



CITY OF
PORTLAND, OREGON

OFFICIAL
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **8TH DAY OF September, 2004** AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi, Leonard and Saltzman, 4.

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

Agenda Item 1069 was pulled for discussion and, on a Y-4 roll call, the balance of Consent Agenda was adopted.

COMMUNICATIONS	Disposition:
1048 Request of Peter Brink to address Council regarding the 2005 National Preservation Conference to be held in Portland (Communication)	PLACED ON FILE
1049 Request of Charles Long to address Council regarding the role of baseball in American culture (Communication)	PLACED ON FILE
1050 Request of Richard Koenig to address Council regarding war against public use of City streets (Communication)	PLACED ON FILE
TIME CERTAINS	
1051 TIME CERTAIN: 9:30 AM – School Efficiency and Quality Advisory Council findings report of 2003-04 (Presentation introduced by Mayor Katz)	PLACED ON FILE
*1052 TIME CERTAIN: 10:00 AM – Amend contract with Silver Oak Partners, Inc. dba Silver Oak Solutions for Phase II of Strategic Sourcing Services (Ordinance introduced by Mayor Katz; amend Contract No. 35297) (Y-4)	178737
*1053 Authorize Exemption for Class Exemption for the competitive bidding requirements for Strategic Sourcing Commodities (Ordinance introduced by Mayor Katz) (Y-4)	178738

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<p>1054 TIME CERTAIN: 10:20 AM – Amend the Hawthorne Boulevard Transportation Plan to include additional improvements on SE Hawthorne Boulevard and adjacent streets (Resolution introduced by Commissioner Francesconi) (Y-4)</p>	<p align="center">36251</p>
<p align="center">CONSENT AGENDA – NO DISCUSSION</p>	
<p>1055 Statement of cash and investments July 29, 2004 through August 25, 2004 (Report; Treasurer) (Y-4)</p>	<p align="center">PLACED ON FILE</p>
<p align="center">Mayor Vera Katz</p>	
<p>*1056 Pay claim of Anna Bourgo (Ordinance) (Y-4)</p>	<p align="center">178718</p>
<p>*1057 Pay claim of James Hanset (Ordinance) (Y-4)</p>	<p align="center">178719</p>
<p>*1058 Pay claim of Paul Jacobs (Ordinance) (Y-4)</p>	<p align="center">178720</p>
<p>*1059 Amend contract with Jay Group for discrimination and harassment investigation services to extend the duration and increase compensation (Ordinance; amend Contract No. 35327) (Y-4)</p>	<p align="center">178721</p>
<p>*1060 Amend Intergovernmental Agreement with Multnomah County, Purchasing Section, for quick copy work and printing services (Ordinance; amend Contract No. 51925) (Y-4)</p>	<p align="center">178722</p>
<p>*1061 Authorize acquisition of vehicles for use by City bureaus (Ordinance) (Y-4)</p>	<p align="center">178723</p>
<p>*1062 Authorize execution of utility easement agreement for 5418-5420 SW Beaverton Hillsdale Highway (Ordinance) (Y-4)</p>	<p align="center">178724</p>
<p align="center">Commissioner Jim Francesconi</p>	
<p>*1063 Grant revocable permit to Neighbors West-Northwest/Pearl District Neighborhood Association to close NW 13th Avenue between Hoyt and Irving Streets from 5:00 p.m. to 9:00 p.m. on September 10, 2004 (Ordinance) (Y-4)</p>	<p align="center">178725</p>

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<p>*1064 Grant revocable permit to Salvador Molly's Inc. to close SE 34th Avenue between Morrison and Belmont Streets from 6 a.m. to 8 p.m. on September 11, 2004 (Ordinance)</p> <p>(Y-4)</p>	<p>178726</p>
<p>*1065 Grant revocable permit to Bluehour to close NW 13th Avenue between Davis and Everett Streets from 5 p.m. to 11:59 p.m. on September 12, 2004 (Ordinance)</p> <p>(Y-4)</p>	<p>178727</p>
<p>*1066 Grant revocable permit to Archdiocese of Portland in Oregon/St. Stanislaus Church to close North Failing Street from North Interstate east to dead-end from September 24 through September 27, 2004 (Ordinance)</p> <p>(Y-4)</p>	<p>178728</p>
<p>*1067 Grant a revocable permit to Dan & Louis' Oyster Bar to close SW Ankeny Street between 2nd and 3rd Avenues from 8:00 a.m. to 7:00 p.m. on October 9, 2004 (Ordinance)</p> <p>(Y-4)</p>	<p>178729</p>
<p>*1068 Authorize Agreement with David Evans and Associates, Inc. to provide design and construction support for the NE 33rd Drive over Columbia Slough and NE 33rd Ave over Lombard and Union Pacific Railroad bridge projects (Ordinance)</p> <p>(Y-4)</p>	<p>178730</p>
<p>*1069 Authorize Director of Parks to declare default and terminate right to possession under Lease between the City and TAG Investment Corp for operation of McCall's Waterfront Restaurant (Ordinance)</p> <p>(Y-4)</p>	<p>178736</p>
<p>*1070 Authorize a Rental Agreement between Columbia Slough Watershed Council and the City for rental of a garage on Whitaker Ponds Natural Area (Ordinance)</p> <p>(Y-4)</p>	<p>178731</p>
<p>Commissioner Dan Saltzman</p>	
<p>*1071 Authorize a contract and provide for payment for the construction of the Insley Basin, Phase IV Sewer Relief and Reconstruction Project, Project No. 7185 (Ordinance)</p> <p>(Y-4)</p>	<p>178732</p>
<p>1072 Authorize a contract and provide for payment for the construction of water mains in the SW Taylors Ferry Road and Capitol Highway Mains Package, Project Nos. 7225 and 7228 (Ordinance)</p>	<p>PASSED TO SECOND READING SEPTEMBER 15, 2004 AT 9:30 AM</p>
<p>*1073 Accept easements granted for the South Airport Basin Sanitary Trunk Sewer Project and authorize payment (Ordinance)</p> <p>(Y-4)</p>	<p>178733</p>

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<p>*1074 Amend contract with HDR Engineering, Inc. for modification of design scope of work for the Columbia Boulevard Wastewater Treatment Plant Sodium Hypochlorite Conversion, Project No. 6700 (Ordinance; amend Contract No. 33998)</p> <p>(Y-4)</p>	178734
Commissioner Erik Sten	
<p>*1075 Authorize subrecipient contract with Central City Concern for \$344,320 for the CHIERS Outreach Program and provide for payment (Ordinance)</p> <p>(Y-4)</p>	178735
REGULAR AGENDA	
<p>*1076 Accept a grant from U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance to reduce crime and improve public safety (Hearing; Ordinance)</p> <p>(Y-4)</p>	178739
Mayor Vera Katz	
<p>1077 Adopt changes to the New Multiple-Unit Housing property tax exemption program (Second Reading Agenda 1033; amend Code Chapter 3.104)</p> <p>(Y-4)</p>	178740
Commissioner Randy Leonard	
<p>1078 Adopt new Federal Emergency Management Agency floodplain maps (Second Reading Agenda 1032; amend Code Chapter 24.50)</p> <p>(Y-4)</p>	178741

At 11:00 a.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 File.

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WEDNESDAY, 2:00 PM, SEPTEMBER 8, 2004

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

September 8, 2004
Closed Caption Transcript of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

SEPTEMBER 8, 2004 9:30 AM

Katz: Good morning, everybody. The council will come to order. Karla, please call the roll call.
[roll call taken]

Katz: Commissioner Sten, personal business. Ok, mayor is here. [gavel pounded] 1048.

Item 1048.

Katz: This is a special guest of ours, and he's here from Washington, d.c. He's a senior vice president for programs at the national trust for historic preservations. He's got an exciting, exciting announcement to make to all of us here as well as to the citizens of the city of Portland. And it comes at a very opportune time when the council will hear some additional requests, and additional amendments to the historic resources preservation program. Mr. Brink.

Peter Brink: Thank you very much, mayor Katz and commissioners, I appreciate the opportunity to talk about the national preservation conference that is coming to Portland september 27 through october 2 of this coming year,2005. This is the premier educational gathering and historic preservation in the u.s. It is principally organized by the national trust for historic preservation. This is a national nonprofit with more than 200,000 members. We work with partners across the country to save historic places and to further community revitalization. We're the lead advocate, for example, of the 20% rehab federal tax credit which has generated more than \$25 million with private investment with a private partner in save america's treasures, which has provided \$150 million of grants for historic preservations. We created the main street program. Some five years ago we did an r.f.p. To select the 2005 conference. Portland responded beautifully, competed with san diego, phoenix and other western cities, and we were delighted to choose Portland. We did this in good part because of your leadership and livability issues in Portland, land use models, and the support that was here to bring the conference. The conference is very much a learning experience, and our goal is for the close to 2,500 attendees to take back things that they can use in their own communities. Portland will be a laboratory with some 30 field sessions that will be organized very much with a range of Portland partners. The theme of the conference is "sustain america, vision, economics and preservation." the mayor of Portland will open the conference. We've already invited congressman earl blumenauer to be a keynote speaker because he's been an avid supporter of livability issues in the congress and in Portland. Our principal local partner is the Portland business alliance. Key supporters range from bob russell and the Portland development commission. Our key state partner is the Oregon historic preservation office. We will provide 100 scholarships for Oregon residents to attend the conference and the historic preservation league of Oregon will manage that scholarship program. The planning for the conference is highly collaborative. This afternoon at 4:30 we will have probably 70 or 80 people who have an interest in this, and we will explain exactly our purpose, the timetable, and the opportunity for participation by anybody who would like to be part of this. We also have a somewhat smaller planning commission that will have its second meeting tomorrow morning, and that representatives of the city will be at that. Finally I would just say i've been hearing a number of comments about the proposed ordinance changes and --

Katz: Just one second. Is it all right if he continues? Go ahead, peter.

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Brink: And the expiration of demolition denial. The trust provided a reconnaissance study for the p.d.c. in early 2003 looking at incentives and practices in other city. This is the type of issue we see the conference exploring. We see it's a very appropriate exploration for you to have. The trust is generally very supportive of appropriate demolition denial as part of a comprehensive local preservation program, and with the appropriate due process safeguards to protect owners' property rights. So it will be an exciting time in many ways in the next year.

Katz: Thank you.

Brink: Oh, and I have the initial marketing piece for the conference. This is a trifold. I think we printed 50,000 or so of these.

Katz: Leave it with karla.

Brink: And also a six-month complementary membership in the trust.

Katz: Thank you, peter.

Brink: Rick michaelson is one of our two Oregon advisors, and being a stalwart in helping to organize this.

Katz: Good. Thank you. 1049.

Item 1049.

Charles Long: Yes, thank you. My name is Charles Long. I live in northeast Portland. Baseball is embedded in American culture, like basketball. Baseball is an American invention. And Portlanders should not ignore its social significance. After the tragedy of September 11, 2001, although the nation was in shock, professional baseball resumed that Saturday, four days later. And the World Series happened to be held in New York City that year, and President George W. Bush threw out the first ball. President Bush is part owner of the Texas Rangers, and his father was very active in baseball in his college days. And during World War II there was a question whether professional baseball should be abolished during the war. The Spokane Athletic Roundtable sent a questionnaire throughout the world for service people, and over 200,000 replied, and the overwhelming vote was that we should continue baseball during the Second World War, which was done, by the way. And they had a contest, and I was fortunate to win the -- the grand prize essay on that subject. It is very important to our culture, as I said, and Portland should not ignore its great potential, not only culturally, but also economically. The Seattle Mariners had a long and controversial process to plan and build the great Safeco Field in Seattle, and it proved very, very successful there. They have one of the leading attendances in the major leagues in Seattle. And Portland should consider it also. And I think Phil Knight would be a good person to help -- help finance the baseball project and perhaps the city could help to arrange the -- the site for it. I think that the project, world class and major league baseball park, should be gone forward in the city. Thank you.

Katz: Thank you. 1050.

Item 1050.

Richard Koenig: Ongoing and heating up, I might add. Good morning, Portland. Good morning, city council. Last week I had the pleasure of a response from chief deputy city attorney Harry Auerbach to my educational outreach to his office on the issue of war against people's rights to use the streets of Portland. Essentially he stated that he and I will have to agree to disagree. I think you folks all got a copy. He intended to courtesy copy each of your officers. I found it extremely interesting that he made it quite clear that he perceived the conversation to be between himself personally and the legislature that I was quoting. Having made his remarks uniformly in the first person. By stating his disagreements in the first person, he effectively separated himself from city council, which two years ago voted unanimously not to declare war on the people's right to use the streets of Portland. I suppose it's important for the city's attorneys to become educated as they have a strong link to the police bureau. Right? Because of this, I wrote back to Mr. Auerbach to say that it is much too soon to agree to disagree, because I haven't even been exposed to whatever it may be that forms the base of his perceived disagreement with the legislature. I reminded him that I have

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yet to receive any public record from the city that takes away the people's right to use the streets, even though I have made public record law demands of the city auditor's office, the command level of the police bureau and the city attorney's office. The comment that I would like to make to you is that the unanswered public record law demands are not only violations of law committed by those who must -- must -- respond, but they cast doubt on the credibility of the city council itself, the leadership of the city. Rather than file another complaint with traffic division commander mike garvey for not delivering a document describing his authority to regulate the public of their automobiles, I will attempt to mediate his delivering of that document through the mediation provider for the city, northwest resolutions. On another front, senator kate brown swore out a petition for a stalking order against me, stating that she actually had one contact with me in front of city council here at the rally when james perez got shot. Remember that in april? And that nothing I did or said caused her to fear for her safety. By taking out the stalking order, she made a clear statement that she did not want to talk to me about why she's been refusing for six months to give me the legislative enactment that describes the person that has to have a driver's license. This war against the people is important.

Katz: Thank you, richard.

Koenig: Anybody out there can access that file by going to the court, the file room at 131, and ask for court file 040505011.

Katz: Thank you.

Koenig: That will be filed with the city clerk, so you can access that file number.

Katz: All right, thanks. Consent calendar. Item 1069 is being pulled. There was a request to pull it. Any other items on the consent calendar to be pulled by anybody here? If not, roll call on consent calendar.

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

Katz: Mayor votes aye. [gavel pounded] 1069.

Item 1069.

Katz: Who would like to add some words to this item?

Francesconi: Mr. Gillis, come on forward. And we have people from parks to respond as well, from the attorney's office.

*******:** Good morning.

Katz: Good morning. You have three minutes.

Tim Gillis: First off let me apologize for my attorney not being present. We were not informed of any action by the parks bureau being brought against us in any way, shape or form. The attorney happens to be on vacation on the east coast, otherwise this would have been more presentable. I'm a little big ignorant in these types of atmospheres. We obviously contest and disagree with the alleged abuses of the lease brought on by the parks. It's unfortunate that the parks, with their new personnel, do not understand the lease as it should be read. We have not violated this lease in any way, shape or form. I'm not exactly even sure what this is, since we were not informed. I was informed by the local newspaper that this was coming forth, so I have not received a copy as to what the allegations are, other than the newspaper informing me it was about lease payments, landscaping, I believe, and lack of premise -- or lack of accessibility to the premise for inspection, I believe that is what the three items are. At no time have we ever -- and I repeat, ever -- withheld any city employee from inspecting our property, as long as we are informed of what they're coming to do. And it doesn't disrupt our business, which is what the lease does interpret and does say that they can't disrupt our business at any time. Of course, if somebody wants to inspect our property at 12:00 noon, that's not a real convenient time for us to do that. That would be an example of it. As to landscaping, if i'm correct on those three matters, I would only point to waterfront park as our example. That's what we're held to. It states that strictly in the lease. Go to waterfront park these days and take a look at our property, I would say that our property is quite superior to the park at

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this point in time. As to the lease payments, we've been timely with all of our payments. We are on time, and we've made every single payment as we should. So to have these allegations brought on upon us as a forceful act to try and remove my company from mccall's, I think it's absolutely absurd. We'd like the whole thing thrown away, at least until my attorney can be present. We can have proper notification, we can discuss these matters, to bring these matters before us -- not even bring them before us, not to inform us that this was going to be happening, I think it's quite appalling, at least give us a call and say, hey, this is what we're going to be doing, let's talk about it. We didn't receive that phone call. Again, I apologize, i'm basically ignorant to this whole thing.

Katz: Thank you. Parks.

Leonard: Are we going to get a chance to ask questions?

Katz: Yes. Parks needs to make the comment first. Is parks here, or harry? Or both. Thank you.

Harry Auerbach, City Attorney's Office: Mayor Katz, members of council. I'm harry auerbach from the city attorney's office. We have been involved in prolonged conversations and correspondence with the tenant and his lawyer about the -- about the numerous areas in which we're in dispute over his performance under the lease. I want to say at the outset what the ordinance does is simply authorize the parks bureau to manage the contract by declaring a default, if they determine that it's appropriate to do so. Normally our city contracts designate a city project manager, who is responsible for acting on behalf of the city with respect to the contract. This lease came to us from p.d.c., who actually constructed the restaurant in 1988 and 1989, and it doesn't designate a specific individual to act on behalf of the city. So rather than have to run to the council every time we have a dispute with the lessee, we determined it was appropriate to have the parks director, or her designee, to be authorized to act on behalf of the city in the management of this lease including giving notice and terminating for default. Hillary can describe you in a minute what the defaults are that we believe are still unresolved. As far as notice to the tenant, we did write -- I wrote a letter to chris thomas, who is his lawyer, on july 27, outlining what we considered to be the defaults at that point, and asking him to tell me whether they intended to resolve these without our having to enforce the city's rights under the lease. I got an email from chris on august 3 that informed me that he had a meeting with mr. Gillis scheduled for the next day and hoped to get back to me as soon as thereafter as he he could. We've heard nothing from them since. At this point parks has determined that they need to move forward to resolve these issues or to get a situation in the restaurant that is manageable.

Katz: Ok. Go ahead.

Hillary Choltus, Property Manager, Parks Bureau: I'm the property manager with parks. The tenant is currently --

Katz: Pull the mike down.

Choltus: Sorry. The tenant is currently in default on several items, including rent owing to the city. Improvement that the tenant has made that we've not accepted as land lord, and we also consider to be a danger to the public. He more recently, on august 10, refused entry to the city to inspect the premises. He's also not upheld his landscaping requirements, and general maintenance at the site. And lastly he continues to make claims on city property adjacent to his premises for parking, and has been enforcing this by harassing the public directly. So those are the major items. At this time we're really just asking for the authority to enforce the lease, which we need to. We need to have to uphold this contract.

Katz: Thank you. Questions?

Leonard: Specifically harassing the public, what does that mean in terms of the parking?

Choltus: I have had several reports that he has had verbal altercations with people parking to utilize waterfront park in the public parking in front of his premises, and several elderly citizens who have been forced to leave by this indirection, as well as more recently there has been -- it's

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been a police report of an incident in which the tenant threatened citizens with a baseball bat for parking in front of his premises.

Leonard: And who is the signatory lessee?

Auerbach: The lease was originally entered into with a company called goforth and rice. It's been assigned several times since then and is now assigned to tag investment corp, which is a solely-held corporation owned by mr. Gillis.

Leonard: So we allow subcontracting of leased --

Auerbach: We have approved the assignments as they've been -- the lease provides that it can be assigned only with our consent, and on several occasions in the last 15 years the lessee has requested to assign the lease to another operator.

Leonard: And why is that in our best interest?

Auerbach: The last time we approved the assignment we frankly did it with some misgivings, but the operator at the time was trying to operate two restaurants. It was a corporation that was consisted of bob and connie hunt and gorham nickel, running the east bank saloon as well, and finding it hard to run both operations effectively, causing them serious difficulty and they wanted to --

Leonard: Were they sublessees?

Auerbach: They were the assignees, assigned the lease. We felt they had done a good job of getting us out of a problem we had with the operator before that, so we went over backwards frankly to accommodate them, even though hillary's predecessor has misgivings about whether the proposed assignee could perform, we decided to give them the opportunity and we've had fairly substantial difficulties ever since.

Leonard: So it's -- they're the ones that are actually the principals that you're trying to deal with?

Auerbach: Yes. Tag is the owner of the lease at this point, or --

Leonard: He is he the third in line?

Auerbach: Fourth in line -- fourth.

Leonard: He's the fourth in line?

Auerbach: Yes.

Leonard: I would suggest if you're going to cancel the lease, you cancel the lease and negotiate a lease with the principal.

Auerbach: We intend to -- if it comes to termination, we intend to give the hunts the choice of coming back and operating it or --

Leonard: The hunts aren't the principal lessees?

Auerbach: They are the assignees.

Leonard: Why aren't we holding the lessee accountable for this?

Auerbach: Because -- how shall I say this? We may have a legal right to go back upstream against all the prior assignors. It is probably not in the city's best interest given the reality of running this restaurant. In order to purchase the business, it's our understanding mr. Gillis has borrowed a substantial amount of money, and we want to give them the opportunity if they choose to try to come back to operate it to try to recover their investment.

Leonard: Wait. If we are criticized constantly as not behaving as a business, why are we concerned about their investment? I mean, it's our property, it's our responsibility to have it run properly. If they loan money to people that are going to mismanage a restaurant, why is that our problem?

Auerbach: That's a good question.

Leonard: That's the question.

Auerbach: If the council directs us to simply put out a new r.f.p., we can do that. We believe that the -- the hunts were fairly responsible operators of the restaurant. They were --

Leonard: They loaned the money to the man running it now.

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Auerbach: Yes, they did.

Leonard: They did it behaved on some assessment of their business risks. Now it appears we are having problems. Why is that our problem?

Auerbach: It's not necessarily our problem. We have operated under the assumption that that was the bureau's preference. If the council has a different preference, we will do it a different way.

Leonard: I just think we need to be more, you know, diligent in how we enforce our rules.

Auerbach: I appreciate that.

Leonard: We allow people down the line to behave in ways it appears they're behaving, it's not serving any of us well.

Choltus: I think if I might add, in my experience as a property manager, when you do have -- when you are managing and leasing facilities that are troubled as businesses, it is in your best business interest to work with that tenant, for them to be a viable operation, or assign a lease if that is a more viable operation. So part of those decisions have been business, in the interest of this particular premise, and he its operating restrictions.

Leonard: Is that what the private sector does, if a private investor owned a building, would he allow four sublessees?

Choltus: If there's other influences, yes, it does happen.

Auerbach: This is a challenging location to run as a restaurant, so we do the best we can with what we've got. One of the things we have to figure out is whether there's a viable alternative other than what we've got. And where they came from.

Katz: Further questions?

Saltzman: You mentioned there were improvements endangering the public as one of the --

Choltus: Yes. There's a patio roof that's been installed on top of the patio seating area, which we - - we assessed to be substandard, and actually was partially damaged last year during one of the winter storms, and we have made repeated requests in writing for it to be removed, and have more recently requested that a -- as I have been refused entry to the premises, that a -- someone from the bureau of development services inspect that.

Leonard: What were the conditions under which they were refused entry?

Choltus: I had -- although the lease provides me the ability to inspect at any reasonable time without notice, it had provided more than a week's notice by letter to the tenant, and he had agreed upon the time of the meeting at the premises. I attended the premise with another representative from the city who, for a technical inspection, and the tenant asked me to leave the premises and would not give me the right to inspect.

Katz: Anybody else want to testify? Commissioner Francesconi, what do you want to do?

Francesconi: I want to vote on this. I want to approve it, give authority to parks to negotiate.

Leonard: I need a chance to ask another question of the tenant.

Katz: All right. Go ahead. Mr. Gillis, come on up.

*******:** Basically --

Katz: Identify yourself for the record.

Tim Gillis, TAG Investment: Timothy gillis, tag investment. Basically what you've heard is a bunch of allegations at this point, nothing substantiated.

Leonard: The police report of january 1, with the baseball incident.

Gillis: Exactly. What date was that again?

Leonard: I don't have my glasses on, so -- it looks like january 1. I'm sorry, that's your birthday.

Gillis: Yeah. September maybe?

Leonard: Yeah.

Gillis: On that evening I was brought to my property by my alarm system, and that should be on the report as well. The police did confirm that. I have an alarm system there where I was in bed, my alarm went off. That's the only reason I was down there. When my alarm goes off, my first

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thought is that somebody's in my restaurant and doing something with it. I don't know who, I don't know what. And i've oftentimes carried a baseball bat around with me, one of those things like a football or baseball.

Leonard: Did you threaten people with it?

Gillis: No, I did not. On that evening there were a bunch of teenage kids hanging out in front of my door on the property itself. As I walked up to the property, I asked them to leave. It is my responsibility to secure the property through the lease. My alarm was going off. My only assumption was that these kids were trying to get into my property. I went through, inspected the property, asked the people to leave the property itself. When I came back out through the front doors, they were still there. And --

Leonard: Were they in their vehicle?

Gillis: They were not. They were standing in my front door. Are you familiar with mccall's? They were standing in the front door, right up against the door when I arrived. Asked them to disperse, go into the park, leave the property that i'm responsible for.

Leonard: How about the incident of not allowing --

Gillis: She doesn't give you quite the same picture. What happened was, hillary sent me a letter, I responded to her asking what the inspection was for. Actually the inspection as it read is "for any purpose for making repairs or improvements to the premise or for any unlawful purposes." I asked her what her lawful purpose was. She doesn't respond to me. She had gary woodward, the project manager for the repairs that were done over the spring, call me and gary said, we're just here to inspect the repairs that we did. I'm ok with that. She didn't phone me, didn't tell me. She came in for other purposes. I told her, that's not going to happen today. Gary called me, said this is going what's going to happen. There was no agenda.

Leonard: This is our property, we lease our property out, and you kick them out.

Gillis: No. There's no lawful purpose for her presence there. That's what the lease states. If there's a lawful purpose, I have no problem with that, but there was no lawful purpose that was presented to me for her being there whatsoever. Gary on the other hand did have a reason for being here.

Leonard: Lawful purposes, it's our property.

Gillis: But there was nothing stated to me.

Leonard: Well, it's our property. We can come and inspect it when we need to inspect it.

Gillis: As long as there's a lawful property, I agree with that.

Leonard: The lawful purpose, it's our property.

Gillis: I'm not an attorney.

Leonard: What i'm reading in front of me is not an appropriate way to be managing one of our buildings.

Gillis: She was also a disruption during the time, and that's what the lease itself does state. I'm sorry about that, but, again, i'm not an attorney, I don't know what the legal ramifications of all that, but, you know, if she had returned a phone call, said, hey, we're going to come through there, review that stuff, no problem, but she refused to do that. She had somebody else call me, tell me what his agenda was. That's what I was prepared for at that time. Had I been prepared for something else, that's perfectly fine, but to just show up, surprise attack almost, I don't think that's the real purpose.

Katz: Mr. Gillis, ok. Roll call.

Francesconi: Sir, I have correspondence with you all the way back to february of 2003. February of 2003. Then it was some other property manager you were upset with. We've tried to be patient with you. It's a very challenging site, we're aware of that. It's a difficult circumstance. There isn't the competition out there for this site given some challenges. Having said that, our patience is up. We wrote to your lawyer on july 27, with specifics, and we got no response. So you've been

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warned. Now what we're doing is giving authority to parks to deal with you. And you're either going to respond or you're going to be gone.

*****: We'll take it up --

Katz: Wait. We're in a vote.

Francesconi: Then we'll deal with the circumstances of the restaurant and others in order to make this thing good, because we respond to the public, and that's what we're going to do. Aye.

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

Katz: Mayor votes aye. [gavel pounded] all right, time certain, 1051.

Item 1051.

Katz: I'm pleased to introduce judy peppler, cochair of the school efficiency and quality advisory council. If you remember under ballot measure passed in may of last year, we required a council of citizens to be appointed. We did that. I looked over citizens that are well qualified, representing both the city and the county, and the auditors, to review what has been done in the school districts to deal with the expenditure of funds and information you'll hear about right now. So one of the requirements was that the council chairs and the consultants report to the county commission and to the city council on these issues. So welcome.

Judy Peppler, Qwest Communications and Co-Chair of School Efficiency and Quality

Advisory Council: Thank you. Mayor Katz, members of the council, as mayor said, i'm judy peppler, the state president for qwest communications in Oregon and cochair of the school efficiency and quality advisory council. I'm here today to give you an update on the activities of that council. As you recall, on may 20, 2003, Multnomah county voters approved a temporary local income tax designed to provide three years of bridge funding for Multnomah county schools. In addition, the measure provided funds for senior and low-income health services and public safety needs. In 2003 and 2004 school year, the local tax provided over \$66 million for corbett, centennial, david douglas, gresham-barlow, parkrose, Portland public schools, reynolds and riverdale school districts. These funds represented about 9% of the total funding for the eight school districts, and about 12% of the funds spent on school-based activities. The goals of the local tax measure were to promote current or improve student/teacher ratios, to promote a full school year, to fund programs designed to achieve improvements in academic success for all students, to fund key student support programs and services that provide a quality school experience and retain students in school, and to provide for independent oversight to ensure that the funds are well spent. Part of that oversight established the school efficiency and quality advisory council. The purpose of the council is to ensure that the revenues provided by the local income tax benefit students in the classroom and that the new tax dollars are well spent. The council was formed in december of 2003. It includes representatives of parents, educators, tax leaders, business leaders, union leaders and governmental leaders. The council was appointed by mayor Katz and Multnomah county chair linn. The advisory council has dual roles. Specifically the advisory council reviews plans and budgets for expenditures to ensure they're consistent with the requirements of the Multnomah county income tax, reviews plans and results for improving academic success and operational efficiencies to ensure that the dollars are well spent. Works with Portland and Multnomah county auditors to define the scope of specific performance audits and review the findings of those audits. Reports at least annually to the Portland city council and Multnomah county commission and makes recommendations about continued funding, and ensures that information about the use of the local taxes is reported to every household in Multnomah county. So again, the council was formed in december. And we requested information from all of the school districts as to how they were going to spend the money that they were receiving. They provided that information in january. The district superintendents provided presentations to our council in january and february of this year, and the council approved the 2003-2004 school year report on march 15. And prepared a mailing to all Multnomah county households. Just to go over some of the conclusions I believe that you have

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been given, the full report, the local tax was used to provide a full school year and to benefit students. All Multnomah county school districts were open for a full school year in 2003-2004. The school districts used the local tax to maintain or add 780 teachers to maintain or reduce class size. The school districts restored or maintained educational programs and services to keep students in school. 97% of the funding went to school-based activities and the remainder goes to central support for these school-based activities. All of the districts provided plans to improve student achievement and all of the districts provided descriptions of how they will use the funds efficiently.

This year the school efficiency and quality advisory council is pursuing a two-phased approach going forward. In phase one, we're currently reviewing how the school districts are using the fund nothing the 2004-2005 school year. We've also asked the districts to report on the potential impacts if the local tax is repealed in november. We're going to meet next week to review this information and receive briefings from the respondents of the eight school districts, and our goal is going to be to report by the end of september on the use of the funds this year so that it's available prior to the november election. We are also scheduled to brief the Portland city council on this report at your october 13 meeting. In phase two the school districts are going to submit their plans for improving student achievement by december 31 of this year. We will also ask them to report on their progress in implementing the student achievement plans that they provided to our council last year. We will meet with the superintendents of the eight school districts to review the student achievement plans in january and february of 2005, and we plan to produce a full report on the 2004-2005 school year by march 31 of 2005. With that, I will stop and answer any questions you might have.

Katz: Questions by the council? Ed, did you want to --

Francesconi: A couple. Did you get any reaction to the mailer from the public? What kind of reaction did you get?

Pepler: I would say overall positive. I think there were only a few of the typical, why are you spending my tax dollars putting this report out, but overall in general I think people were pleased that there had been oversight and that it appeared that the money has been going directly to the classrooms, which is what the taxpayers wanted.

Katz: Ed, did you want to add anything?

*******:** No. I'd be happy to answer any questions.

Francesconi: Can you give us any hints as to more efficiency that the schools can do?

Pepler: One of the things that the council is looking at is things that are working well in one school district that might be replicable in other school districts. We've spent a lot of time on that. Interestingly enough they do talk among districts, but not as much as you might think they do. So we see our role as being able to look all across the districts and see if there are efficiencies that have been gained, or even student achievement results that have been successful in one district that could be replicated in other districts. We have to have more -- we hope to have more of that information next year.

Katz: Further questions? Thank you. Lots of good work.

Pepler: Thank you.

Katz: All right. 1052.

Francesconi: Thanks for your service on this.

Item 1052 and 1052.

Katz: 1053 as well.

Sue Klobertanz, Director of Purchases: Mayor and council, i'm director of purchases for the city of Portland. Two items in front of us today, one to amend the contract with silver oaks solution for phase two of strategic sourcing, and the second item to authorize an exemption from the competitive bidding requirements for those strategic sourcing commodities. In may, as part of the budget efficiency efforts the council passed phase one to change how the city buys its goods and services and put the city in a position to take advantage of the new procurement tools available to us

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with the changes in the state law effective in march of 2005. In phase one, silver oaks spent approximately 12 weeks doing what is called an opportunity assessment. In a layman's terms that means they look at all of our expenditure data of about just under \$100 million for a 12-month period. They narrow that down to 35 large spend categories, and then finally recommended 19 categories representing about \$20 million of annual expenditure for further review. That final report from silver oak was presented to the strategic sourcing steering committee, the bureau directors, the contracting coordinating committee, our internal review group, and the mayor's fair contracting forum. We're bringing recommendation to council today for phase two approval. > item 1052 amends the contract with silver oaks solutions for phase two. The cost of the phase two amendment is \$700,000. I should indicate that silver oak is using 20% of the contracting dollars will be going to minority women and emerging small business firms, as well as additional dollars going to other local businesses here in the region. It is expected that that \$700,000 will be recovered during fiscal year 2003-2004, this fiscal year, as a result of the savings coming from the newly-negotiated contracts. If we move on for the rest of the contract period, we estimate that in the next three fiscal years, a cumulative net total of just over \$5 million will be saved by the city. The second item,1053, authorizes the exemption to the competitive bidding requirements. That allows us, as you've done in the past, that allows us to move forward using r.f.p.'s and reverse auctions as procurement tools. If these items are approved today and contract proceeds as plans, it's my intention to come back as part of the 2004-2005 budget process for phase three strategic sourcing. The phase three would be needed to expand into particularly p.t.e. contracting, and also allow for a knowledge transfer element and assessment of additional resources needed by the city to get us to a place where we don't have to hire consultants to do this kind of work. As many of you have pointed out, strategic sourcing is not new in the private sector, and it's time that the public sector caught up. As you've all been provided significant background material, i'm going to stop here and allow for questions. I have with me today nedi telvi, from Silver Oaks Solutions, the program manager for the project, and also rob lightfoot, a vice president of silver oaks solutions. They can also be available to answer any technical questions.

Katz: Why don't we bring them up.

*******:** Ok.

*******:** Good morning.

Katz: Good morning. Why don't you introduce yourselves, and if you want to add a little bit more to the information that was just shared with us, that would be fine, and then we'll open it up for questions.

Nedi Telvi: I'm the project manager for this project. Have been doing strategic sourcing for over eight years now and delighted to be here today.

Katz: Thank you.

Rob Lightfoot: I'm the vice-president of silver oak. I founded our san francisco office. I'm currently overseeing this project. I'm also involved overseeing the project that we're doing with the state of Oregon and have been doing for the last 10 months. I've had about nine years of strategic sourcing experience with fortune 500 firms and more recently state governments.

Katz: Thank you. Questions.

Saltzman: So I believe the estimates are, through the strategic sourcing, that you can do this fiscal year, we could look at a \$1.3 million savings? Is that correct?

Lightfoot: I believe the estimates are in a one-year period, savings from the reduced prices and other policies the city might pursue, would create \$1.3 million in savings. The way we think of the project, because you have to figure out a way to fund for it, is we want to make sure the savings created from the lower prices that are negotiated will pay for the project within this current fiscal year, and that's actually less than a one-year period. So the savings for this year's period are somewhere over \$750,000 projected conservatively, and that is slightly higher than the cost of the

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project in this year. Typically we negotiate new contracts that create savings immediately, as soon as the city starts buying off those contracts, but the city accrues savings over the lives of those contracts, which typically average two, three, four years.

Saltzman: And sue mentioned that part of your fee will go to minority women, emerging small businesses. Could you describe what role those businesses -- who they are and what role they'll play.

Telvi: The company that we have utilized actually as part of our phase one effort, which was again 20% of our fees, was m.c.m. Project management. They actually provide team resources for us to utilize over the course of the project.

Saltzman: Are they based in California or --

Talbee: No. They're based right here, in Portland.

Saltzman: Oh, ok. M.c.m.?

Telvi: M.c.m. project management.

Saltzman: Ok.

Katz: Further questions? Refresh my memory, did we -- did we include the savings as we put the budget together?

Klobertanz: For this fiscal year it's going to be just about a wash. So no, we did not include those. So basically the savings will offset the cost of this particular contract.

Katz: Right.

Klobertanz: And I need to point out that silver oaks has been very generous, I believe, in their negotiation of their contract cost in an effort to get us to a no net gain in our expenditures for this fiscal year.

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

Francesconi: Well, we appreciate your help here, and hopefully we can -- you can -- I don't know if you want to do this, but put yourself out of business over time by helping us develop the expertise to do this. That would be maybe in phase three. There's also p.t.e. contracts we should be looking at in that next phase. I think you're going to help us. But in parks, you know, we did a version of this, where we purchase now from napa auto parts instead of having our own parts stores, saved \$400,000 in just that in the first year. So how we use this, and your help with the state, now with us, I was hoping the savings would be even more than \$1.3 million, but better to start conservatively as we try to figure this out, but this is very important to what we do. We appreciate you renegotiating your contract with us and you working with us for the public good. Aye. Thank you, sue, for the initiative you showed in this.

Leonard: Aye.

Saltzman: Well, sue, and the rest of purchasing, silver oaks, too, I think you've come forward with innovative, but yet proven abilities to save dollars in other state governments, and I realize we're your first major urban client, but your track record has been checked out and verified, and I feel very confident that the savings you've delivered for many states, including Oregon, can be accrued for us as well. This is a good project. And I look forward to much success. Aye.

Katz: Mayor votes aye. [gavel pounded] all right. 1053. Roll call.

Item 1053.

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

Katz: Mayor votes aye. [gavel pounded] 1054.

Item 1054.

Katz: Commissioner Francesconi? Today is another exciting day for southeast Portland. We're working on division street. Today it's hawthorne. Revitalization of hawthorne boulevard in the 1980's really marked a turning point in the history of our city where we started reinvesting in our inner neighborhoods with transportation improvements and lo and behold people started moving back. We have a terrific business district that anchors a terrific neighborhood. Today we're

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amending the hawthorne boulevard transportation plan, which was citizen-driven, in order to deal at their request, the request of citizens, to add some speed bumps to local streets that have been impacted by some displacement. And especially by nonlocal traffic. Today we have Jean here from pdot to discuss the specifics -- discuss the specifics, and some citizens too.

Jean Seneschal-Biggs, Portland Office of Transportation: I'm a project manager in the Portland office of transportation. I'm here with Greg Jones.

Francesconi: Hi, Greg. Sorry I didn't introduce you.

Greg Jones, Office of Transportation: Not a problem. Greg Jones with the office of transportation.

Jean Seneschal-Biggs: I'm here today to request the council's endorsement of recommendations to amend the hawthorne plan. I want to give you some background on the plan itself, tell you about the process we went through with the community, and describe the changes that are proposed. So hawthorne boulevard has a rich history. It's really one of our premier main streets. We hear about it a lot as a great shopping street. It's a significant transportation corridor in southeast Portland. Carries a lot of traffic. As I said, it's really the center of that community. Hawthorne is really one of the strange roadways in Portland. We have 70 feet of right-of-way, and that has to fit everyone that needs to travel in it. So back in 1996, the office of transportation began a study of hawthorne boulevard. And really at that time that was when the neighborhoods approached us and they said, could you please help make hawthorne safer and improve the environment? The planning process sought to produce a greater balance among all the modes and all the users of hawthorne, really with an emphasis on alternative modes of travel, as well as providing and enhancing access to the variety of activities found along the boulevard. The process focused on asking the community where the balance could be found and use of variety of methods to inform and involve the community in the decision-making process. We gathered a citizens advisory committee with broad representation, all committed to improving hawthorne. They developed the plan with city staff. And we met over the course of a year. We also held three public workshops and had an open house and had a mail-in survey that allowed the greater community to review the ideas and give feedback. And the result was that the plan was adopted by city council in July of 1997 with wide community support. The improvements that were recommended in that plan stretching along hawthorne from 11th to 55th and work with the existing cross-section of the road between the curbs, and we also are going to be maintaining the existing number of travel lanes that are on hawthorne. So once the plan was complete, we could move into implementation. We actually built the first phase of the project back in 1999 when B.E.S. was doing sewer replacement work on hawthorne. In that case the plan that was adopted gave us sufficient direction in order to move ahead with construction, but as we began work on the second phase in 2000 we determined that there were some details that still needed to be worked out, that the plan hadn't really resolved, so we went back to the community. In that process, our most significant effort was with the citizens advisory committee. We had an open house in October of 2000, and after that we reconvened the group and continued to meet through June of 2001. And their role was really to guide us as we refined the plan. We had the 1997 plan as a good document, a good place to start, but as I said there were some areas that needed some of the details worked out. So during that time the project staff did some further analysis and design work and presented those ideas to the C.A.C. to get their recommendations and feedback. This C.A.C. really became very engaged in the decision-making, and over the course of eight months, we had 13 meetings, so we were meeting every couple of weeks. There were countless subcommittee meetings as neighbors got together and decided to focus on some really specific topics, looking at some specific intersections at 20th and 50th, looking at the bikeway improvements, and how we would implement those as part of the plan, even talking about the aesthetics and how the improvements would look, and then spending time to look at sort of the budget and dealing with some finance issues around the project. So the C.A.C.'s recommendations, which are -- that's what

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this -- these amendments come out of that second process, is what we're talking about today. So those were really -- their intent was to come up with a final plan for construction. And so what I want to do next is describe some of the specific changes for you. At Hawthorne and 20th, Elliott, that's the entry to Ladd's Addition. The goals there were to help decrease the delay at the intersection by working with the signal timing. But as we started our work in 2000, some new concerns popped up, so we went back to the drawing board. This is what the plan looks like today that we're proposing. It's a new design that's different from the 1997 plan. It does maintain the existing signal timing that's in place today, but it allowed us to provide some pedestrian safety improvements, particularly on the south side of the intersection, bringing the sidewalks further out to be more parallel to Hawthorne. And then we're also reducing some of the impacts to the local streets. The 1997 plan recommends signaling two intersections in the core commercial district. That was 32nd place and 35th place. And this is really that -- the most congested segment of Hawthorne, and the commercial uses here really tracked a great number of people arriving by car, by bike, by foot, by bus. The two new signals that were proposed in the plan were really there to help time traffic flow and reduce speeds to 15 miles an hour in this -- in the core commercial area. They're also there to help provide pedestrian crossings and make it easier for cyclists to ride in the travel lane. As we began our work in 2000, our traffic and signals engineer started to look at that more closely. They determined that installing both signals would have a pretty detrimental effect on Hawthorne and would add significant delay and congestion, but they said, let's look a little closer at 35th place, because it has such a high volume of pedestrians who are crossing there, we said let's take a closer look and -- and in that case we saw that it would be appropriate there to help with pedestrian crossings. It allowed some measurable delay in congestion to Hawthorne, but we decided that was an appropriate level for Hawthorne. So in the end, the C.A.C. recommends that a signal be installed at 35th place. They also requested that funding for traffic calming on 35th place between Hawthorne and Division be included in the project because of concerns about this new signal having effects on the livability of the street, that it could attract additional traffic and speeding cars, but the C.A.C. also said, you know, let's let that ultimate decision about the speed bumps be up to the residents that live along that street. So I'll tell you a bit more about that process later on. Ok. So at Southeast 49th, the 1997 plan recommends that the further study of this intersection determined if a traffic signal is appropriate to install. And as preliminary engineering began we started to hear some concerns again about the safety at that intersection for pedestrian and motorists as well, and the project's traffic engineer determined that indeed the signal -- the intersection did meet our traffic signal criteria, and recommended that a signal be installed. Another thing to note here is that north of Hawthorne, Southeast 49th is a neighborhood collector, actually a pretty narrow roadway. As we were discussing the proposed signal, the residents that are on that section of 49th came to us and really voiced their concerns about how this signal can impact the livability on their street. So we went back to our offices and our staff developed some models of the intersection, and to analyze how that would affect traffic and determined that there are ways that we can work with the timing plans to help constrain the -- the availability of the green time, and help to maintain the existing traffic volumes that are on 49th today. So it's sort of where we had to find a compromise in how we could both take care of Hawthorne as well as take care of the people who are on 49th. So in the end, the C.A.C. recommended that the signal be installed, and as well that there be funds available for the project for the speed bumps on 49th. And as is the case on 35th place, they also recommended that the residents on that street make the ultimate decision about whether those be installed. One other thing to note, one block south of Hawthorne, on 49th, it's very narrow, 19 feet wide, and we determined that that street would really benefit from being turned into a one-way for that one block because of safety concerns. So the 1997 plan recommended building curb extensions at the intersection of 50th to narrow the intersection and create this -- a gateway opportunity. At the same time we also wanted to signify to drivers that this is where Hawthorne transitions from being a

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district collector to actually being a local service street in the mount tabor neighborhood. However the original design that was in the plan wouldn't accommodate the tri-met buses that have to make the turn there at 50th, so we redesigned it. It now accommodates their buses, and as a result it created this large curb extension on the north side that created this space for a neighborhood gateway. One thing that will -- we'll be doing here, too, that the timing of the signal at 50th can be tied to the signal at 49th and they'll operate together. As we were work ongoing on the -- working on the design here, neighborhood representatives from mount tabor and richmond worked together to develop ideas for this intersection. So the c.a.c. endorsed the following recommendations, that we reconstruct the intersection at 50th and create this neighborhood plaza, and that we also allow the mount tabor neighborhood association to design and install a neighborhood entry sign in the plaza, just a note is that that design will need to be approved by the office of transportation. And this is just to help kind of guide you. What you're seeing on the dark lines, this is the intersection at 49th, and then the intersection at 50th. And the dark lines show where the improvements -- where the limits of the work will be. So you can see here, on the north side here at 50th, this large sidewalk area, that that's where the -- the gateway entry to the neighborhoods are going to be.

Katz: Are you almost finished?

Francesconi: Yeah.

Jean Seneschal-Biggs: Yeah. The c.a.c. also looked at the bike lane improvements. Over the course of four meetings and a bicycle tour with our staff, we reviewed and assessed the improvements proposed in the plan. And their recommendations really fell into four areas -- to improve the southeast 34th avenue bikeway connection, and again provide funds for speed bumps between hawthorne and division. Reduce the speeding and improve the livability on the southeast lincoln bikeway. Again, that's another street with speed bumps proposed. And then they also made recommendations for additional bike signage on hawthorne and on the side street routes and wanted to make sure that we provided additional bike parking on hawthorne. This is some work that they -- another committee worked on, looking at the design of the improvements. The picture here that you're seeing is the design for the -- what we're calling a bike oasis, areas of covered bike parking installed on hawthorne. So we're -- as I said, we're getting ready to get work on -- started on the phase two project, and work should start in march of 2005. At the same time we've been on a separate track, moving the speed bump projects ahead, and at this point they do have sufficient support that we would recommend that they would be installed.

Katz: Thank you. Nice job. Any questions? Very thorough presentation. I hope I didn't shake you up by asking you to speed up the tail end of it. We've got the report in front of us.

Jean Seneschal-Biggs: Oh, great.

Katz: Questions? Ok.

Jean Seneschal-Biggs: There are a few representatives from our c.a.c. who are here to speak. I'll call them up.

Katz: Ok, karla.

Jean Seneschal-Biggs: They didn't sign up. Yes, we know who they are. John laurson, paul niedergang, and Catherine ciarlo.

Katz: Come on up. Ok. Who wants to start?

John Laurson: Ok. I'll start. My name is john laurson. My address is 5829 southeast salmon. My business address is 4828 southeast hawthorne. Hawthorne boulevard has a remarkably high number of owner-occupied commercial buildings, and mine is one of them. There have been two separate -- two citizen advisory committees, and I was one of the people that served on both iterations of that. The original c.a.c. was convened in 1986, and spent a year and a half trying to improve hawthorne for all modes of transportation and also we had a -- as a group, we came early to the realization that we wanted to have a second goal, which was to make sure that we didn't -- by creating a plan, inadvertently do something that would have a deleterious effect on the

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neighborhood. We wanted to preserve the spirit of the neighborhood as it has developed sort of natural, and we had a enormous amount of citizen participation. We had several open houses. We had 2500 people that returned mail-in surveys, and so -- and then we ended up with a large packed house, workshop, at the theater where we had to turn people away. And so we had a tremendous amount of public response to what we were doing. A lot of interest in all the neighborhoods, up and down hawthorne, and from the business community as well. And we felt, in July 1997, when we presented this plan to you, that we had brought to you a well-crafted plan that achieved both of our goals -- to improve the transportation environment for pedestrians, bicyclists, transit riders and drivers, and also to not have any kind of negative effect, and in fact, preserve the quality of hawthorne as it has developed. And then we reexamined that plan. There was a second c.a.c. convened in 2000, and there was some overlap with the first c.a.c., I was one of those people, and I had the pleasure and honor of cochairing the second c.a.c., and we again had, as Jean suggested, we had a -- we had a very intense process that went on for eight months, and besides our -- our regular c.a.c. Meeting that were almost every other week, we had all the subcommittees that we developed, and so if you were on the c.a.c. and those subcommittees, you could be meeting once a week on this plan over those eight months, or twice a week in some cases. So again, we had a lot of citizen input up and down the boulevard, and we -- I would say that in both iterations of the c.a.c., the conversation at times were spirited, but they were all mutually respectful, and I feel like that the plan that we developed was really a credit to a very positive process and a lot of citizen involvement and recommend it to you. Thank you.

Katz: Thank you.

Paul Niedergang: Hi. My name is Paul Niedergang. I live at 1524 Southeast 35th place. My office is at Southeast 50th and Hawthorne -- 50th and Hawthorne, and I'm a resident of the Richmond neighborhood and I'm president of the Hawthorne Boulevard Business Association, a commercial property owner, and I served on the Hawthorne Transportation Plan, Citizen Advisory Committee. I've come to speak in support of the Hawthorne Transportation Plan, and encourage you to continue your support of the project. Hawthorne Boulevard is the lifeline for a large section of Southeast Portland, connecting the Hawthorne district and surrounding neighborhoods to the rest of the city, enabling the movement of people and goods throughout five Portland -- Southeast Portland neighborhoods. The transportation plan will improve transportation and transit to and within the Hawthorne district and will support the continued vitality of the area as we move forward in this new millennium. Hawthorne Boulevard is the focal point of the Hawthorne district, a main street business district, which is a small town in and of itself. The transportation plan enhances pedestrian and bicycle access in and around the district, and will enable a multimodal transportation system to operate more equitably, more efficiently and more safely on a narrow and congested street. The improvements have also been designed in a manner which respects the history of the boulevard and also contributes some elements which will become the future history of the boulevard. In addition to improving two important intersections at Southeast 20th and 50th, which are clearly dysfunctional and desperately in need of help, the transportation plan will also implement a multitude of small, but necessary, improvements to the street, ranging from redesign of a.d.a. curb cuts so we don't have standing water at every intersection, to installing bicycle racks and kiosks and street trees. The transportation plan will improve pedestrian safety by installing two new traffic signals, numerous curb extensions and marked crosswalks. The Hawthorne Transportation Plan Citizen Advisory Committee process has been a long and interesting journey with continued high level of participation from members of the local community. In many ways, it's been a model exercise in local politics and decision-making, which has not only allowed, but encouraged real citizen input, a kind of real street-level democracy. We commend the manner in which PDOT has managed this process, and engaged the members of the community in planning the project. In closing, I'd like to thank you for your past support and encourage you to continue funding the

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transportation plan, which we believe is a critical step in recognizing the importance of east side main streets as key elements in the fabric of the city. Thanks.

Katz: Thank you.

Catherine Ciarlo: I'm Catherine Ciarlo, 1804 Southeast 34th, which is one of the streets treated in the amendments, and I'm also the executive director of the bicycle transportation alliance in which capacity I served on the citizen advisory committee. I guess I just want to say that was my first real experience with a citizens advisory committee for a Portland transportation project. And I took away from it two things that have really stayed with me. The first is Portland is an amazing city for citizen involvement, which you all know, and the level at which the conversation generally stayed and the way we dealt with a lot of different viewpoints on the committee was inspiring and instructive to me as a committee member and also as someone interested in transportation. I guess the other thing I took away was a real sense of how much traffic in a neighborhood can cause misery for people in those neighborhoods. I don't think I'm overstating it. I think these guys would agree. At every intersection we talked over the months, 20th, 34th, 35th, 49th, 50th, people came to us from the neighborhoods and talked about the kind of misery they were feeling from speeding traffic -> inability to cross, inability to feel safe as they walked around. Of course, I'm a bike geek. I would go home, tell my husband, why doesn't just everyone ride bikes, which didn't really fly with the committee. I think what you have in front of you are a set of amendments that really try to address that misery with some of the best tools that we have. Of course, in my professional capacity, I'm very pleased to see the improvements on the bikeways at Lincoln and 34th. I think that really will help make those even stronger connections for bicyclists throughout the city. In my capacity as a resident in the neighborhood, and on one of those speed bump streets, I'm very grateful to you for your continued commitment to and investment in making our neighborhoods safer, more accessible, and more livable. And I guess I can bring back to you one of the things I did this past month, was carried petition around to get signatures for speed bumps. Our street, I think 85% of the people that live on the street said yes to it. And we consistently heard from people, they were so grateful that the city was thinking about this, willing to pay for it, and willing to improve our neighborhood in that way. So thank you very much from the b.t.a. And from the neighborhood.

Katz: Thank you. Questions? Anybody else want to testify? Roll call.

Francesconi: This is wonderful testimony. First, though, John, I wanted to thank you for all you did on the Holocaust memorial and all the free work that you gave and all the time that you gave. So I haven't had a chance to personally thank you for that. This was great testimony. Gosh, because it's what's best about Portland. Small town, you know, anchored by the main street, is what was said. We have 91 of these small towns here. None may be -- only a few as special as Hawthorne anchored by this main street, but then it was the street-level democracy statement that you made that actually -- the whole testimony reflected that. So you combine street-level democracy with very caring and talented staff and that kind of ethic we have here, and then bicyclists get together with motorists get together with pedestrians who care about it get together with business owners, and they craft solutions based on expertise, but things that work in their neighborhoods. So it's terrific work that you've done here. And, you know, it began -- Hawthorne began the reemergence of families in our city, and you're continuing that with 25 to 35-year-olds and everybody else, but transportation improvements are at the heart of much of this. So we heard your gentleness at the end, when you also said that it's incumbent upon us to make sure there's the resources for speed bumps, for bicycle parking, for, you know, maintaining the streets, but doing it in a pedestrian-friendly way. So it's up to us to come up with the resources so that street-level democracy can flourish in other neighborhood. Aye.

Leonard: Well, I'm sitting here feeling very guilty, because I more often than not drive home via Hawthorne, and I do it --

*****: Why don't you ride a bike:

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Leonard: That's why I'm feeling guilty. And Katherine has done that to me more than once, but I drive up Hawthorne, it's not the most direct route to Hawthorne, I drive up Hawthorne because it's one of the last neighborhoods that reminds me of the Portland of my youth, the small businesses and signs that decorate the street in the businesses as you go up, it's just very cool. And often on a Saturday I will join my audiophile brothers and sisters at Fred's stereo, and my culinary brothers and sisters at Nick's Coney Island, and then brothers and sisters at the Aladdin Theater, all on the same street, on the same block, and then you can go from there. It's truly a place you can have a lot of fun in an afternoon and not walk two blocks, if you don't want to. So this is a great plan. I love Hawthorne. I will try to ride my bike more and -- aye.

Saltzman: This is good work. I want to commend both office of transportation and also the Hawthorne business association and the many citizens that have helped galvanize this project. Looks like a lot of good improvements will make a great place only better. Aye.

Katz: I don't know if any of you remember, but the 17 bus went up Hawthorne into the southeast neighborhood, and I was given the wonderful opportunity to represent that neighborhood when I was in the legislature. Now I couldn't figure out why somebody living in northwest was representing the southeast, but they had to do that for apportionment purposes. So I got to know by bus another neighborhood, and a lot of the place that Commissioner Leonard mentioned were places that I visited as well. I also thought that this was the next 23rd, but I also listened to the residents of the area. They didn't really want to be the next 23rd. They wanted to have the vibrancy of the economy reflected on Hawthorne, but it's also a neighborhood. So you mitigated that. It's a combination that probably isn't seen anywhere else in the city. It's a wonderful street. You've got wonderful people committed to making it even better. And I too would support the notion that you have transportation choices and you ought to use them. Thank you for your hard work. Aye. [gavel pounded] ok. 1076.

Item 1076.

Katz: Ok. The good news is we have money from the federal government to deal with these issues. The bad news is it was cut dramatically. The other questionable news was that Multnomah County took us to the appropriate bodies because they felt that we were asking for too much of the share of the federal grant. I don't know all the details, but I hope that doesn't ever happen again. So Rita, do you want to bring a team up and talk a little bit about it?

Rita Drake, Portland Police Bureau: Good morning, Mayor Katz, Council. I'm Rita Drake, fiscal services manager of the Portland Police Bureau. Today we have before you an acceptance of an award for a grant that is substantially less than our first award. In 1996 we received \$1.8 million. Today we're looking at \$215,000. At the Mayor explained, we're sharing the eligible amount that the city has with the county at a proportional rate, the same that we have for the past three years, and that's about 47% for us, 43% for the county, and 10% for our community partners that have the programs of embrace and youth gang outreach. We are establishing a program through the grant that support local law enforcement through nonsworn hires, and keeping those hires in the detective division and our web-based application position in the planning support division. We're also asking for the equipment to purchase your piece for our officers' radios, and again as I mentioned earlier our community partners for the embrace program and youth gang outreach program. Does anyone have any questions?

Katz: Did you want to add anything? I'm sorry, let me just add that the decisions on what to fund are made collaboratively with the sheriff and the county commission and the city council. The district attorney's office, all the law enforcement parties. Yes?

Saltzman: So why is there such a big decrease in the federal money? Is that just --

Drake: We've seen at the federal level a lot of dollars filtering through for homeland security and -

Saltzman: This isn't awarded on a population or crime rate type of formula?

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Drake: Actually, it is.

Saltzman: Oh, it is.

Drake: However, with that there's less to award, because they're directing funds toward homeland security.

Saltzman: So the total pie is smaller over time.

Katz: Further questions? If not, roll call. Whoops, I need another commissioner.

Drake: May I take this time to introduce my staff?

Katz: Go ahead.

Drake: This is kezia, our grants person for the Portland police bureau. This is bob, our senior financial analyst for fiscal services.

Katz: Thank you.

Francesconi: Hi.

*******:** Hi.

Francesconi: Was I supposed to vote?

Leonard: Yeah.

Francesconi: Thanks.

Katz: Go ahead.

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

Katz: Mayor votes aye. [gavel pounded] 1077.

Item 1077.

Katz: Roll call.

Francesconi: Aye. **Leonard:** Aye.

Saltzman: Well, I just want to say this is a really good rewrite of our tax exemption, multiple units, and I think it's going to make for better, more affordable and more environmentally sensitive development downtown and elsewhere. Aye.

Katz: I want to thank both the planning commission as well as the p.d.c. Commission, to get to closure on some of these issues. Aye. [gavel pounded]

Francesconi: Actually, can I have a point of privilege here, because I didn't comment on it? It's going to encourage more multifamily housing, which right now we really need to do. There's more and more poor families, and also help our schools. So thanks for all the work that you've done. Aye.

Katz: 1078. Roll call.

Item 1078.

Francesconi: Aye. **Leonard:** Aye.

Saltzman: Again, this may seem insignificant, but it is very important. I want to thank b.d.s. for helping to redraw these maps. It does help people get up to 25% reduction in their flood insurance premium. Very important program. Aye.

Katz: Mayor votes aye. Thank you. We stand adjourned. There is no meeting this afternoon. [gavel pounded]

At 11:00 a.m., Council adjourned.