspectors to stop the policy of self initiated inspections on rental property and on specifically, properties like the one in the willamette week to, initiate inspections where they see problems. We are also working on a strategy to actually have contractors that, when we get to the point on places such as the one outlined in willamette week, we send them in to repair the property and lien the property for the cost of the repairs. I will remind you those properties you are talking about exist under the current ordinance. They have been allowed to exist, and what we are trying to do is develop strategies to fix it and make it better. The status quo isn't getting us where we need to be.

Saltzman: Follow-up on some are your points there, amanda. Sorry. Just to follow up on some of the points you made, as always, they are very articulate. Your concern that in the waiver of a penalty, that there is no standings basically to sort of -- someone that may have been impacted by this, whatever happened, whether it's, in this case, your pictures show soil erosion, land slide so that's one thing you would be interested in seeing is some sort of standing for an aggrieved party? **Fritz:** For an impacted neighbor, the entire focus is between the city and the offender. There is no place for a neighbor to say excuse me, but this noise variance or this erosion control non enforcement is impacting me and that's a problem for me.

Saltzman: Just to put some confines around that, so if it was a neighbor that initiated the complaint, I assume, as opposed to broadcasting it to the world, giving everybody standing to come in and contest a particular penalty --

Fritz: It's not allowed to initial the appeal, only the responsible party can in this. Because the code – see currently the code doesn't give specific authority for this amount of variation. That's been the practice, but the code doesn't say so, so when this happens, we were able to appeal to the land use board of appeals. In fact and say no the code doesn't say that they can do this. The council eventually got the appeal and agreed an 5 to nothing that, indeed, that was not under the bureau's authority to be able to waive the code. This new policy would waive all of -- would allow b.d.s. and o.n.i. to waive all those regulations by not enforcing them. And wouldn't be anything I could do. I may need to appeal this particular ordinance to the land use of appeals because if I don't, I can't appeal a subsequent nonaction by the city.

Saltzman: I don't know if your coming back on the next ordinance, too, but the enforcement advisory committee, I think that was in your testimony, you view that as the potential body that could hear such appeals or is this a different animal?

Fritz: That was a suggestion that was made by the neighborhood folks several months ago. It's outside the scope of this project. This project staff were interested in that but weren't given the authority to pursue it, so it would be the counter balance, you know. And I will be to talk about the development review committee. Thank you.

Sten: Amanda we actually have two different ordinances before us. The issue -- trying to make sure I understand this, and I think that I am getting it. I am not sure. The issue on waiving construction standards and erosion and these kind of pieces would be in the second ordinance in 330, no?

Fritz: I don't think so. Sten: Ok. So where -- Fritz: It's in exhibit a.

Sten: Just to be blunt, an example that we are using is a little old lady verses an absentee landlord. I don't have any problem with that. I may have a problem with, with inspectors deciding that, that it's too much hardship to enforce the erosion standards on a construction site. I am trying to figure out where the different pieces are in there.

Leonard: That is not the intent nor is that going to happen.

Fritz: But that is what it says in the ordinance though.

Sten: We don't want to go back and forth, for me, I would like to have staff come back up and understand where the, the language is.

Saltzman: Yeah, and I need to understand if its waiving standards or waiving penalties associated with violations of the standards. I guess that's --

Fritz: Well it's clearly waiving the enforcement, its not the waiving the standards. It is very clear on that. However, if you don't enforce the standards, then you are effectively waiving them. You are not requiring the offender to go through any kind of process. Unfortunately, there hasn't been enough discussion on how to differentiate between the tenants, the old ladies, and the deliberate - its cheaper to disobey and get a fine, or maybe try to get the fine waived than it is to go through the process in the first place.

Francesconi: Amanda, if a process could be designed – see the problem, I think, with your argument, if I understand it correctly, is you are, essentially, arguing to give no discretion for the little old lady case.

Fritz: Actually, not. There is actually -- there is a committee, the environmental zone violation committee, which you, the council, order a year or so ago to look at the issue of e zone violations. B.d.s. has independently started processing those differently. The committee is a cross-section of the development services folks and planning folks and neighborhood folks and homeowners, and is looking at that whole question of how you get to the discretion in decisions. There is some ways that we could change the code to have clear and objective standards so that everybody knows this is a violation or this isn't, this is a minor violation, this isn't. There are a few decisions that become really quite discretionary and on our environmental zone committee, those are pretty wide variety of opinions on, either this is a high violation, you should get the maximum fine possible or this is no violation at all.

Francesconi: Right but there - - and so I appreciate that you are willing, then, to have some flexibility for the extreme cases, but then the question is -- do you put it in the code or you do it in the administrative rules?

Fritz: The problem with the administrative rules is that interim rules are supposed to be adopted with no public process at all and permanent rules in b.d.s. and oni are supposed be, to be adopted with no council review. So really, the director's decision is final. It might indeed be possible to come up with those standards. However, that's very uncomfortable given the track record of the way things have been going in the past year or two.

Francesconi: Ok.

Sten: I guess this is where - I'm going to ask the staff - this is where I am confused. I was not understanding that - I thought o.n.i. was now in this new system going to strictly deal with housing complaints. They are not going to go out and do construction site work?

Saltzman: Right.

Fritz: There is similar language for b.d.s. there is very similar language for both o.n.i. inspectors and b.d.s.

Sten: The language in bds is in this section 30 -- am right or wrong?

Fritz: B.d.s. is in exhibit a, chapter 3, and o.n.i. is in exhibit b. Different parts of chapter 3.

Sten: And I have to turn to commissioner leonard on this, if I read these ordinances right, 410 references section 30 and 409 represents 318.24 and 29. Is that --

Leonard: Kermit is the expert.

Robinson: Item 409 is the ordinance which would rearrange the various titles, am I correct?

Sten: Ok.

Robinson: And that's the one that has the revisions to 330, 397, 24, and etc. The second ordinance, 410, is just amending one specific section of 330 regarding the purpose of the drac.

Sten: Okay, so exhibits a through e are all attached to 409.

Robinson: Correct.

Sten: It's a small point but the title of 409 doesn't reference chapter 30 at all and it makes major changes to chapter 30 so I am a little worried that – somebody was concerned about chapter 30 being changed, how they would know it was going to happen based on this ordinance title.

Robinson: It references title 3 in total which is --

Sten: Ok.

Robinson: Includes Chapter 330 and 397. **Sten:** Ok. So that's where that is. Ok.

Fritz: Your correct commissioner the entire title didn't really explain, kind of like the ballot measure title, they probably need to go to a review committee or something, it didn't really explain the extent of the changes, and that's, I think, one reason you are not seeing many neighbors here today as might be - - as are concerned about it that I know of.

Sten: Thank you. Call the next round.

Moore: Dave Nadal, and that's all who signed up.

Sten: Anybody else would like to testify, please come forward at this time. Ok.

Dave Nadal: My name is dave Nadal. I am from Multnomah neighborhood. I support mark seber's testimony, his written document that he submitted here. Pretty much in its entirety. I also agree with many of amanda fritz's points, and specifically with regard to mark's suggestions, I strongly support creating the, the enforcement advisory committee to manage problems with the enforcement separate from the drac. One of the sentences that, that I really like that mark pointed out is however the introduction of individual judgments into any regulatory system must be balanced by robust oversight, but with regard to the drac, he says it is suggested that the drac perform this function, that committee has been selected to represent a range of specialized stakeholders, the majority from the development community. This is appropriate to the role of assessing the effect of the policy on the stakeholders who use the services of the bureau, but oversight of enforcement functions requires the balance of the city development and community interests. My very gadfly bird's eye view of this problem of enforcement with a lot less authority or expertise than mark or amanda, has been the following -- in city council sessions, I have heard the mayor and the commissioners constantly recognize that there is no way that we can keep up with all the enforcements issues that we have. We can't even -- we don't even enforce most of the violations that are there to begin with. From neighborhood activists, I have heard the same thing all over the city it's generally recognized that it's a chaos situation with, with, -- and we were just dealing with the tip of the iceberg with enforcement situations that we see. And even from developers, friends and acquaintances, the good ones resent what the less conscientious developers can get away with. And it's just recognize so that -- if we one's going to give exceptions -- well, anyway, those are just my observations. With regard to, to one individual, a commissioner or anyone else having the ability to grant the waivers, I have some qualms with that. Not that any commissioner wouldn't be as -- try to give their best effort to be evenhanded but 20 years from now, we don't know always who is going to be the commissioner, or if it's reassigned. That's why I really strongly am in favor of mark's suggestion, and I guess that came from other neighborhood activist, as well, for creating an enforcement advisory committee to study the pattern of, of enforcement, and I think that it should go beyond just oversight over any commissioners actions in granting waivers or adjustments to the process. I think that it should go to the fact that we are just seeing the tip of the iceberg of enforcement problems anyway, and that that – that's the problem is that there is so much going on out there that we don't even have the money to, to do it right. Thank you.

Sten: Thank you. We will now take testimony on 410. Since we don't have a signup sheet, I ask you to show hands who would like to testify on this. Why don't you both come forward. Maybe there is a third in the back. I couldn't tell.

Dick Cooley: My name is dick cooley. I am representing the developer review advisory committee, the drac. The drac strongly supports the ordinance. This proposal clarifies the drac that

drac exists to provide the city council as well as city bureaus and other commissions with review and input on the whole of the development review process. It's consistent with the original vision of blueprint 2000, and with the, the intention of the drac committee, itself. And we recommend adoption of the ordinance.

Amanda Fritz: Amanda fritz again speaking only for myself. If you refer to the ordinance in section 330, 0308, the purpose, it calls out the purpose as to implementing city goals for land use, transportation, housing, economic development, and the environment. This is city goals of neighborhood and citizen involvement, both which are important in the development review process. So please add the words "neighborhood, commerce, citizen involvement" to this purpose statement. Second of all, a planning commission membership should be a delegate on the development review commission, we have heard a lot about regulatory restraints and finding out whether regulations are implemented properly. The planning commission has a delegate on the historic land landmarks commission and the design review commission. It would seem appropriate to have a spot on the development review advisory committee for a planning commissioner if one chooses to belong to it. And thirdly, there is a change in the language, in the membership of the committee proposing to change it from an environmental organization to somebody with environmental interests. I have yet to meet an Oregonian who doesn't have an environmental interests, and I ask request that you don't make that change. You should leave it. There should be a delegate from an environmental organization, or proper watershed council or other bone fide environmentalist rather than somebody who is just interested in the environment.

Sten: Thank you, questions?

Saltzman: Ok. I think those are interesting suggestions. I would like to hear feedback from commissioner leonard or--

Sten: Why don't we ask the staff to come back up because I think there are probably some questions. I want to make clear to everyone to we are not voting on this today. It will move to second reading

Leonard: This was a staff-driven process, so any questions would be best answered - -

Cooley: I think to commissioner Saltzman, I can tell you that I would certainly -- as a drac member, welcome an appointed, you know, let the chair of the planning commission put somebody over there. It just helps communication. I think it's a great idea.

Sten: Ok. So let's -- I think that there is still some discussion to go on, and I think that the goal here will be to give you time to think about this but give as much council direction as we can before it comes back for another reading. Why don't we open it up for council questions and discussions. **Saltzman:** I guess I would like to try to get some, your thinking on this whole issue that, that was raised by amanda about standing of an impacted neighbor, impacted citizen about the ultimate penalty assessment, which really, as she asserts, does go to the heart of the enforcement issue. And the enforcement advisory committee suggestion, whether it's a subcommittee of drac or a free standing committee. Are these ideas -- I mean, you know, how do you deal with the concern of

giving somebody standing to have some sort of an ability to say hey, this isn't right. You let the person off too easily for what they did. From my property or my neighborhood or my stream or something.

Kerridge: With regard to the, to the enforcement advisory committee, I would be in favor of this being dealt with by drac, maybe a subcommittee of the drac. The reason for this being that they know our processes. They know what the rules and the regulations are in general, so, I mean, I would be in favor of some kind of oversight, but I think it should be done only if it would be done through the drac committee. I think they have a lot more knowledge of what's going on.

Saltzman: Oversight and the body that could hear an appeal by an impacted neighbor about a decision you make with respect to waiving the fine?

Kerridge: I really have problems with that commissioner Saltzman.

Saltzman: You do have a problem with that?

Kerridge: Yeah, I do. **Saltzman:** Elaborate.

Robinson: Let me give it a shot. Kermit Robinson.

Sten: Let me do a complimentary question and then you can speak to both at the same time. If yu ou made the argument which I think would have some validity that development review committee is really about getting permits through in the right way but enforcement tends to be about constituents that aren't part of the development process. How do you defend that drac has a wide enough viewpoint to look out for those folks? Neighbors and environmentalists and other folks? The theory being that once the rules are written, I trust the developers, you can figure out how to make sure they are there, but once somebody is complaining, and saying there not being enforced, can a committee mainly dominate by developers, feel representative on that question?

Kerridge: I would say if you look at the makeup of drac, how many members do we have?

Cammack: Two.

Kerridge: We have neighborhood representation on that committee. So its not the – drac is not a developer driven committee. I mean there are all kinds of interest represented on that committee. So I would say that the neighborhood interests are represented. That would be my response to that. **Sten:** Okay.

Francesconi: Can I cut in on this one? What you could do is you could have a subcommittee of the drac, which makes the most sense to me, but you could also have members of the subcommittee that are broader to make sure that you are reviewing this from environmental organizations, from neighborhoods on this particular subject. You could have a broader subcommittee of the drac. To me that makes the most sense in terms of giving policy direction because I do think you want to connection to the drac to make -- because they are familiar with the processes, but then having a subcommittee with a little broader membership to review the patterns and to make sure that it's being exercised properly is the direction I would give as one councilmember on this subject.

Kerridge: Commissioner, I would agree, but in terms of having the - - if the idea is to have this subcommittee review all of the decisions before they are made --

Francesconi: No that's a second issue. I was separating out the two issues.

Kerridge: I like what you said. We could bring the decisions back to drac, six months period or whatever, so that patterns could be reviewed, I think that would be good. That would be a pretty good idea.

Saltzman: Why don't you elaborate on why you don't like the other part of that suggestion? **Robinson:** Kermit robinson, trying to mix apples and kumquats here. What you are hearing is an attempt to take a land use, very activist concept and put it into a police power of process that has been historically a police power, where you -- the city delegates to a set of city employees, the right to enforce, to go through the enforcement process on a set of city codes and typically, in a -- if someone goes through a criminal system which this isn't, you are charged with violations of something. They go into court. The victim can testify that the victim doesn't have the right to appeal the case doesn't go down. The prosecution has the right to appeal. Essentially, our -historically, our enforcement process has been a police power with anybody can complain, and that's sets off the process. To now -- I think what I am hearing from commissioner Saltzman is should we consider moving it more toward a land use thing than gives surrounding property owners rights? That allow them to not only complain about something but appeals the decision on that process. That is a monumental step different from what we have done historically and is a monumental step greater than about that we are proposing here, and I think as a staff person, we need its own research and review with the community what that really means. You are talking not just one bureau here because these have partially gone to another bureau. You are talking two bureaus doing this kind of work. To step back to the original thing, what this, this exception is in

330 and 397, our exceptions to the enforcement process, that could be the fine, the length of time that someone has to comply, and I won't dispute that in the wrong hands, somebody could use it saying that I am just not going to have enforcement here today, and therefore it waives the code. But that is not our intent that's not how we have done it. It's really -- I think that it would be better for us to review how we use this in the next year after we have got the rules down, and if you are concerned about that, then we should step back and research how to get more of a public involvement in that process that historically has been not there.

Saltzman: Get our attorney up here.

Ben Walters, Office of the City Attorney: Commissioner Saltzman, ben walters, Portland city attorney's office, to respond to the question about drac, drac really serves in the nature of, of sort of a legislative body in terms of helping the bureau with broad picture, policy decisions, oversight of how the bureau is looking at the big picture, and when we get down to a specific property and enforcement as to a specific property, it's really more granular than what the drac is used to looking at. So we would have a sort of body that historically serves the purport of looking at the big picture, working with the bureau in terms of overall policy and development on a larger scale, and putting it in the position of doing something that historically has been more of the province of the code hearing's officer, who has been responsible in the past for -- if somebody is unhappy with a determination by the director, which has been the b.d.s. Director in the past, if they are unhappy with a decision made by the director regarding whether to waive a fee, then the appeal of that has been through the code hearing's officer, not to a larger body that is looking at the big picture. So, my recommendation -- because the c.h.o. really plays more of a judicial role and is used to applying concrete facts and specific situations involving individualized decision making. So, if we are going to go down this road, council does decide this is something that -- we already -- there will be that same process for in the sense of there is a code hearing's process. It applies today. It will apply tomorrow after the code amendments in an individual setting, an individual can come in and ask for a code hearing's officer's review. To get back to the other question, there isn't today the ability of a neighbor to come in and say that I am not happy with the enforcement that's going on and ask for the code hearing's officer to review how enforcement is proceeding. They can approach the commissioner in charge if they are unhappy with that, but there isn't an, an appeal process for that. I am hearing that there may be some interest in that. If there is, then there are some policy implications to that in the sense that, that right now, whether -- how enforcement is proceeding is between the city and the individual property owner, this would open it up and there would have to be some careful consideration as to how broad to open it up. The impacts on the administration of the program because there would have to be resources devoted to a wider scope of people participating in the appeal process, how it would slow enforcement down and how staff would have to be devoted to it, so I would, --

Saltzman: I think the idea was for just to limit it to those who actually initiated the complaint. **Leonard:** Well, I need to make something clear. The issue in the community nor in the work that's gone on here has not been -- we have not been harsh enough in portland in enforcing various regulations, that has not been a concern. The opposite issue is what we are trying to get at. Do we want to apply the same high level of standards that we do apply currently towards the picture that we saw here, towards people who don't -- whose offenses don't rise to that level, and we have no tools to help right now. That's the issue. Not anything else that you have heard here.

Sten: Let me just -- then I will be done. I just want to lay out. It is good to have a hearing because in all honesty, I needed the hearing to understand what was being proposed. Me and my staff couldn't quite figure it out. This is helpful. I have complete faith in you ray in your abilities to run the operation and absolutely the same thing is true for my sense of how commissioner leonard intends to run this, and I am fine with transferring the housing inspector to oni. Which is the title of this, and I am absolutely not just fine, I'm very happy about the idea of giving you, in this case,

o.n.i. to try to figure out a way to differentiate between the, the homeowner that's broke and the bad actor. I think that that's long overdue, and I am all for that. My concern -- I am going to need to get addressed because there is more than that wrapped up in this package to get my vote next week. Is really the language about the exceptions and the waivers in the chapter 3.30 that's before us, and basically, I am on page 2 of 21 and on page 15 of 21 --

Leonard: Two of 21?

Sten: I'm on exhibit a. And on page 15, it says, as far as I can tell, tell me if I am reading this wrong.

Leonard: Your on page 15?

Sten: I don't need a big -- if I am reading this wrong -- as I read 15 of 21, it's all new language that, essentially, says that the director of b.d.s. and their discretion can grant exceptions and waivers to the enforcement process -- i'll be exact, the director may grant exceptions or waivers, enforcement processes of this chapter when the processes would cause undue hardship to the responsible party or to the occupants of the affected party. And unless I am convinced otherwise that is more discretion than I am willing to put into the code. Because, certainly I'm not alluding to any current mayoral candidate but if I read that right, I need somebody to tell me why a mayor couldn't run on the process that an environmental regulations are too strong. Appoint a director of b.d.s. who doesn't like the environmental regulations, and commissioner Francesconi would do the opposite, and then have that person decide it's a hardship to enforce those regulations, and as I read this code, that would be perfectly legal.

Leonard: Just understand that right now, the director has that discretion only after the lien is imposed. This just allows up front issues to be taken into consideration.

Cammack: This language is actually currently entitled 29, so -- there's maybe been a sentence added to try to clarify the intent, but it's existing in title 29. It's just been duplicated so it's in title 397 and in title 330. And that's what I was referring to about our waiver policy that we do have written up as far as you know, if there is fire, life, safety, they typically don't qualify for waivers, so we have low income, we have nonprofits, we have Multnomah county -- we have a number of waivers, and the requirements for qualifying for those waivers are very specific in the current policies. The b.d.s. has had the same for --

Sten: I would like some legal analysis because I don't remember can waive any -- I know they can waive certain things but I don't remember the director can waive anything in any of these codes, and I am sure that I could be wrong on that.

Robinson: Let me respond. That is -- this does not allow waiver of standards of the other codes. It allows waivers of the enforcement process.

Sten: If you don't enforce them --

Robinson: If you waive the process, I'll grant you, you haven't enforced the code. That is not how it's done

Leonard: Is it true that this is language that currently exists?

Robinson: It is language that currently exists and is used by b.d.s. and now o.n.i.

Sten: This exact language?

Robinson: No actually the language has been tightened since what is in 29.

Cammack: To try to address that concern, to add that intent - -

Sten: Has somebody written this up an analysis for the public to understand? I have got people who, who --

Robinson: We have attempted to explain this

Leonard: This has been explained -- to be very frank with you, at nauseum to everybody that will listen

Sten: Not to me

Leonard: I appreciate that. I have heard some of this for the first time, but i've been having briefings on this, and there have been philosophical fights going on about what the current code says. And what you are hearing here today is an attempt to empower some in the community that aren't so empowered now is the real issue. Using this is an opportunity to actually give certain groups and viewpoints, tools that don't exist currently. We're just simply trying to straighten out for technical reasons the tools for the housing inspectors once they went to o.n.i. by transferring over the exact language that exists at b.d.s.

Francesconi: Where are the waiver guidelines you started to tell me about?

Cammack: We have printed guidelines at our office --

Francesconi: Are they administrative rules? What are they?

Cammack: Policies that have been adopted by the director. As it says here, the director shall establish written policies, and that's the way that they are written up, and they will be on file with the portland policy documents.

Francesconi: Well, this is a legitimate issue. Maybe, it preexisted, maybe it has not been caused by this, but I guess -- i'd like you to come back with some options, either the administrative draft, the administrative rule that your going to adopt, so that we have some certainty on this, or whether you could even put something in the code that doesn't tie people's hands but says in certain circumstances, you can't waive the enforcement. I don't know. But you need to come back with something on this.

Leonard: Well, but again, this is a great discussion, but we are trying to, to get to a place where we treat people in single family dwellings more fairly, and if we want to open this up to an entire discussion philosophically about what the existing rules are, that's fine but be aware that that's what you are doing.

Sten: No, let me be clear. If I am wrong, I am wrong, and i'm wrong all the time, but i'd like them to show me where in title 29 this, this language exists, but if you have moved it from 29 to 30, am I right or wrong, title 29 is the property maintenance regulations. So, that language gives the director the ability to waive enforcement on property maintenance regulations. Title 30 is the entire bureau of development services charter, essentially, so by moving that language from 29 to 30, if I am reading this right, and if I am wrong, I am wrong, the director now has the ability to waive almost any regulation in the construction process using the language that was intended to give them the authority to waive regulations in the property maintenance. I am totally with you --

Leonard: You are real close. How you are describing it. Correct me if I am wrong, but we are not waiving regulations. We can't waive regulations.

Sten: Enforcement?

Leonard: We can waive what the fines are if you don't comply with the regulations.

Sten: But am I right that if you are moving it from a very specific title to a broad title?

Walters: Well, that Commissioner Sten, if I could respond. The way that the code is set up now within chapter 3.30, which you are correct is, is the organic chapter that creates the bureau of development services and identifies what it has responsible for in terms of, of administration and what it's authority is in terms of carrying out that administration. There are, there are some general enforcement tools that are identified in the current 3.30. Some of those incorporate by reference a specific enforcement mechanism included in title 29.60, so at some point in time, there was the -- the council created, by reaching out from chapter 3.30 into chapter -- into title 29 some enforcement mechanisms. Under the current setup, bds in covering a large range of enforcement responsibilities for a number of different titles that has been added onto the b.d.s.'s plate over time, it has exercised some of the authority identified in 29.6.0 to a wide range of things. Now with the, the cleaning away of housing and sending that off to o.n.i., it was identified that it would be appropriate to take some of the things that are in 29, which relates specifically to housing, and bring those back into 30 to make it clear for everyone without having to refer to, you know, here and then go over here and

then come back, how all of this was supposed to work. What the structure of it was. So, that was done under a very early draft. Comments came back saying that this is too much discretion. It looks like the director is being given the ability to waive enforcement overall, standards, not just the enforcement tools but standards, and so the language was tightened up in response to those comments. Now we're here back today hearing there is some dissatisfaction and some discomfort with even the range of discretion that is given in the code as drafted, but the description as set out in the commentary is, is accurate. This is the existing language, but it's been tightened up somewhat in response -- that statement is from the beginning of this drafting process. It has been tightened up somewhat in response to comments from the public, but there was too much discretion.

Sten: I guess my question from a legal standpoint is, is -- you helped me there, is ok, it's language that already exists in 29 tighter, that makes sense to me, and does it now apply where it's now the position to a wider range of things that the director can then use it on?

Walters: No. It was used by the director in the past over the same range of things, now less housing. So it isn't affecting that at all. This was one of-- do use a different metaphor, this is one of the tools in the director's quiver that they could -- the director could bring to an enforcement situation, just one of them. There are other tools. Depending on the situation.

Kovatch: To be clear on just that point ray, just correct me if I miss anything on this. We have titles that this section gives the bureau authority to enforce, and those standards remain the standards no matter which way we choose to enforce them. As long as the goals of achieving compliance with those codes is met, I think the intent of what we are doing here is to give the director the authority to decide how to get there. That may be that we don't have fines or whatever, but as long as we meet the desire of the code, that's the service that we are providing the citizens. Our service to the citizens is not that we are fining somebody or that we are punishing them in some great way. Our services to citizens is that we make sure that there is compliance with the code.

Leonard: Which gets to the point that I made earlier about us looking into hiring contractors and certifying contractors to get in and fix the problem as opposed to just fining.

Sten: I hope I am being clear. I don't have a problem with the intent or the philosophy. I am worried when you write codes what the unintended consequences can be. Does it make any sense, I am looking at ben, could there be a sentence crafted to put into this language that clarifies that, that the director is not -- does not have authority to completely waive enforcement of the code? It's hard for me to see how you couldn't read this to say, the way people were worried about it read it, if you had a bad actor as director.

Francesconi: I think that the question, rephrasing commissioner Sten's question might be that if where you limit the discretion to waive fines in certain kinds of cases you know and it may not be possible, I mean, there is a certain category of cases here that we want you to have all the discussion in the world. There is another group that there is some concern about. Maybe you can't separate those two out. Maybe it can't be done, but I think that you should at least look at that to see if it could be.

Sten: I think that that's related, and I am not trying to be a lawyer. On page 15 section e, it says the director may grant exceptions and waivers to the enforcement process of this chapter when the processes would cause undue hardship to responsible parties, or to the occupants of the affected property – the thought I have is comma as long as the director can show ample effort to get what's meant to be done, done. See what I am saying? You can't just -- that's not the right language, but how you protect against the director who just says --

Saltzman: There is a department they have to have written policies.

Walters: There is a requirement that they have written policies, and the next sentence in granting exceptions or waivers to the enforcement process the director shall consider the purposes of the development regulations and the potential impact on the public. That was, in part, intended to address the concern that, that the director could walk away from the regulations all together. If it's

not strong enough and the council's sense is they would like that tightened up, we can go back and work on that.

Francesconi: Why don't you look if you could tighten that up and also give us the draft-type administrative rule that we are talking about here.

Walters: To answer that question, there was a concern about there being a gap in between the time that the council approves this and authorizes that, that reorganization, and the opportunity for the director both at b.d.s. and o.n.i. to approve new administrative policies. So one of the things that is addressed in here is that the council is ratifying the existing policies on behalf of o.n.i. so there won't be a gap in the policies, and I have talked to ray and he'll assemble the existing policies and we'll get those distributed to the council so that you have an opportunity to look those over before the next session.

Francesconi: They might consider strengthening this one to at least clarify this issue we've been talking about if it's not strong enough by the time you present it, if we can adopt it all at the same time.

Walters: Ok.

Francesconi: That would be my suggestion.

Saltzman: I did want to go back to the draft, itself, and i'd like to see an enforcement advisory subcommittee established, perhaps, with broader representation as commissioner Francesconi suggested. I think that it sounds good to have a planning commission member on there. Unless you have --

Kerridge: Actually, we have one on there.

Saltzman: But create that as an official position. And then I think changing -- or keeping the word citizen from an environmental organization rather than environmental interests, I think also makes sense. So those are just three things I'd like to see.

Francesconi: Here's my overall view because then I have got to go, frankly. This is a good thing. We are giving discretion that needs to happen here and we are going to give the ability to get at the problem that we are trying to get at, and I am confident it's not going to be abused for three reasons and I'll feel better when I see the administrative rule. There will be administrative rule or some language in the ordinance, itself tightening it. You are going to look at this, that's one. Two, there's going to be an advisory committee that's going to review this. And the third thing is we're going to have a pattern that's going to be presented to us, not appeals, but you are going to have a committee that's looking this over. It won't - - not individual appeals, and then the third thing is that we are going to get reports back on what's happening in different cases. So, I think a combination of those three things will give some oversight, especially since we have the drac committee, which are citizens, after all, and we need to expand it, part of this so I think that it's a good thing

Leonard: That's what we thought. [laughter]

Cammack: I do want to take this opportunity to point out, as well, that the drac, because there's been a lot of discussion about that review -- about the advisory committee being oversight of the enforcement process, but that is a b.d.s. advisory committee and not an o.n.i. advisory committee, and we don't currently – we do have bureau of advisory committee but not one that necessarily represents the stakeholders of neighborhood inspections, or noise control, which this is regarding. So, we have had discussions at least with neighborhood inspections and with commissioner leonard's office about possibly developing a similar advisory committee but I wanted to make it clear --

Leonard: That's why we have the inspectors to o.n.i. because we wanted that closer to the neighborhoods. We wanted them closer to the coalition. For all the reasons we are discussing here, so that it is, it is a group of people who have -- who have strong enforcement powers and responsibilities, who we want to reflect the community they work in. That's why they are there.

Don't think, because we don't have an advisory committee, that we don't want one, we welcome anything that better reflects what they do in the community.

Cammack: Right, and the reason that I point that out is as we move forward and we talk about bringing information back to you, you know, obviously, the development of, of a new advisory committee takes more time than, than development of a subcommittee.

Francesconi: You don't want a separate advisory committee from the drac on this. You have got to figure out how these two are going to relate. That's up to you.

Saltzman: The things I asked in terms of changes, are these a minimal or do I need to draft them? **Kerridge:** I think we can come back.

Sten: I think we just about beat this horse. I guess, you know, I did just look back, and with all due respect, the language isn't the same between the two paragraphs. It says the director may grant exception, i'll skip the rest, whenever the director deems it is necessary in order to accomplish the purpose the title. The new language says the director shall consider the purpose of the regulations and the potential impact on the public, and I may be nit-picking, but, you know I like giving people discretion. You can laugh Kermit but give people discretion, but the tighter is clear that the law is the law, and then you use your discretion to enforce it. I will be more comfortable, and your right on the edge. I am fine on the o.n.i. stuff, it's this language. It's a big package that you brought forward.

Francesconi: Well, and actually, that is an issue. It looks like Thomasina Gabrielle in her letter, she suggested different words for the purpose statement, and so maybe that's the other thing. You better go at the purpose statement to make sure it's right purpose statement.

Leonard: Kermit do you want to clarify?

Robinson: I want to clarify, I was laughing because the language that you read was in the last draft and we took it out to clarify it. So we can get it back in.

Leonard: I wanted to say a couple things. Amy cammack thank you very much for the hard work, ben, ray of course. But kermit has spent a lot of time on this. He has taken more than he realizes. I know a lot of abuse in this process -- I acknowledge you have done that, and I appreciate it a lot. You have worked very hard. Again, the whole thrust of all of this has been to make this process closer to the citizens reflect better what the community wants, certainly treat disabled and seniors and some of our most vulnerable citizens more fairly, so that they don't get treated the same way as an offending absentee landlord. That has been the goal. That's where we are trying to get is, is I think what I am hearing everybody say and some of us might take a little faith on the part of the council to trust what the folks are doing, but trust me, that's where we are going to get and where we want to be and, and make sure that, that people who offend are dealt with, but fairly.

Sten: This will move to second reading. When does it come back karla?

Moore: Is a week enough time? **Sten:** How long would you like?

*****: Two weeks.

Moore: That will be may 6.

Sten: We'll hear this again on may 6. Thank you, everyone.

At 3:49 p.m., Council adjourned.