



CITY OF
PORTLAND, OREGON

OFFICIAL
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **29TH DAY OF SEPTEMBER, 2004** AT 9:30 A.M.

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

For Item 1144, Commissioner Saltzman was the Presiding Officer.

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

At 11:33 a.m., Kathryn Beaumont, Senior Deputy City Attorney replaced Harry Auerbach.

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

| COMMUNICATIONS | Disposition: |
|---|-----------------------|
| <p>1128 Request of Nancy Gomez to address Council regarding Older Workers Week and the value of the AARP Foundation Senior Community Service Program (Communication)</p> | PLACED ON FILE |
| <p>1129 Request of Richard L. Koenig to address Council regarding Commissioner Leonard's allegation (Communication)</p> | PLACED ON FILE |
| <p>1130 Request of Carol Hushman, Metro Area Development Director to address Council to honor the City for supporting SMART and recognize the kick off of SMART Week (Communication)</p> | PLACED ON FILE |
| <p>1131 Request of Mary Jubitz, SMART Chief Executive Officer to thank the City for ongoing support of SMART (Communication)</p> | PLACED ON FILE |
| TIME CERTAINS | |
| <p>1132 TIME CERTAIN: 9:30 AM - Approve cost recovery policy for City parks and recreation programs (Resolution introduced by Commissioner Francesconi)</p> <p>Motion to accept the Cost Recovery Policy: Moved by Commissioner Saltzman and seconded by Commissioner Francesconi.</p> <p>(Y-5)</p> | 36257 |

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| <p>*1133 TIME CERTAIN: 10:00 AM – Designate four Heritage Trees in the City of Portland (Ordinance introduced by Commissioner Francesconi) (Y-5)</p> | <p align="center">178781</p> | |
| <p>1134 TIME CERTAIN: 10:15 AM - Accept the Park Avenue Urban Design Vision report and use report to guide City planning and development in the downtown area formerly known as the Midtown Blocks (Resolution introduced by Mayor Katz) (Y-5)</p> | <p align="center">36258</p> | |
| <p>1135 Support the development of South Park Block Five as a park and the associated Memorandum of Understanding between the City, Portland Development Commission and TMT Development Co. (Resolution introduced by Commissioner Francesconi) (Y-5)</p> | <p align="center">36259</p> | |
| <p align="center">CONSENT AGENDA – NO DISCUSSION</p> <p>1136 Accept bid of Hughes Fire Equipment, Inc. to furnish CBRNE Support Apparatus and Heavy Rescue Units for an estimated amount of \$2,548,759 (Purchasing Report - Bid No. 103228) (Y-5)</p> | | <p align="center">ACCEPTED</p> |
| <p align="center">Mayor Vera Katz</p> <p>*1137 Amend an Intergovernmental Agreement with Multnomah County for the Portland Police Bureau to provide three officers to work for the District Attorney Office (Ordinance; amend Contract No. 51544) (Y-5)</p> | | <p align="center">178774</p> |
| <p align="center">Commissioner Jim Francesconi</p> <p>*1138 Amend Intergovernmental Agreement with Multnomah County to provide roadway maintenance services west of the Willamette River (Ordinance; amend Contract No. 51062) (Y-5)</p> | | <p align="center">178775</p> |
| <p>*1139 Authorize an Intergovernmental Agreement with the Oregon Department of Transportation for the design and construction of the Highway 43 Macadam Avenue Interim Improvements adjacent to the South Waterfront District (Ordinance) (Y-5)</p> | | <p align="center">178776</p> |
| <p align="center">Commissioner Dan Saltzman</p> <p>*1140 Authorize Intergovernmental Agreement with Portland State University to partner on a Community Watershed Stewardship Grant Program (Ordinance) (Y-5)</p> | | <p align="center">178777</p> |

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| <p>*1141 Authorize an Intergovernmental Agreement between Tri-County Metropolitan Transportation District of Oregon and the Bureau of Environmental Services to construct a building over Tanner Creek Sewer (Ordinance) (Y-5)</p> | <p align="center">178778</p> |
| <p align="center">City Auditor Gary Blackmer</p> | |
| <p>*1142 Authorize contract with LNS Court Reporting & Captioning to provide closed captioning services for City Council sessions (Ordinance) (Y-5)</p> | <p align="center">178779</p> |
| <p>*1143 Assess property for system development charge contracts and private plumbing loan contracts (Ordinance; Z0749, K0068, T0081, K0069, T0083, P0067) (Y-5)</p> | <p align="center">178780</p> |
| <p align="center">REGULAR AGENDA</p> <p>1144 Tentatively grant the appeal of Reed Neighborhood Association and overturn Hearings Officer's decision to approve the application of John Welsh, Michael Andresen and Pamela Andresen for a zone map amendment and land division and uphold Hearings Officer's decision on the adjustment at 3407 SE Steele Street (Findings; Previous Agenda 1127; LU 04-017115 ZC LDP AD)</p> | |
| <p align="center">CONTINUED TO OCTOBER 7, 2004 AT 2:45 PM TIME CERTAIN</p> | |
| <p align="center">Mayor Vera Katz</p> | |
| <p>*1145 Authorize the execution of a Memorandum of Agreement between the City and the District Council of Trade Unions for terms and conditions of employment of represented employees in the classification of Parking Code Enforcement Officer (Ordinance) (Y-5)</p> | <p align="center">178782</p> |
| <p align="center">Commissioner Jim Francesconi</p> | |
| <p>1146 Create the City of Portland Local Business Initiative to promote the growth and economic health of the Portland Metropolitan Region and State of Oregon by supporting local business (Resolution) (Y-5)</p> | <p align="center">36260</p> |
| <p align="center">City Auditor Gary Blackmer</p> | |
| <p>1147 Revise City Election procedures to implement Measure 26-53 Charter Change (Ordinance; amend Code Sections 2.08.040 and 2.04.090)</p> | <p align="center">PASSED TO SECOND READING OCTOBER 6, 2003 AT 9:30 AM</p> |

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

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 29, 2004

**DUE TO LACK OF AN AGENDA
THERE WILL BE NO MEETING**

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Closed Caption Transcript of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

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

Katz: Let's take item 1128.

Item 1128.

*****: Good morning. Thank you. For 28 years the aarp --

Katz: You need to identify yourself.

Nancy Gomez: I beg your pardon. I've never done this before. I'm nancy gomez. I'm the project secretary for the local site of the aarp senior community service program, otherwise known as aarp foundation. For 28 years we've been helping workers 55 and older who live on limited income get a leg up, back into the work force, so they can have a living wage and better life. We do that by partnering with social service organizations, nonprofits in the community, to help them provide services more efficiently, and we also do it by funding small business owners. We can fund new employees for them who can be trained at our expense for up to six months so that workers over 55 can have well-paying jobs and small businesses can save money on their bottom line. And with me are brad fullmer from seven step, which is a nonprofit, and one of our enrollees, todd kauffman would like to take just a moment.

Brad Fullmer: Start with the seven step foundation is an organization that was founded in 1973. We've been actively involved in helping people transition from incarceration to the civilian world. With the aarp foundation, we've been able to employ not only people that are 55 and older and coming out of the institutions, but people that can be mentors, like mr. Kauffman. Our project manager, we're about to ready to start a rag business, and he'll be the manager to help oversee that. So not only does it help people, it actually gets things moving, like it says, the city that works. This is actually two of the programs effective in making the city more viable. And this is mr. Kauffman.

Todd Kauffman: My name is todd kauffman. I'm 74. And at 74 you don't find a job. I went to aarp. Aarp has placed me with the seven step foundation, which is a wonderful organization as far as i'm concerned, being able to work with the people, place them in jobs, and aarp has been responsible for giving seven steps. Several employees paid by aarp until seven steps gets the funding they need.

Katz: Ok.

Gomez: Thank you very much.

Katz: Thank you.

Francesconi: It's a great program. At any age it's hard to get a job sometimes, but aarp is really terrific. It's a great program.

Katz: Yeah. The only reason I let you break the rules by having three people testify, because i'm so angry at the overall organization for selling us down on the drug issue.

Gomez: Yes.

Katz: I know, but, you know, there's some days you just have to say it. [laughter]

Gomez: I would like to say that the foundation is not --

Katz: I said that. It's the big picture, it wasn't the foundation, but that's why I said some nasty things about the organization as a whole. So feeling guilty, you got a little reprieve, even though

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you aren't the big organization I was referencing. Sometimes you have to explain too much, it isn't worth it. All right, thank you, 1129.

Item 1129.

Richard L. Koenig: Good morning, city of Portland, city council. Good morning, mr. Leonard. Before I begin, i'll entertain apologies from any of you who engaged in rude or disruptive conduct last week. Any apologies? Fine. The old business -- last week I came for the police commissioner's referral to a sworn p.p.b. member who takes his or her bureau mission statement seriously. I've been optimistically waiting to talk substantively to someone like that for years. I'm relying on the spirit of community policing in expecting police commissioner Katz to make such a referral. Do you have that for me this week? A week late? Ms. Police commissioner? No. In regard to the rebuttal to the commissioner Leonard's slanderous allegation, I avoided kate brown, senator brown during pre session activity in 1996 and secured the sponsorship of avel gordley and the unanimous endorsement of the women's legislative caucus, on a marriage reform package. Although brown hadn't attended the caucus, she somehow managed to pull the rug out from under the idea. I asked her how she had done that and why. She told me we'd have to talk about it later. I said sooner or i'll have your head on a platter. Now if she'd taken that threat literally, she could have either talked to me sooner, to avoid the consequences implied, or she could have taken out a restraining order, and she did neither. That was march of 1997. And the last time we had contact, until this year, senator george had referred me to her in writing in february to get the legislative enactment that describes who the person is that has to have a driver's license. Just as she had not gotten back to me about how she influenced the women's legislative caucus, she never got back to me on the legislative enactment that I was referred to her to get either, until she took a stalking order out on me to preclude further conversation. Senator brown is a mysteriously powerful and malicious individual who I do not know well enough to even speculate regarding her motives. She obtained the stalking order without alleging required repeated contacts, and without checking the box that says the contacts caused her to fear imminent serious injury or personal violence. Since she obtained the stalking order she has forced her attorney to ask for one setover after another after another. Because she's not been available for the 30 day hearing that was suppose to happen in June. The next date is october 5.

Katz: Time's up.

Koenig: Your turn.

Katz: See you next week.

Koenig: What?

Katz: See you next week. Time's up.

Koenig: It's mr. Leonard's turn for the rebuttal. Remember we talked about this last week, I think. Am I coming here for his rebuttal or not?

Katz: You can use your three minutes for his rebuttal.

Koenig: He can come next tuesday under subpoena.

Katz: Richard, that's fine.

Koenig: When does he get to talk? Shall I schedule him for three minutes next week? I just want to know procedurally.

Katz: No.

Koenig: I thought we had this agreed last week.

Katz: I'll talk to you -- i'm not going to sit here --

Koenig: Oh you will talk to me afterwards?

Katz: No. If you want the procedures --

Koenig: Oh, you won't.

Katz: I'll talk to you about the procedures. You can sign up next week.

Koenig: When can I meet you?

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Katz: Commissioner Leonard doesn't have to say a word.

Koenig: Okay. When can I meet you?

Katz: You don't need to meet me.

Koenig: Oh, I thought you said you'd talk to me?

Katz: Because of this rebuttal, I've had it with you.

Koenig: When are you going to refer me to a police officer? Never?

Leonard: In about 10 seconds. [laughter]

Item 1130 and 1131.

Katz: Ok, 1130. Read 1131 as well. They come as a duo.

*******:** Good news. We are here today to thank the city and --

Katz: Identify yourself.

Mary Jubitz: I'm sorry. Mary Jubitz, c.e.o. of the smart program. We're here to thank the city for your leadership and vision and for this long partnership that you've had with smart. I know that you as mayor, vera, have declared this week smart week, and that's wonderful, and the city is recruiting more volunteers. The city of Portland is the largest organization or institution giving volunteers to go into the schools every week and read with local children to make sure that they get a good start in literacy and that they have someone who cares about them and is with them every week, helping them become your next citizens, our next leaders, our next work force. So we just wanted to say you have tremendous vision. Thank you. I know this has been a personal commitment, mayor Katz, that you've made, and we appreciate it very much. And we're going to keep going. We're going to keep serving more children and recruiting more volunteers. The goal for the cities 100 this year, which is fabulous.

Katz: Thank you.

Carol Hushman: I'm Carol Hushman, the metro development manager for smart. I'm here also to thank you, mayor, and commissioners, for declaring this week smart week, and for encouraging city employees to volunteer with our program. The city has been a solid partner with smart for the last 10 years. And during that time your leadership has a lot of employees to use flex time, to be readers in our schools, and set poll and example for other employers throughout the metro area to do likewise. This year we had over 70 volunteers, and with the largest source of volunteers in the metro area, and you kept good company with standard insurance, Nike, Intel, other large employers, and so we can't thank you enough for that. Your employees go the extra mile. We have volunteers from the department of environmental services that go out to sit in an elementary school in north Portland, a very challenging school for us to find volunteers for because of its distance, as well as from the department of transportation all the way to Gilbert Heights in the David Douglas school district. So your volunteers are going places where they're greatly needed and reading with children that greatly need that assistance. There are volunteers here today, and we would like to recognize them. I know that Tom Burke is here, and if any other smart volunteers here, we'd love to hear from them. Ok, very good. Thank you very much. We have an ambitious goal for next year to serve 2,085 students here in the metro area. And with your help we can do that. This past year we served just over 2000 students in 41 Multnomah county elementary schools, all low-income, and those volunteers gave 34,522 hours, and those children took home over 21,000 books. So thank you again. We really appreciate how the city has set a tone over the years. I've been with smart for nine years, and at one point we were stuffing paychecks, I believe, with a letter from the mayor on the -- printed on the backside of a smart application. I used that letter to get the city of Beaverton on board. It helped prompt other municipalities to get involved in our program. And now we use email. It works a lot better. And just really turns on people to the possibilities of helping in our schools. And lastly, I want to thank Carol Turner for her tremendous organization and support. The bureau liaisons that have stepped up and represented smart in their bureaus, and all of you, and especially those fabulous volunteers. Thank you very much.

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Katz: Thank you. Consent calendar. Any items to be taken off the consent calendar? Anybody in the audience wanting to take items off? If not, roll call on consent.

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

Katz: Mayor votes aye. [gavel pounded] all right, we have time certain. 1132.

Item 1132.

Zari Santner, Director, Portland Parks and Recreation: Good morning, madame mayor, members of the council. Zari Santner, I'm the director of Portland parks and recreation. We're very, very pleased to bring to you our recreation cost recovery report and cost recovery policy. We're asking you today to accept the report and approve the policy. Cost recovery is part of larger strategic effort to reach stable funding for Portland parks and recreation. We're also currently working on more detailed costs of delivery for the nonrevenue services, such as parks and recreation, and an asset management strategy. All these efforts are supported by my plan to reorganization the bureau into a more service oriented structure that aims to align recreation facilities and parks maintenance by service zones. It is imperative to align both the organization of the bureau and the strategic efforts for improved service delivery to meet our current financial and program challenges. These cost recovery report and policy focus on recreation activities provided by the city. Public recreation aims to ensure that all members of our community have equitable access to a wide range of positive recreational choices. The benefit of public recreation can be summarized into four major categories -- life-long, learning, health and sense of well-being, bringing community together, and respect for the environment. Equitable access means removing all forms of bare areas. Physical, cultural, and financial. Our policy on affordability, a program, is that no one is turned away. We use multiple tools to ensure affordability, such as scholarship, lower prices based on neighborhoods, free time in advance at each rec community center and pool. Our policy recommends guidelines for pricing of programs. It is focused on participants group, not activities. And randy webster, our principal management analyst, who's worked on this, will go into detail to describe those decisions. With the goal of reducing barriers to participation, our strategy is to increase cost recovery where possible of the we are recommending decreased recovery for low-income youth. Randy will provide a brief overview of the study, the findings, and the policy that is before you for your approval.

Randy Webster, Portland Parks and Recreation: Good morning. Randy webster, Portland parks and recreation. It's nice to see you here, mayor.

Katz: Good to see you. You've got more hair than I do.

Webster: Only in the front. The back's a little high. [laughter] I just wanted to give you some brief comments about this study. Cost recovery policy and the supporting study is a fairly major undertaking by the bureau. We met with you last spring, each of you, and o.m.f., and the auditor's office to go over this, so i'm just going to have brief remarks this morning, because we've already done it. This cost of service study covers fiscal years 2001-2002 and 2002-2003. Interest was expressed by council during the budget last year -- well, I think two years ago. I'm about a year behind. And this study and policy were completed in accord with the city's financial policies which require a cost of service study of bureaus that charge fees for service. The study determines fully allocated costs for programs that charge fees, and the revenues generated by those programs, and then derives a cost recovery rate for each program or activity. That's sort of the -- the guts of what we're trying to do. We included all of the recreation programs that charge fees, understand a few other programs for which we charge fees, such as weddings in the rose garden, picnics where you can reserve picnic areas, that sort of thing, actually run by our operations division. But there were a few programs that were left out. For example, the community garden program. There's a nominal fee to participate in community gardens. That was not included this time. It will be next time. Fully allocated costs mean that all costs from instructors and lifeguards to a cost allocation for facilities management and general fund overhead is included in this study. Most of these costs are

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within bureau control, but some are not. I.e., general fund overhead. Some costs are a bit theoretical. There's a 2% building value -- 2% of building value is included as a capital replacement cost, but that cost isn't fully funded in our budget. That's an example of a theoretical cost. However, of course, you know, we are seeing maintenance issues, so we think that it's a real number in representing the cost of services. Results and findings, in general, over the whole scope of the study, we're recovering 30% of our total costs. We sliced it in a couple of ways. One by age group. We're recovering 35% of total costs for our youth programs and 38% for our adult programs. That gap, only 3% between adult and youth, was a bit surprising to us, and we spent some time talking about that. We think there's some economies of scale going on. We've got a lot more kids in the pool than adult lap swimmers, for example, which means that total costs are spread over more youth than adults. In terms of income, we are recovering 27% of our total costs in low-income neighborhoods and 44% in neighborhoods of median income and above. More in line with what we expected, and in line with our practice in terms of pricing. We have also shown that there were four years of increasing cost recovery in 1998 we had 28% total cost recovery, and we're now up to 37% for 2002-2003. This also corresponds with the five years of budget cuts we've been experiencing and increasing constraints on the general fund. So that wasn't surprising. It was pleasing to see that the cost recovery studies were consistent with budgetary numbers as well. We found we have relatively high fixed costs compared to our variable costs. Now there is no absolute definition of fixed costs in our analytical and accounting world, however our model defines variable costs as the instructors, class supplies and immediate supervisors. Things beyond that we consider fixed. Regardless of the definition, this has the following implications. First of all, there's an incentive created by high fixed costs to keep the buildings and facilities full all the time, even if a program has low pricing or marginal revenues, if it contributes something to recovering the fixed cost it's valuable from a purely sort of business perspective. So there's incentive to keep buildings full. Secondly, it means that trying to save money, or cut costs by turning programs around the edges, isn't very effective. If we, for example, try to cut costs by reducing pool hours, but keep the pool open, we're only going to be affecting the 25% of variable costs, lifeguards, instructors, that sort of thing. We're not going to be touching the fixed costs, pool maintenance, water, electricity, very much. So what that means is that large cost savings are really going to need to be looked at. You need to look at major program decisions or facility decisions to get at large cost savings. This is a finding from the study. As we move from findings and results of the study towards developing a cost recovery policy, we looked at some of the characteristics of public recreation that would affect construction of the policy. And I just wanted to highlight a few of those. One, we operate in a volunteer marketplace, unlike a lot of other public services, for which we charge fees. Our customers don't need to use our service, compared to say building and planning permits where we have a monopoly. Our participation is sensitive to the prices we charge, because of the voluntarily marketplace. We offer a large number of activities. We have 1800 different activities each year for which programming, design and prices are set four times a year with our annual -- quarterly guides. And in order to respond to community needs, program and pricing is decentralized. It's different for each community center and most of the pools as we respond to community and neighborhood needs. The cost recovery policy is articulated and copied in here, as well as your documents, on page two are the goals, if you want to look at those. We are recommending that youth with median income and above neighborhoods set cost recovery at 42%, adults in the same neighborhood at 63%. Low-income youth at 23%, which is a 7% reduction from the actual cost recovery of 30% for low-income youth. Low-income adults, we're recommending 26% cost recovery goal, which is a minor 2% increase from our actually of 24%. These goals were, of course, based upon the cost of service results and a pricing analysis we did. One of the key ideas in the policy is that these would be implemented over time to avoid a one-time shock of price changes, that they would be implemented over, let's say, a five-year period. A few other key points about the cost recovery

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policy. The focus is on access and participation. Goals were expressed by the broad demographic groups that I just articulated. Instead of by particular activities. This is a little bit different than other cities and agencies where they would express goals in terms of swimming lessons or something like that, but it seemed to us that the public interest of the city, for now, at this time, is in access and participation, not in the particular activity, which you might be interested in, you know, participating in. We're including flexibility in program design and pricing, retaining that at the community center level, with management overview. And what that means practically is we're asking you to approve these broad set of cost recovery goals by demographic group, but not a specific fee schedule, because we have 1800 different activities, the fee schedule gets a little bit intense to -- for you to review and approve. Also, we're including a biannual update as part of the cycle, so in two years we'd come back with another report, and an updated cost recovery policy and goals. Now those are the end of my remarks. And i'd be happy to answer any questions.

Katz: Questions?

Saltzman: The goals that you're recommending on page two, are these goals that are going to be from here on out, then? Because this was done for this -- this report was done for 2001-2002 and 2002-2003. Now these goals now become the goals from here on out? Is that correct?

Webster: From here on out, until we bring you an update of the policy, which would be in two years. Just like you review and approve the rate schedules for the utility bureaus on an annual basis, and you review and approve the cost recovery policy and fee schedules for buildings and planning on a periodic basis, we would be bringing this to you on a periodic basis, and we're proposing two years.

Saltzman: Ok. And then also you mentioned that there will be flexibility among the center operators, or the --

Webster: Yes, the directors of community centers and pools, right.

Saltzman: They have the need for the flexibility. Will they also have a revenue goal for each of those centers and pools as well?

Webster: That is correct. They do have revenue goals that are expressed in our budget. We budget at that level of detail, by community center. The budget that you approve, of course, is articulated in broad program goals, and at the bureau level your oversight at that level, we then articulate down at the community center level. So we are able to provide revenue goals to this level of detail, the community centers and the particular programs, like the community music center and the Multnomah county arts center, and specific revenue goals and cost recovery goals for them.

Saltzman: Ok. Good piece of work. Thanks.

Katz: Took a while. Good work, good work on this. All right, congratulations. All right. Public testimony?

Moore: Nobody signed up?

Katz: Nobody? You don't want to say anything.

*****: I guess.

*****: Thought you'd never ask.

Scott Montgomery: I'm scott montgomery. I live at 1531 southwest upper hall street. I'm currently chair of the parks board, and on behalf of the board I want to commend our bureau for the work they've been doing in this cost recovery study. We appreciate the support that we're sure you'll give and have given in the past. We're looking forward to real positive results from this. I think it's the best work i've seen out of the bureau in some time, and in this area, so i'm delighted.

Katz: Thank you. Anybody else? If not, i'll take a motion to accept the cost recovery policy.

Saltzman: So moved.

Francesconi: Second.

Katz: Roll call.

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Francesconi: Thanks for your terrific work. It took the new parks director -- not new anymore, to also make sure it happened. But it also took a lot of talent. Randy, thanks for all your work. There are great things in here. 60% of our youth, the young people in Portland, participate in parks programs. And that's grown 14% over the last 10 years. So we're proud of that. And we're also proud of the mission of parks to make sure it serves all neighborhoods and all people. And so that means that the cost recovery policy has to be -- allow for poor kids to have more access. That's what we're doing here. So I'm glad we're adjusting numbers. It's good to know where it is exactly is and to make adjustments in that. Now because of the pressures on parks to raise money, you know, cost recovery has also increased by almost 10% over the last four years during tough budget cuts. And that shows that there's an agency that's very well managed in that regard. And we're also -- we're doing it in a way that trying to have people who have the ability to pay to pay more. I also want to recognize the parks foundation, because what they've -- last night they reached the goal of \$275,000 of private money that has been raised that's targeted just for youth and low-income participation in our parks programs. So it's an example of giving a vehicle for the private sector to help contribute, and they're doing that. And that doesn't mention -- that's not talking about building parks and low-income and other neighborhoods. So we're moving in the right track. And that's why we also have to be sensitive, as a council, when it comes to parks, because what -- if we don't provide some resource, and it's incumbent upon us to have cost of service, to be well managed, but then what we're going to do is price out people from our services. And that's what we don't want, because the whole council cares about access and participation. And that's what we want to be about. So thank you for the -- but we have to have the data to know what we're doing. It's terrific to have this work. The mayor's asked for it for a while. We now have it and now we can measure it. And the council, commissioner Saltzman, will make sure we stick close to these numbers that we said. We need to do that, because it means that poor kids have access. That's what we need to be about. Thanks for all your help. Aye.

Leonard: Aye.

Saltzman: This certainly is a good piece of work. I want to commend commissioner Francesconi and the parks bureau and zari santner and randy for doing this. This is a lot of work, but I think it helps us to really accurately gauge both revenue goals and how to make sure that we continue to make sure that our parks and the services that are offered remain accessible and affordable to everyone in the city so. Great work. Aye.

Sten: I agree. Also thought you did the right thing in adjusting the low-income numbers. It's a good piece of policy work and strategy, so thank you. Aye.

Katz: Zari, you can't believe how thrilled I am, because every time we start working on the parks budget, tim grewe says, where's the cost recovery study? We don't know how much we're spending. How can we ever put this budget together. It just doesn't make blah, blah, blah, blah, blah, blah. So I've been waiting for this with baited breath. We do now we do have a policy, we do have numbers that match, and your leadership was very important. And randy's work, even during the two years, during good times and bad times, was very important to us. Thank you. Aye. [gavel pounded] 1133.

Item 1133.

Phyllis Reynolds: I'm phyllis reynolds, the chair of the heritage tree committee.

Katz: Why don't you move over here. You're straining.

Reynolds: I've got to be here.

Katz: All right.

Reynolds: Phyllis reynolds, chair of the heritage tree committee under urban forestry. I have four trees for you today. And also, a booklet that is hot off the press. It's the latest heritage tree booklet to come out. It's the third edition. And as of the time that it was written, which was in may, there were 255 heritage trees to date. And it gives maps and descriptions of the species and the list

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chronologically, etc. I do have four trees today that are nominated to be heritage trees. The first one -- the first tree is a dove tree. And it's in laurelhurst. And actually it's a hardy dove tree that was first brought by seed from china just a little over 100 years ago. The seed came from china to france and eventually got to this country. And the h, s, c is the height, spread, and circumference. There is a picture of the blossom. Now it's called a dove tree, because these blossoms are all over the tree. They're really not blossoms, they're bracts. If you stand back and look at the tree, it looks like a bunch of doves sitting all over the tree. This is not too good a picture, but you can get the idea. The next tree is a dutch elm. It's a hybrid of two european elms, and it's at a house, the linden-bowman house on northeast knott. The tree is enormous, as you can see by the dimensions, but we know it wasn't planted before 1915, because that's when the house was built. There's one other heritage tree also on this property, and we have now three residences that have two heritage trees on them. This is one. It's in good health and it's huge, and it's -- well, it's spectacular. The next tree is the river birch.

Katz: Look at that one.

Reynolds: This is a tree that is native to the eastern part of the united states, and it's one of the few birches that gets down into the south. It will grow in the south and it likes wet feet, hence the name river. There are very few river birches in Portland, and this, on the right-of-way, is really a huge, enormous, glorious tree. Number four, a silver maple. In the booklet that you got, I say there are 255 trees. There are actually only 254 now, because we just lost a silver maple on the right-of-way. The biggest one in town. It just fell apart. And they do that. They're much nicer trees in -- on private property where they room to spread their limbs. This one is barely within the city limits, but it is. And it's, as you can see, quite a spectacular silver maple. So will give us a silver maple as a heritage tree.

Katz: Thank you. Do you want to add anything?

Brian McNerney, City Forester, Portland Parks and Recreation: No. Just want to thank the commission for the good work that they've done, especially the new booklet that they've put out to share all those trees with the community.

Katz: Thank you. Anybody want to testify on the heritage trees? If not, roll call.

Francesconi: Preserving our historic buildings and our natural resources are important. Thanks to you for our heritage here. That dutch elm on 17th, what -- I didn't ask you what the other, but I go by there a lot, and it's a great thing in the neighborhood. Yeah.

Francesconi: Thank you for your help in preserving that and other trees throughout the whole city, and the whole urban forestry commission. Aye.

Leonard: Aye.

Saltzman: Want to thank you for your continued good work. This is always one of my favorite actions the city council is approving, more heritage trees. Aye.

Sten: It's terrific. Aye.

Katz: Thank you. Aye. [gavel pounded] all right, let's do 1134 and well do 1135.

Item 1134 and 1135.

Katz: I'm going to open it up with brief remarks, turn it over to commissioner Francesconi to provide brief remarks for 1135, then turn it over to you. Where are you going? Come on up.

Moore: I'll read 1135.

Katz: Ok. We just changed arrangements, so it's ok. I'm not going to take very long in describing what occurred this week, or why it had occurred this week. I think a lot of that was shared with the community yesterday. The why is probably more important. It was very obvious to me from the phone calls that I received and from the consternation of the retail community that there was very -- very much uncertainty about the future of these wonderful blocks. For all of the reasons that you all know that I don't need to repeat things were up in the air, and retailers were very concerned about signing their leases, about the future of the street, the future of the buildings, and I waited and

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waited and waited, you all know that we worked on this two years ago, trying to figure out what the vision for this street was, long before we had any idea of what really was happening in terms of the purchase of buildings and the future of those buildings. At the same time we were working to see if we could renovate some of the historic buildings, because I and others had no intention about ripping them down, or even planning to tear them down. Looking at the calendar, we need to put some finality on this, and come with a vision that's doable and leave doors open, that if 50 years from now this materializes terms of the purchase of the blocks, then the council can revisit this, but right now we needed to do something that made a lot of sense to the city, created a street, and the kind of street we don't have today, provide certainty for the retailers, and make investments in resources that we have for the infrastructure, for housing, and for storefront improvements, and for revitalizing those streets. And that's the reason it was done now. There are other wonderful reasons to do this, but this was the one that was pushing me, because of the uncertainty that was being provided to people living there and working there and owning property. Gil and zeri one second. Let me just add, that as all of this was happening, we also knew that the esquire was being remodeled, that tom moyer was very interested in doing the same for the cornelius. We had been interested for the cornelius a long time ago, and there was no interest at that time because of this uncertainty. Now that things might have settled down, there is great interest, and we're moving -- or the moyers are moving ahead with p.d.c. On the cornelius, which is a beautiful old building that will have housing right in the heart of the city, as well as tom's generosity in purchasing the park block five from doug goodman, and a million dollars in addition to that and the generosity of p.d.c. A million dollars. So we will have a -- a park again, a small park, but in the heart of the city for our citizens. Given that assignment to commissioner Francesconi to help work with us on the design of the park and the discussion of the park, i'm going to talk about that in my closing remarks. Gil.

Gil Kelley, Director, Bureau of Planning: Ok. If I understand you correctly, mayor, we're going to be presenting and talking about the park avenue vision and resolution and asking you to take action on that.

Katz: Correct.

Kelley: Including having some testimony, then move to the park block five --

Katz: Correct.

Kelley: Ok. Let me cover real quickly by way of introduction that the council did pass a resolution in 2001 following the convening of the advisory council of experts, which looked at the -- what was then called the midtown blocks, or park blocks in the west end. And at that point that team of experts from around the country gave us some direction to move in. You endorsed that direction. Really in the three years since staff has been following that direction, working together, along with building owners and tenants in the community to further that vision. So what you're seeing today is a resolution that essentially follows in that lineage, and brings to you an updated vision for what we're calling now the park avenue district. Very much in keeping with the spirit of that earlier conversation, and directs us to continue to work as a team of bureaus to really kind of work the details of the next phases, because we're now at a point where we have property owner interest and development commission interest, and actually taking some very concrete steps, along with the park bureau to start cementing that vision. And so we'd like to continue to work as a group, as a team, to continue to further the work that we've done here. This has been a collaborative effort of the bureau, development commission, and the office of transportation to bring this updated framework to you. And i'm going to show you some officials in just a moment so you have an idea of what that work is about. We have had meetings with property owners in the district and have gotten an enthusiastic reception from them, as well as many retailers in the district in the last few weeks. I will note clearly that this depart from the park blocks foundation figs, which would really take the narrow blocks between salmon or taylor and burnside and make them entirely open and greenspaces of literal continuation of the north and south park block. This posits a different vision, although we

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do think that it serves the dual purpose of connecting the north and south park blocks in a very real and tangible and intuitive way, as well as connects the retail active, now occurring both in the brewery blocks district to the north and west with the retail core that's existed for a long time around pioneer square and to the east of pioneer square. This part of town is a missing link in the downtown, and it can be very much an 18 to 24-hour district for retail, for hotels, for new residential, for specialty retail, and for nightlife. Something we just don't have in any other part of the town. And right in the core. So we think we can do that, and have a system where we really do have a set of buildings within the park, if you will, and we'll describe that in just a moment. We're also at a point where we think we have immediate implementation steps. The mayor alluded to some of those, and we'll touch on those again in a moment. I want to particularly thank at this point the active role that zeri has played along with don and brant in bringing this together. We've had a great team, and that's been complemented by a great staff team that's included, joe and others from the planning bureau, along with janet, lou, bill, katherine, phil and april from the various bureaus involved here. And those would be the people that we want to see continue along with a couple of additions. And we've had some great advice along the way from mary volm and ron paul as well. So it's a good staff team. We want to keep that team rolling. It's important for us to really carefully scope the next phases as really one design challenge for us, because we're here only at the concept stage and we're going to need to proceed into a set of details now. With that being said, zeri, you'd like to make only opening comments.

Zari Santner, Director, Bureau of Parks and Recreation: Good morning. Zari Santner, parks bureau. I'm excited about this plan for two reasons. One, as you know, with the help of mayor and commissioner Francesconi and generosity of mr. Moyer, park block five was donated to the city to be used as a park. And five years ago we started the process of how this park should be designed, but then we needed to understand what we needed to do with the rest of the blocks, because the design of the park, the character of that, depends on how -- how the rest of the blocks would be treated, as well as the adjacent land uses. We're at the point we're ready to move on that and needed certainty in terms of what will happen with the rest of the block. We also, with the generosity of citizens of Portland, we secured the parks levy, which allows funding for renovation of both o'bryant square, and we need to do that as well. So the timing of this is very, very important. And most importantly, I think this is a plan that is -- it's exciting. You know, you talk to any designers on any issues, they could come up with five or six different plans, and they all could be great and doable, and I think ours is doable and it's great and exciting and it creates a series of experiences for park users from north to south park blocks that not only benefits the parking, but also re-energize the downtown retail and commercial activities. So we're very supportive of this.

Katz: Thank you. Don, and then i'll turn it over to gil to do the design. Thank you for coming. I know you had another --

*******:** I apologize for coming in late.

Katz: It's all right.

Don Mazziotti, Director, Portland Development Commission: And thank you. Don mazziotti, director of the Portland development commission. In a lot of ways the vision in which the bureau of planning, under gil's directorship has put together, which which I think is excellent, has been percolating for a while. I think that's been a really good thing, starting with the panel of experts who came in and gave a variety of views of what might be done in that area, to your reaction to that which included from, for example, commissioner Saltzman and commissioner Francesconi saying our top priority ought to be to save the independent businesses that are located in the area, which give its unique character and style, to the mayor's emphasis on preservation which has been steady through the process. I think it's resulted in frankly a design that accommodates all of those kinds of values and others. Our role, of course, is primarily one of working with the private landowners and business owners first to keep the mercantile and media arts and mother goose and all of those

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unique people in that area, but also to work with the property owners to see what could be done to incentivize them to restore the historic structures that they own, to make investment in the structures that are currently in operation, and I think that we are achieving all of those things, and this vision articulates them pretty well. It won't be accomplished quickly. It will take 10 to 15 years to get all this done. And it won't be accomplished perfectly, because nothing is, but I think that the commission has appropriated a \$16 million in seismic loans, historic preservation, tenant improvement funds for new retailers, streetscape improvements, or at least the beginning of streetscape improvements, that fit this vision. And I really do think that if any of you have spent time in san francisco, in london, bologna, you'll see street and design concepts that are familiar in that context. I think we do have an opportunity to achieve major portions of the park block foundation vision with park block five and with o'bryant square, and probably with a new crossing on burnside ultimately for pedestrians that connects north and south, but we also have the opportunity to save buildings that otherwise might have been lost and use them for their full economic life, which is not yet exhausted. So we are prepared -- we, the commission, are prepared to go forward and do the implementation work, which obviously will be necessary, assuming that you approve this resolution. And I would encourage you to do so. And like to also acknowledge the work that zeri, parks and recreation, has done, which it's been great working with her on the park block five m.o.u., with moyer. And, you know, let's thank tom moyer for all that he's done. Yes, he will benefit, but the community will benefit as well. And also, pdot for the work that they've done in taking a look at being willing to be open to taking a look to how the street might become more pedestrian friendly, maybe getting rid of the curbs, doing some of those things. That takes a stretch, because they've got to obviously be concerned with fire protection and passage and loading and unloading and freight handling, that kind of stuff. I think everybody has worked together really well. And I think they've -- they're handing you a package that's been thought through pretty complete.

Katz: Thank you. Questions? Ok, go ahead.

Kelley: Ok. If I can dim the lights a little bit, let me just walk you through so we can ground you a little bit in the plan. I would also like zari or don to jump in at any moment to kind of enliven this with specifics. There's a little snapshot of yesterday's event for press and owners and tenants and people in the district, and people interested along with sort of an aerial view of the swath of the downtown that we're talking about. Here again is a diagram that shows park avenue and the surrounding buildings between southwest salmon and burnside street, which is again the focus of the area. The more broadly speaking, of course, the connection to the north and south park blocks has been a focus of ours, and how to achieve that as a sort it intersects the core of the retail area has really been the challenge for us to think about. We look here at really the fact that the park blocks, or the small blocks, really are not a continuous design or feel from one end to the other. In fact, there are at least four as they've been called, urban rooms. That is beginning at the south end of Portland state, really very much a sort of college campus notion around those blocks, and then you enter the cultural district there at market street, from there to salmon, which has a whole different kind of feel and set of activities associated with it. Obviously at the far north end, north of burnside, you've got park blocks which have yet a different kind of uses, although similar layout to the south end. And then in the middle, in the park avenue district here, we really have a much different character altogether, which is where that retail and entertainment intensity really overlaps these blocks and where there's still built structure. As zari likes to refer to, buildings within the park. We looked, as don mentioned, to a number of other cities, who have created very successful districts around very walkable streets, the sort of low-scale village concept within a higher density surrounding area, much like we have here, and some of the examples that don mentioned are shown to you here graphically. This is kind of what we're after in the middle section there, of the park avenue district. Again, very much focused on retail, on eating, on shopping, on entertainment, on

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18 to 24-hour activity with a hotel and residential uses above. We looked here also at how to make the connections in this district work at a more fine grain level. And you'll see here a number of connections that are important, more important in fact than they were just a few years ago when we came to you before. The brewery blocks has really blossomed as a retail district on its own, making a direct connection there is helpful. There's no interest expressed in the area surrounding the north park blocks. As don mentioned, having that strong connection across burnside will be quite important. But as you know, we also have interest in really looking at the downtown waterfront and particularly the area around ankeny plaza, so those connections up ankeny, and up oak and stark are really important connections to make here as well. And of course linking back to the downtown retail core, with the coming of the new transit line along the mall, will reinforce that, making that connection with these other areas through this midtown section is really quite important. It's a great opportunity for us. There was a careful study of the on-the-ground conditions in the district to this essentially plots active and not so active building face, where the entries are, where the loading docks are, and so forth and so on. So we have a pretty good inventory of exactly what's out there and allows us to think, you know, more fine grain way when they enter this next design phase of what the really opportunities are for the public squares and streets and enlivening those. This is sort of the site plan view of what the vision is. I'm going to skip over this and go into the diagrammatic view here, because I think it's easier to talk from. If we could start at the salmon street end, which is down here, and coming past the arlington club and hotel here, we would enter this zone, which is the park block five that zari will describe again in a few moments. This is meant to be a very urban square, and we've had discussions with again tom moyer about retaining and reusing some of the historic structures that face right on to the square, and p.d.c. has had conversations with owners of the remaining properties about trying to do something here that more intensively introduces retail and housing above, so that there are again users for the park. We've had conversations through planning and p.d.c. with the singer and zidel family here about retaining that block, and perhaps redeveloping it more intensively for retail and residential. We've shown here the possibility that nordstrom's could expand upward by a floor or two, so getting intensive use around that square we think really reinforces its character. Tom moyer would like to construct an underground parking garage that would house up to another 700 cars, which could be available for retail users and entertainment users in the district. P.d.c. and b.g.s. have talked about revamping this retail that exists in the ground floor of the city-owned parking garage here. The galleria, you know, p.d.c. has had conversations over the years how to get that more intensively reused. The mayor mentioned a restaurant and hotel. This is the building there. P.d.c. is in conversation with the owner there about seismic upgrade loan to convert the upper floors to market rate housing. Again, we show these two blocks, along with the singer/zidel block has being kept in build form, combination of keeping the historic buildings and perhaps adding new ones. Here's the cornelius hotel, which the mayor mentioned, and don, this is a great historic building on the national register, as is the esquire, by the way, both on the national register, which can be, again, reused for housing with ground floor retail. And again, we want to really emphasize park avenue here as being very much that sort of village street feel that we saw in those earlier photographs from different place around the world. And again, making that very strong linear connection right from the south park blocks to the north. Looking again at o'bryant square, and revamping that somewhat, potentially adding two major structures near o'bryant square, one here on block 86 and one on block 216. In our conversations with the owners here, they're very enthused about this vision, because it, again, sort of knits together that retail fabric. This is a floor that could significantly knit together a retailer on one or two floors with residential above. Similarly this block is sort of sketched in in form, but could be used for any number of things from hotel to housing to office, again with retail and the connections here and here into the brewery blocks, which begin right here with powell's, is a very important connection to make. We're showing a conceptual, morrow bust connection across burnside. Again

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with the transportation bureau, we need to look to see how is that most effectively achieved. So we've essentially looked at the phase-in here, which might look as something like this as funds become available, starting with street improvements and park block five, potentially with some improvements to o'bryant square, and I want to just say parenthetically, we're reserving the right as the team to look at o'bryant square, in that vicinity, and see what options make the most sense there.

Again, the development opportunities early on with the singer/zidel block, with the ground floor of the city-owned parking garage, with the esquire and cornelius, begin, as I mayor said, begin to introduce energy in a very short period of time into the area by reusing the historic buildings to a great extent. Future phases that might include some of the bigger structures here, that again will really energize the district, both with retail, residential and potentially a hotel in a later phase, and then as the energy picks up to really then pick up ninth, as well as park, a point that dick singer has made to really emphasize that park isn't the only village street concept here that a park is as well. So that's sort of in a nutshell the urban design vision that's included in the booklet that's attached to the resolution in front of you. We want to use this as moving forward to the next design and implementation steps. And I think that wraps it up for us.

Katz: Thank you. Ok, questions by council?

Saltzman: Is this the right time?

Katz: Sure. Go ahead.

Saltzman: Well, it's a rather specific question. I was wondering about the dental art building. To me that's one of the most outstanding -- you know, I say this as a layperson, most outstanding architectural features of this particular area, yet I see it slated as redevelopment. Could you clarify what we're thinking about there?

Katz: Is this the gil building?

Saltzman: No. The dental arts building, on the corner --

Mazziotti: We call it studio arts.

Saltzman: East of the galleria garage.

*******:** East of the galleria.

Saltzman: It's down there somewhere. You call it the studio art building. I'm pretty sure it says right outside of it dental art building, looks like it's totally unoccupied, but outstanding exterior architecture in my mind.

*******:** It's on the corner of yamhill and --

Saltzman: I think it's yamhill, yeah.

*******:** No. Taylor.

Saltzman: It's a tall building.

*******:** Tall building, corner of --

*******:** The mercantile is in the building, across from block five.

Saltzman: Got it, got it.

Kelley: I know exactly what you're talking about. It would face the new square, park block five, next to the garage.

Saltzman: It's the singer/zell block, isn't it?

Kelley: Yes. We're not trying to predetermine that that should be demolished at all.

Saltzman: You're not predetermining that that should be demolished?

Kelley: No. We're simply saying that that whole block represents an opportunity to keep and actually amplify the retail activity that's on it and add residential above. We'll see if that would be part of the redevelopment, look at it with the owners moving forward. I understand exactly what you're saying. Particularly on the upper stories, it's a nice building.

Saltzman: Do you know offhand if that building is on the historic register or not?

Kelley: It's not.

Saltzman: Anyway, I think it's an outstanding building, and like to see it --

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Kelley: Thank you commissioner Saltzman for your input on that.

Katz: Let's open it up to public testimony.

Katz: Go ahead.

Gareth Parker, 204 SW 8th Ave. #714, 97205: My name is gareth parker. First time i've been to a city council meeting. I come to the bicycle advisory council meetings up here in the lovejoy room once a month, participate in quite a few bike activities. I grew up in Portland. Seven years ago I moved back to Portland after not living here for 30 years. I tell people that Portland is one of the last livable big cities in the u.s. And surprisingly the other one is pittsburgh, because it has the small village concept here in Portland with each neighborhood being very unique, so i'm really glad that Portland has the amenities and things that it has in it. I live in this neighborhood, and I live in the low-income hatfield building at the present moment, which is basically -- so this is my neighborhood that's being developed. I've lived in that building for three years now. And so i'm constantly in the area, looking at these buildings, have lots of friends. We have discussion about some of these buildings. And those two buildings we've been looking at, the cornelius and the esquire, saying these buildings need to be saved. I'm absolutely pleased. That's why I came here, for some of these things, because this is the neighborhood I live in, and just really happy to see there's a plan to save those buildings. The other one that I mentioned, commissioner Saltzman, I call it the studio arts building, maybe because that's write read that name someplace. That's another one, that I absolutely love that building, and think that is one that should be on the historic register of buildings. And should be saved also. But there's a couple things that really concern me with this. Portland is losing its affordable housing very, very rapidly. And that is a really key issue. I've been on the other side of having made 50-plus thousand a year for a number of years, at different points, been a homeowner in the seattle area, so i've seen both sides of that issue. I would encourage that something like the cornelius building will be looked at for low-income housing in that area, and that not everything be market rate in that area, because that's one of the attractiveness's of, when you look at paris, copenhagen, better examples of the secret scene scape I think than other examples they showed up there, that there is a mix of affordable housing. And an affordable housing thing to me, running numbers through my head, that means studio apartments at somewhere between \$450 and \$500 a month at 30% of \$8 an hour. And that's for an \$8 an hour a job, and there's tons of those jobs out here in Portland unfortunately. So I really want to encourage that be looked at. And one of the things after reading the article in there, that I know it's in there in the plan, and I want to reemphasize and congratulate people to really look at keeping small retail in that area, because that's what makes an area like that, places like the -- the arts supply store, the virginia cafe, some of the places like that, and there's lots of them in there --

Katz: Your time is up.

Parker: Ok.

Katz: But you're absolutely right. Thank you.

Parker: Ok, thank you very much.

Katz: Wasn't so bad, was it? You can come back.

Parker: What's that? Oh, the council meeting?

Katz: Yeah.

Parker: Oh, no. This is not to me. I've been involved in environmental stuff, was one of the organizers of the first earth day in seattle. So i've been around this stuff for a long time.

Katz: All right.

Richard Singer: Hi. I'm richard singer, 635 northwest 23rd avenue. And I want to thank the mayor, gil, don, zari, grant. We are incredibly relieved. My brother and I have been working in this area for six years, over six years, starting with les prentice to trying to move something forward. And we finally have a plan. And it's not just that we have a plan, why i'm excited, but it's that we have a well thought-out plan, and an excellent vision for this area. I have absolutely not one

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issue or problem with the vision and the plan as it's been presented. And it comes at an incredibly critical time for downtown. For somebody who's been living it, and dealing with the tenants, and all of the constraints that have been put on that area, I can tell you there's been a slow and steady erosion of specialty retail away from downtown. It's been a very difficult experience, and one that I think you can now see has been occurring, and what this does is I think it stops that. I think it creates the opportunity for people now to know what's happening. When we say it moves a cloud, I can tell you, and p.d.c. can tell you, the difficulty we had resigning zell brothers, the issues that we are confronted with all our tenants in that area. We invested in a building over an 11th and alder, significant amount of money, it's a mixed-use project, we gave tremendous incentives to create a local retail base of four retailers. They couldn't make it. Three out of the four have left or gone out of business. We have had to give incredible incentives to get people back in. It's taken us 18 months to fill one space. So this is real and this is significant. So we not only have a cloud that's been lifted, but we have a vision and a clear direction, and support from the mayor, and I would hope that all of you would support this. It's critical to the area. It's an excellent direction, it will move things forward. And we have some catalyst projects that have to be built on. Gil described them. One i'd like to focus on, that I have spent a lot of time on, is the garage at tenth and morrison. It's been looked at. I've had some design work done. The city's doing design work. One of the things that is really concerning me is the fact that i'm hearing that there isn't enough money for this. You have to make enough money for the rehabilitation or the redirection of that garage. When I bring somebody downtown, which I have, for example, or the c.e.o. of crate and barrel, says no way i'll come here. He looks at that garage and just shakes his head. He wants to move to the neighborhood, where it provides him with more options. Can I finish, just a little bit more?

Katz: Is that all right with the council?

Singer: Is that ok? Thank you. And we have to also look at the galleria. It's incredibly important to create the synergy and look and feel and texture of that area, that is dealt with. But the challenge here is every neighborhood retail district. It's all emerging. It's a great story for Portland. We have, you know, every neighborhood from north mississippi to alberta to east 28th to fremont, it's a great story, but places like 23rd and the pearl district have been siphoning off all the good specialty retail, and downtown really has been challenged for that. So downtown needs its own specialty area, and this is where it should be. There's no question. It's intimate, it's eclectic, it's quirky, got great architectural buildings, and it will connect, as gil has described, all the disparate areas. This will flow into the west end, which will then connect to the pearl district. So I really want to emphasize that the mayor has exercised the leadership, and I hope that you all will follow her lead.

Katz: Thank you. Thank you.

Singer: You're welcome. One other thing, one thing that i've seen personally on this, is that what really came together here at the end were the different bureaus working together in concert. I hope that you can emphasize to all your bureaus, they work in concert and not in conflict on this, because this vision has to happen.

Katz: We will. Thank you. Jim?

Jim Westwood: Good morning. Jim westwood, 3121 northeast thompson street, 97212. I'm president of the park blocks foundation, but i'd prefer to speak today as a Portland citizen. Call it what you will, mr. Singer's property has a legal description of park block four. It's been referred to as the midtown park blocks by us. It became the midtown blocks, and now I hear it referred to as the park avenue district. Call it what you will. It's a park block. With all respect to gil kelley, for whom I have the highest regard, this plan does not follow in the spirit of the prior reports that you've seen. Say what you will, their vision and ours has been blocked by this plan. There is no plan for open space for the people who are going to be living in this area. I see no vision there. Let me briefly pause to thank commissioner Francesconi for all that he's done. He's been a good and

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true and loyal friend to us throughout this process. Commissioner Francesconi, this has been a difficult time for us on the park blocks foundation. We know that our friends have been with us and we appreciate that. I said originally when we started this endeavor that I was doing this for a lot of people, most of them not yet born. I have a daughter who's 20 years old, a son who's 17 years old. Mayor, you mentioned within 50 years we may have another opportunity. We will. This is going to happen. Not in any of our lifetimes, but my grandchildren and my great-grandchildren are going to see this come to fruition if i've been a good enough influence on my children and on -- if the rest of us who have supported this have been a good enough influence on the people who will come after us. I see that this is going to pass. This is an existential creta at this point. I just want the council to know there are those of us who believe this is not the right vision for Portland. I thank you.

Katz: Thank you. I think you're on the wrong item. This is the park avenue vision.

*****: Yes, ma'am.

Katz: I apologize. The housing, ok. Why don't you have a seat.

*****: I'm going to translate for her.

*****: Sit here and translate.

Katz: Ok, lilly, why don't you start.

Lili Mandel, 1511 SW Park: Yes. I am outraged. We would not be here today at all if it weren't for tom moyer. That we seem to have forgotten about all the fights that went on here from morning till night. I think the mayor will remember that. It was the neighborhoods who stopped the garage from going up there to begin with. And we fought very hard. I remember we were here from morning till into night. I think the only one who was on, at that time, is the mayor. And the citizens came. Not only from this neighborhood, they came from lake oswego, they came from all over the place, to not have a garage, I think a 10-story, 12-story gorilla garage there. And we get all this -- everybody takes credit. People who weren't even here at the time take credit of the they all getting credit for everything. I think it is tom moyer that we should give all the credit to. Then all the lovely, wonderful plans now. I don't care what you do. If you keep that yamhill, hate to agree with mr. Singer, but I am in agreement with him -- [laughter] i've been known -- I have been known to be fair by other people. I have been known to be fair. And he is absolutely right. I don't care what plan, if that yamhill garage is going to remain there. And you cannot put cosmetics on. It is horrible, no matter what you put on it of the it will still remain that. It is a horror, I will be a little vulgar, and say i'm tired of getting golden showers as I pass there.

Katz: I'm sorry, what?

L. Mandel: You haven't read any pornography. I'm sorry, mayor Katz, you're not well educated enough. [laughter]

Katz: I come from new york originally. We don't talk that way.

L. Mandel: I've had a very, very varied background. [laughter]

Leonard: I always suspected.

Katz: I think she's times two.

L. Mandel: Seriously, this all is ridiculous, if you don't do something about that. Anything else, it doesn't matter, it doesn't matter at all. Nobody has praised the citizens who fought so hard, it was everyone, all levels --

Katz: Your time is up. You're absolutely right. It was a marathon on it. And lilly, that's not going to change. The park is going to proceed. The gift truly was from tom, and by the way tom did, yesterday, announce that he supports this --

L. Mandel: Yes, I know, I spoke to tom.

Katz: But nobody has forgotten that if it wasn't for tom, this park would never belong to the city of Portland. Ok. Go ahead, folks.

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Nancy Gonzales, 1110 SW Clay St. #3: Good morning. My name is nancy gonzales rivera. I'm a member of local 49, the union that represents the majority of janitors in downtown office buildings. The members of local 49 have some strong concerns in relation to this project. The conditions for low-wage workers in Portland are increasingly becoming more difficult as family-wage jobs and affordable housing are becoming scarcer. Therefore using public funds and city resources to augment the property values of wealthy developers while low-wage workers face mounting pressures worries us very much. Consider, for example, that janitors cleaning the property adjacent to the proposed park, the fox tower, do not have access to living wages and affordable healthcare. All this means that these downtown workers must commute long distances to get to work and work two jobs to pay their rent. According to a study by the community development network, an affordable apartment in the tri-county area for individuals at 30% of the median family income is \$356 per month. The same study indicates that the fair market rent in the metro area is \$644 for a one-bedroom apartment. The workers we mentioned at the fox tower and other downtown buildings earn about this income level.

Katz: I'm going to give you a little bit more time.

Gonzales: Thank you. We don't need much more. And, for the whole region, when we talk about downtown, the figures are even worse. According to the northwest pilot project, there are currently only 3,353 affordable housing units. Because of this, we urge the council to consider ways to ensure that public funds, public land, and public resources are used in a way that addresses problem and provides more work force housing. And if land is going to be used to increase the value of already expensive downtown office buildings, those building owners should pay for more of the project and reimburse the city for our resources. We will be following up with individual councilmembers to discuss this issue further.

Katz: Thank you.

Gonzales: Thank you very much. I hope each individual councilmember receives our message, and to mrs. Katz we send salutations from nicaragua.

Katz: Thank you. Ok.

Irwin Mandel: Irwin mandel, south park block resident. Lili has a varied background, because I spent almost four years in the u.s. Navy. Jim westwood was correct. Of course, we go all the way back to the battle to keep park block five from becoming a garage, attending every meeting of the aces when they were here, as you well know, and taking very strenuous interest in what was going on to put it mildly. Jim westwood was correct. This was does not follow what was recommended. There is no open space in this plan. And if you are providing for housing and hopefully housing will spring up around these midtown blocks, then we need some open space. I know we have the south park blocks. I live on it. But people like to go, you know, close to where they live. The other issue is, when we also were looking to have the string of emeralds across what is really the bosom of the city, which is how I refer to the original plan of a park running -- connecting that north and south, the issue was raised about -- commissioner Saltzman's correct, the dental arts building, because that is the formal name of it, block four, apparently no one could he -- it's not on the national register of historic place, because no one could identify the architect who built it, or they weren't -- and they weren't even sure it was built, if I recall correctly. The members of historic preservation, were searching quite assiduously to determine all the facts. That's why it's not there. The other issue is the yam mill garage. There is a way to cure part of the problem with it, and that is simply to rip down the parking spaces that front morrison street and provide that god-awful overhang that needs to -- people hanging out underneath it and conducting business that the city is not exactly pleased to have conducted on their streets. Of course, you'd have to sacrifice some parking slots to do that. And apparently the city rarely likes to sacrifice parking spots, but that is a bloody horror. There is no way to describe it. I think lilly was right. No matter what cosmetic improvements you make to the facade, it's still going to remain a horror. Morrison is a corrupted

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street between park and tenth avenue, and you have what is arguably one of the ugliest sky bridges in the entire city connecting that garage and the galleria, and that thing real has to -- really has to go. I mean, that thing just looking at it gives the city a rather poor taste.

Katz: Thank you.

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

Moore: Garrett parker wanted to speak again.

Katz: We'll get him in a minute. Anybody else on the park avenue vision.

Moore: Nobody else.

Katz: Ok, let's have him come up on the -- no. Before we do that, did you want to say something on park five? [unintelligible]

Katz: All right, janet, come on up.

Janet Bebb: Janet bebb, Portland parks and recreation. Zari was called away to a meeting, so her apologies.

Katz: Speak up.

Bebb: Ok. I'd like to invite vanessa to join me as t.m.t. Development.

Katz: We didn't want to forget you folks.

Bebb: On the memorandum of understanding, we have a resolution before you that asks you to accept the spirit of the partnership that we're developing with t.m.t. and p.d.c., and to acknowledge that we will be proceeding with the development of a park on park block five. The key elements of the m.o.u., just to reiterate, is that the city will take ownership of the surface of park block five. T.m.t. Development will take ownership of the subsurface. T.m.t. Development will own, construct, and maintain the parking garage. The city will own, construct and maintain the park. We'll coordinate closely as indicated in the m.o.u. in all phases. No cost easements will be granted by each party to facilitate the coordination of utilities. And basically we'll work together to make this happen. The funding, as has been set forth the park block is \$1 million from p.d.c., south park block urban renewal district, and \$1 million donation from mr. Moyer. We do anticipate the maintenance costs will be an annual cost for the park. Right now we've indicated \$150,000 annually. As we pursue the design of the park, we will be investigating a small commercial enterprise that could provide a steady stream of revenue for the maintenance. That's to be determined an not part of the m.o.u. at this time. The style of the park is of concern to us. And what we have indicated is that it would be somewhere between a park block and a plaza block. The schedule is we would hope to proceed with a request for proposals for the design of the park block. O'bryant square renovation and the street concept in between as a unified open space contract in january we would be convening a public advisory group to help us with the park design, february and march with public meetings in the spring and in the summer. We will proceed quickly with the park design so that we can coordinate with the parking garage. We will then need to wait on the park construction until the parking garage is constructed. So those are the few key points on that. And i'd like to introduce vanessa.

Vanessa ?: Good morning. I'd like to thank you for your time and also take this opportunity to thank gil kelley, zeri, janet, and don, along with their staffs for all the hours of hard work that they've put in on this project. And wanted to introduce bob thompson, who came along today to help address any questions that council may have on the actual design of the parking garage. He's with an architectural firm. On behalf of tom moyer, I want to convey the importance of the partnership between the city and t.m.t. In creating this public space that will benefit the citizens of downtown Portland and contribute to the success of downtown Portland retail. Vital to that success, of course, is the introduction of more underground parking stalls to what is undoubtedly the core retail area of downtown, especially with this plan that was discussed today for the midtown park blocks, and we want to stress again how this is going to benefit the entire community, both the parking and the public space. And do you all have any questions for bob?

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Katz: Why don't you just quickly review so the --

Saltzman: How deep are you going down for 700 spaces?

Bebb: We're going to go down six levels, roughly around 65 feet. What we're doing is aligning each of the parking decks with that of the fox parking garage. What's unique about this, in how it relates to freeing up park block five, in that all the access will free the park surface up, so you don't need entrance ramps and exit ramps off of that. So what we're looking at right now is primarily an elevator -- a couple of elevators, stairs, that will actually penetrate up through the park. Again with the involvement of mr. Moyer and the relationship of this park to the fox tower, it really leaves a pretty clean tapestry for the park design to be able to be developed on.

Katz: All right. I'll say it -- thank you. Thank you very much. We'll be working with all of you.

Moore: Garrett parker.

*******:** I signed up to speak to these things, because I think they're a little bit separate --

Katz: Identify yourself.

Parker: Garrett parker, resident of the hatfield building at eighth and burnside. And I signed up to speak to these two issues separately, even though they are interrelated, that I have some concerns about the park block and that area down there with a narrowness of the streets, and one of the things that these people, mandel I believe is your name --

*******:** Mandell.

Parker: -- spoke about was open space. And one of the ugliest buildings in Portland that fronts that spaces the fox tower. It upsets me that that building was built and allowed to be built so high that it shades pioneer square, which is our, as it's been called, the living room of Portland. And the light access in the wintertime, we have the dark, cloudy days that we have in the wintertime throughout the winter in the northwest, and light and open space access is critical. This is what they're finding in europe, is that low-rise structures, especially on narrow streets, are critical. So we would encourage that there be only low-rise structures right around that park block, that there be no retail within the park block itself, and one of the things that i'd encourage the council, p.d.c., everything, don't make the same mistake that's been made in the pearl district. There's a huge mistake been made in the pearl district. There's a little tiny, dinky park down there called jamison. It's now jamison beach is what it's become. The tiny amount of lawn and grass space in there in the summertime is totally covered with blankets and towels and people and kids. There is a total lack of park space. Even the new park that's going to be developed down there is not adequately address the needs for that. So it's so critical to maintain that light and that open space and the access down there on those streets. And one of the things that ties into this is with building -- I encourage and like the idea of a 700-space underground parking garage where the -- with no access into the park, because one of the things that gives the opportunity to do, is to take those blocks from Washington to salmon street up there, and to take those on the park blocks, turn them into the european pedestrian bicycle open space with only delivery access for trucks, eliminate 100% of the car parking down there, and that is an excellent tradeoff, and I think should be a requirement for allowing a parking garage in there. 700 spaces to replace maybe the loss of 50 parking spaces, maybe 100. I'm not sure. I haven't gone down there and counted down there. So that's the things that I really wanted to encourage is open space, maintaining that light, low rise height restrictions in that area to be able to create a unique area.

Katz: Thank you.

Parker: Thank you.

Irwin Mandel: Hi again. Irwin mandell. I hate to disagree with people who basically agree with me, but the fox tower, we tracked this through design commission, went through three iterations over a long period of time and changes in design. Frankly, we think it is probably one of the most sculpturally beautiful buildings in the entire city, and could easily become an icon for the city. If I remember the light and shadow were taken into consideration in design review, and it is a minimal

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shadow effect on pioneer square. The other issue really is park block five. I had heard the idea floated in public that this is to become a junior pioneer square, because the visitors apparently to pioneer square don't have enough time to book all the events that would like to be booked at pioneer square, and we're going to turn park block five into pioneer square jr. No way. I think there would be another uproar about that issue once it got into the public. I understand from tom moyer, the memorandum of understanding, says it shall be a hard surface park with pedestrian friendly hard surface park, with benches that have armrests at the end. I think it might be a good idea when you get to the benches, to take a look at the benches in lownsdale square, where you also have a circular section in the center of the bench, that sort of prevents people from sleeping on the benches, but not to turn this into another public meeting. It is a park. It may be a hard surface park, but it is to be a pedestrian friendly park. That's it. Thank you.

Katz: Thank you. I whispered to commissioner Saltzman, welcome to the design of a park.

L. Mandel: Lili mandel. I tell you, why does -- do we in Portland have to say this is going to be like europe, this is going to be like san francisco? What is wrong with us? Can't we be innovative enough and creative enough to do something other people will go and say, why not do what people in Portland to do? Are we that limited? This was an opportunity to really show what we can do. Be creative. You have the -- now you have the opportunity to do it. This is your -- you're throwing it away by just what's been done here, there, everywhere. Let us be the example. Let's be 100% Portland, not any place else.

Katz: Thank you, lili. Ok. Gil, you want to come up and sort of close down. You folks think this is easy.

Kelley: Let me just say, first of all, on the last comment, we are entirely in agreement that this ought to be a real Portland thing. We showed some slides from around the world just to let people know there are different ways of approaching this. I wanted to personally acknowledge that I think we do owe a huge debt of gratitude to tom moyer, and as you mentioned, mayor, that's really the starting point for all this work. I introduced this notion with the resolution you passed in 2001, because that was really the beginning of this particular direction, but of course it goes back to the citizen fight over what this should be and tom moyer's generous donation. And we're all clearly very aware of that and want to continue to work with tom and vanessa and that group to really make this park block five in particular work for a multiplicity of function, parking underneath, an elevator popping up into a wonderful urban square, and have that really be the centerpiece of the southern portion of this park avenue district that we've talked to you about. I also wanted to thank jim westwood for his very dignified comments today. I know this is a departure from the vision that he has tirelessly advocated. And I think he made several good points, one of which is the need down the line for additional open space, if we really achieve densities, particularly in the west end, that we all hope we do. I would say this isn't the only place, though, to do that. First of all, we, in park block five, and in o'bryant square, we have the opportunity to make much more effective use of open space than exist now. That will help. In terms of the raw supply of open space for future residents, I think that zari, don and I want to continue to look at the west end as a whole, because there are a number of surface parking lots, other under-utilized blocks, which might be actually strategically well placed for new residents as the area to the west develops. So we haven't given up that notion. And finally, I wanted to return to a comment about keeping the bureaus together. I think that's very important. And the resolution in front of you, the first of the resolutions, really directs me to keep the same team together. And zari, brant, don and i, as i've indicated earlier, worked extremely well on this, and we're really equal partners in this effort. And the resolution says keep it together. I know the staff group, joe, janet, and others, are meeting as soon as monday to start scoping out what that next design process is really going to look like, how we engage all the stakeholders, how we make the streets and the park and the renovation of these buildings really work in concert. So we're pledged to do that.

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Katz: Ok. Do you have questions?

Saltzman: Just one to clarify, so it was the dental arts building I was talking about, same one I was concerned about, and --

Kelley: Yes, the dental arts building. We'll have conversations with the singers about that building and look more into it. I know exactly what you're talking about. It's different from the studio arts building, which is one that tom moyer owns just to the south of that.

Katz: Ok, roll call.

Francesconi: I'm going to address both of these at once instead of separately. Let me start out by thanking the mayor, because it was the mayor's leadership appeared it was the mayor who assembled the team that reported to her, that worked out not only the vision, but some of the specifics of the agreements that we have in front of her. We had a great combination when it comes to creating urban spaces and adding to vitality. So I guess I want to thank the mayor. We've not always agreed on everything, including some of the visions here, but it's taken the mayor to pull this together, to provide some certainty and to create a vision that's doable, that's achievable, that can help revitalize the area, provide some needed open space. And yet not too much open space, that we can't manage or handle. And it does it in a way that provides connections that was emphasized here. It's the connections that make this such a terrific city. And so connecting it to the brewery blocks, setting the stage for more connections to waterfront park, which will happen as we address burnside, this is all very, very good. Briefly, the history on this actually -- it's not part of the olmstead plan, but goes back to the 1890's, the string of continuous park blocks. We have to recognize that, because then it was only our forefathers. They did lay out a plan, an open space/greenspace plan that we're continuing to execute and that's been at the heart of the parks foundation vision here, and is very difficult to let go of some things that have been so important to our past, and that are so very critical, especially in the future. And I do agree with the mandells, who have really emphasized, that fit wasn't for the citizens, there would have been a 10-story parking garage right in the heart of this. I think it was 10, but maybe it was 12. I was not part of the council, but I was watching all those testimonies. It's one of the only council hearings I actually watched the whole thing. And because it brought out the best in Portlanders who rallied, but then it took one person to respond, who -- because it also took money, and it is a very fitting here today that tom moyer's been recognized, because he came up with the \$5 million, or else we would have had a parking garage there, and this would have been moot, this discussion. So the question, though, then, is, you know, kind of where do we go from here? And the issue also is, we now have an opportunity to park block five, and then we have o'bryant square. And how do you connect the streetscapes at the same time as we have historic buildings that do provide jobs, and that we want to preserve. I was deeply -- I learned a lot about what it takes to make this city in the future from the ace study and the ace report. And one of the conclusions that I took away from that is that we were not tall enough yet as a city or dense enough in terms of housing in that area to realize the vision of the continuous park blocks right now. The debate then became, is it 10 years, is it 50 years, but we have to do some other things, including more work force housing, in order to take care of our people before we could realize that vision. Well, the problem with that is in the meantime it was paralysis. And the downtown retail core is fragile. And dick singer's testimony today was very accurate. So we have to do some things. We just can't kind of wait for the timing to execute a vision, because cities evolve and they change over time. We have to be willing to respond to that. That's where the mayor then stepped in, guided this process, and got some certainty on this. So what we're going to come out of this is with a park now that will be designed, i'm talking about park block five, with involvement from the public, in the kind of park that we want, including the type of programming for it, but we're also going to redesign o'bryant square in a public process as well, and then connect these two, because that's very, very important. Now the parking underground issue, it's my understanding that the city didn't have the resources to do it themselves. It's how we work

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with the private secretary or to make sure this thing works. So i'm very hopeful that what we're doing is here revitalizing a part of the city that needs it. An it took a collective effort of public and private to make this thing happen. I'm sensitive, very sensitive, on the issue of wages that have been raised here. I'm still hopeful that we can make some progress on those issues. That's a little separate from what we're talking about here. So again, thank you, mayor, for -- you weren't kidding when you said you were going to be busy until the end of your term. And then busy after that. Thanks to everybody for their work. Aye.

Leonard: Aye.

Saltzman: Well, I guess I just want to start by saying that I think this is a good vision, and I want to thank the mayor for her leadership in bringing this forward. And with respect to the park blocks foundation, it is a departure, at least in my support for the previous vision of the midtown parks block ideas. I thought those were great ideas, too, particularly, and I think one thing that we're kind of glossing over here is the need for anchors, like nordstrom's to be able to accommodate their future needs downtown. I mean, we talk in here sort of glibly about maybe adding floor height. I think that's definitely a departure from earlier concepts about how important a place like nordstrom's is to downtown, but having said that, the reason i'm really sort of switching gears and now supporting this vision is really two things, I think. First is probably over the ensuing years a greater appreciation on my part for the historic buildings that were previously slated to be demolished, and I will, you know, just not belabor a point to death, the dental arts building, block four, although it's shown mere as redevelopment in this draft concept plan, I would want to say it right now, it should be adapted reuse, at least for that building. But it's my greater appreciation for historic buildings that were in the path of demolition, and I think now with our -- hopefully our soon adoption of the historic resources code amendments, we're going to infuse some real opportunities and incentives for these buildings to be restored and used and seismically upgraded. There's a good meshing with our code amendments with this newer vision. The other part that results in my changing and supporting this new vision, is that it's really not the nordstrom's that get people downtown anymore. I mean, people can go to lloyd center, Washington square, clackamas, and find a nordstrom's. It's really the sort of the unique, independent businesses that add the flavor, the mercantiles, the real mother goose, unique restaurants and businesses, independent businesses for the most part, that you don't find in the malls. That's the type of stuff that I do think get people to come downtown. Right now downtown is really hurting in a retail environment. We need to really scramble, not only to preserve what it is that keeps people coming here, but to really provide an environment for these businesses, an environment of certainty, that know that they can stay and expand and grow and remove that cloud that was previously existing under the midtown parks block vision. So I think this is a good vision. A vision we can go with. And it's also probably one we can afford to do as well. So glad to support this plan. Aye.

Sten: Well, I think mayor Katz has found the right balance at this point. It's been a rocky debate. Actually for me a tough debate at times. I think if you look at where we started, with the zoning and everything else, this was headed toward a large parking garage. I think that was clearly the wrong approach. And, you know, i've gone back and forth, whether I think the vision of the park blocks is the right vision or not. And frankly I think at this point that the idea of saving the buildings makes the most sense to me. And I also think that this can happen. And I think to the extent that, you know, politics, when it works is the implementation of vision within the realm of what you can get done, I could not -- that's what shifted me over time, was that whether you love or hate the idea of more park blocks, I don't think any time in the short term, that the more park blocks is the right place to spend what money we find. We don't have a lot of money right now to spend on downtown. And to the extent that we find money, and make money happen, I don't think the next investment is more park blocks, I think it's private investment, and I think this becomes -- then allows us to keep building. I think this really is the right approach. With the donation by mr.

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Moyer, we have the chance to make something happen. I appreciate the mayor's leadership. And I do look forward to working together to implement this issue now that we've worked together for a couple years to get together. Aye.

Katz: Thank you, everybody. I just want to share with you that this is not easy stuff. You got a whole block, a whole city block called 216, that's been sitting empty, where we tried -- how many years? Don, doesn't even remember how many years. -- tried to talk the developer into developing this block. It's right in the heart of retail. And what an asset it would be, major retail, housing on top, and no desire. You've got a galleria building that should be used for something else today, and that we've tried to talk the property owner to think differently. Again, a major retail store being used for something else that could have been housed somewhere else. Now I know i'm making some people angry, but i'm telling you the way I have seen it now for the last -- well, 12 years would be a little too long, but probably close to eight. I asked, and others have asked, the nordstrom family, would they be interested in expanding? The economic times were not right. But they are. The right time, the right place. We haven't quite put all the pieces together. And then there's meier & frank. Talk to me about the work that a lot of people sitting in this audience have put in to make meier & frank stay downtown, renovate, make major investments, and grow the opportunity for -- for that particular building and for the -- and for the city of Portland. Those are the big ones. Then there are little ones all over the place that are having a difficulty. But dan's right. The special quality about this particular area, sure, we love nordy's and meier & frank, but the special quality are the little stores, the ala cartes of this world. The button and ribbon store on tenth. If you haven't been in there, shame on you. Those are the little, little Portland owner stores trying to make it, and they need all the help that they can get. And I think this will send the right message. Sure, we worry about gentrification in the retail community as well, but those things we can do something with if the buildings are no longer there gentrification's going to happen, or nothing's going to happen. Anyway, these are difficult. So let me ask -- let me ask for your indulgence for another second. When you think of this geographic area, you think of all of the pieces I described. And it is absolutely critical that the team work together to link the parks with what's happening on the street, with what's happening on the sidewalks, with what's happening in the right-of-way. It's got to work together. I know zari -- i'm sure zari would love to go with her team and disappear and design the whole thing, because it's a park, or p.d.c. would love to design the streetscape because they do infrastructure. But in this part of town it can't happen that way. So keep that in mind. And if we argue a little bit quietly somewhere, that's ok, because the product will be even better. The final -- the final request I have. You can't design a park by committee. Somebody's going to have to step up and make a design decision after work has been done. You design a park by a committee, you're going to get little things popping up that everybody wants. And you'll call it a compromise, walk away, feel good, and it will be a nightmare, and you'll be embarrassed. So keep that in mind. Thank you. Aye. [gavel pounded] 1135.

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

Katz: Mayor votes aye. [gavel pounded] all right, 1144.

Item 1144.

Katz: Commissioner Francesconi and I will not be voting, because we weren't here and didn't read the testimony.

Kathryn Beaumont, Office of the City Attorney: Members of the council, Kathryn Beaumont from the city attorney's office. We've had some recent communication from the applicant's attorney indicating their desire to withdraw a portion of their application. And in order to finalize this, they have -- we have asked and they have agreed to grant the city an additional eight days extension of the 120-daytime limit, which is scheduled to expire tomorrow. Therefore I would propose to you that we -- we set this over until next wednesday or thursday, depending on the calendar, and in

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order to formalize their communication to us, and to prepare appropriate findings for council consideration.

Sten: Katherine, I think that's fine, as the person that made the motion. Only thing is, I don't know if they have representatives here today or not. I would prefer that they gave us more time than eight days, because I can't commit right off the top having sided with the neighborhood on this that I'm not going to want to give the neighborhood a chance to respond to whatever it is that they're proposing at this point, if they're looking for us not to make the exact decision we voted upon last week.

Beaumont: All right. I do have a letter from their attorney, granting the eight days.

Leonard: I guess I would ask, just to follow up on that, what is it that granting them eight days, or them granting us an additional eight days does in terms of the decision we've made.

Beaumont: In an email to me, their attorney has asserted that there are potential legal problems with the council's tentative decision to approve the zone change. And their request to the city is to reconsider the decision on the zone change, and they would propose to withdraw their application for a land division and an adjustment on this site and simply have the city make a decision on the zone change.

Saltzman: Well, we do have time to notice this for next week, and give the neighborhood an opportunity to respond on wednesday or thursday.

Beaumont: In terms of withdrawing the application, that is at the applicant's sole discretion. They can withdraw all or part of their application before the council makes a tentative decision. And once they withdraw a part of their application, the city loses jurisdiction to decide that part of their application. So if they follow through, as they've indicated withdrawing the land division and the adjustment application, the only thing left for the council to decide will be the zone change.

Saltzman: And that would be on our agenda for next week?

Beaumont: Yes.

Saltzman: And would be subject to notice and -- at least our city council --

Beaumont: We're at a point now where we've had the hearing, it was continued over for the adoption of findings. There is no legal requirement that we renote it, if you continue it to a date certain next week.

Sten: I think they're making an argument that they believe the council erred in turning down their zone change, understand our decision is best applied to the land division. I think they have an argument there, but I think it's the council's decision as to that. And so whether they would -- if the council can make a decision today and then it stands, and so -- in that they wouldn't have the opportunity to pull it back at this point, but I'm open to that argument. I'm just not open to saying to the neighborhood, we're going to strike a deal with the landowner after a hearing that contentious without you having a chance to talk to me about how you do that decision. That's my worry about the eight days. So I wish they would have sent somebody here if they're asking the council to reconsider a decision that's already been made.

Beaumont: A decision that's been tentatively made at this point.

Leonard: Have they actually withdrawn the application?

Beaumont: No, I don't have a communication from them that has formerly withdrawn the application.

Leonard: So would it be entirely appropriate for us to adopt the findings we tentatively adopted last week given that they have not withdrawn the application?

Beaumont: The council could do that, if you wished. I think their argument as to the zone change is worthy of consideration.

Leonard: But they had a hearing, they had the opportunity to have council here at that hearing, and I'm not real interested in going back and giving them a second bite at the apple.

Beaumont: Ok. I have discussed with - -

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Saltzman: I think what I hear kathryn saying is they would have a very good case before luba, and we would probably end up revisiting this issue again anyway. Just may take longer and more resources. I'm reading between the lines of what you're saying.

Beaumont: I think that's correct. To be a little more specific, the criteria for approving a zone change are, one that you're asking to go to the maximum comprehensive plan designation, which they were. They were asking to go to from r-7 to r-5. And two, the services are adequate to support the site. And the evidence in the record indicates the services are adequate to support the site. There are no other criteria that apply to a zone change in conformance with the comprehensive plan. Some or all of you have concerns about issues pertaining to livability and compatibility with the neighborhood. Those are more relevant to the land division application.

Leonard: And how about the solar, the --

Beaumont: And the solar, that's relevant to the land division application. Those issues have nothing to do -- or don't appear as approval criteria for the zone change.

Sten: I guess, I mean, kathryn, let's just be blunt. I think that what I saw last week was a developer who's not working in good faith with the neighborhood, to do something that I think it may -- the zone change may be in compliance, but I don't believe the land division is approvable by my criteria. They're proposing something that would give themselves an advantage in what seems to be an adversarial situation, which is to pull back a land division rather than have on the record that it was turned down. I'm open to helping them with that, but not if not the neighborhood doesn't have time to look at it. So I guess I don't know how they can, you know, expect the council to reverse a decision and not have anybody here to talk to us about it and be prepared to make decisions. I mean, I just -- you know, they give us three weeks, i'm interested. Eight days, i'm very skeptical whether we can do this in eight days. Frankly, at the end of the day if they get the zone change turned over to luba and lose the land division their client isn't anywhere he wants to be anyway. I think they're in a position they need to work with us on this.

Beaumont: I understand. Actually the eight-day time frame I had originally proposed to their attorneys, understanding that we may be able to proceed forward in eight days. So the short time frame is my doing. I understand that they would be willing to grant us most likely additional time, and i'm happy to communicate with their attorney about granting us a greater extension of time if that's the council's desire.

Saltzman: So you want three weeks?

Sten: Just enough time that the neighborhood can look at it because I want the neighborhood's feedback on -- you know, we had a lot of people here, and I don't like to change decisions when you have that many people here without the folks affected by it having a chance to argue that we shouldn't do it.

Saltzman: I think three weeks provides ample time for the neighborhood, who i'm sure is tracking this closely already.

Beaumont: All right.

Sten: I'm generally open to their proposal of splitting the decision the way they proposed it, but i'd like to have the neighborhood give us some feedback.

Saltzman: So set this over for three weeks.

Beaumont: All right. And karla, that would be what date?

Harry Auerbach, Office of the City Attorney: May I make a suggestion? Why don't you set it over for one week for now, so that in the unlikely event that the applicant doesn't agree to a further extension, you can make some decision before your 120 days runs out, and then you can set it over again if the applicant agrees to a further extension.

Beaumont: That makes sense, because at the moment we only have an extension until next thursday.

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Leonard: It does, but just in the context of the hearing last week, I would just want to communicate that I am very skeptical of anything the developer proposes. My preference would be to vote right now and end it and let them do what they need to do, but if commissioner Sten and Saltzman are willing to wait a week, i'll do that, but I don't want to send any signal that I intend to change the flavor of what we did last week.

Beaumont: Well, the council does have the option. We do have findings that have been prepared by mr. Cole, with the supplement that council does have the option of adopting those findings and making a final decision today if you choose to do that.

Leonard: That would be my preference, but i'll defer to --

Saltzman: I'm willing to set it over.

Sten: Yeah, i'm ok setting it over.

Katz: I'm a little worried, because of this hearing potentially that we won't have three votes to pass anyway.

Leonard: I think we will - -

Sten: We'll have 3 votes to pass it.

Leonard: I'm just trying to send a signal, that i'm not interested in hearing another argument or a rearguing of this case in any way, shape or form.

Beaumont: No, no, no. I don't think they're interested in rearguing the case. I think they've recognized what was accomplished or not accomplished at last week's hearing, and have learned some lessons.

Leonard: Ok.

Beaumont: So this would be continued to what date, karla?

Moore: One week, or are you going for three? I'm sorry.

Beaumont: Let's continue it one week, with the expectation we'll be continuing it for two weeks more next week.

Moore: Ok. If we could go to next thursday, the 7th.

Beaumont: Ok.

Moore: If we could go at 2:45.

Beaumont: Sure. Thank you.

Katz: Ok. Thank you, everybody. 1145.

Item 1145.

Ed Rutledge: Ed ruttledge, labor and employee relations manager of h.r. This is a memorandum of agreement between the city and dctu for parking code enforcement officers. This is a product of a number of sessions between the city and dctu and other teams. Bob nightingale not only met with both sides on one full day, but didn't give up even though we had a bargaining dispute at the end of the day, he still made a number of calls and we managed to get a resolution.

Katz: Ok. Questions? Anybody want to testify? Roll call.

Francesconi: Thank you. And thanks to the labor management folks. And also thank you to the dctu. Aye.

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

Katz: Mayor votes aye. [gavel pounded] all right, 1146.

Item 1146.

Katz: Anybody want to testify?

Francesconi: We have a few folks, mayor.

Katz: Ok.

Francesconi: And let's start with andre baugh. It's presented by the small business council, but there's others as well. We can just have the panel come up, that's all right. Leland and bridget can come forward as well. And then gary conkling representing the professional services council. Go ahead.

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Andre Baugh: Oh, ok. My name is andre baugh. I'm the owner of group hbc, and I live in northeast Portland and operate that business from that area. I'm also a member of the executive committee of the small business committee and share of the contracting committee for that group. I'm here today in support of the local business initiative in front of you. A little bit of history about this initiative. It was started over two years ago when myself and a colleague, faye birch, who's in the audience today, contacted sam adams of the mayor's group and talked to him about having the local business and the need to improve our economy. He was supportive of that, brought that initiative at that time in its conceptual form to the small business advisory committee, who supported the initiative. At the same time the city of Portland, sue's bureau of purchasing, indicated that the city of Portland already does do a lot of purchasing of local business, and it's a very high percentage. I don't know what it is today, but two years ago it was in the into the 80% or 90%. Again, faye and I myself talked with paul, the project manager at the c.s.o. project, about that project, purchasing local. He was very supportive. In fact, they created a sticker and had been working on that ever since. I think they report those dollars from that standpoint. Today you're looking at a resolution that basically is words, it's not going to be law, but it's really words, and i'm part of a process right now which is house bill 241 that the legislature passed, the legislature passed in 2003, which was directed -- the department of transportation to spend \$2 billion on Oregon businesses and employees. The power of those words has put three new a&e firms in Portland, because they want to be a part of that, and that's the power of the words that are before you today. This resolution sets a tone for public/private partnership to work together in supporting their own businesses. Oregon business are large and small. Many have headquarters in other states, but one thing in common, they all pay taxes when they're located here, their divisions. The employ Oregon workers, and those Oregon workers pay taxes in Portland, in Multnomah county, in Oregon. A healthy city should encourage and promote products and services of the citizens that live within it. This local business initiative encourages local firms, professional services, manufacturers, and small companies like myself, to consider services and Oregon employers first, whether you're in Portland or in Oregon. And if we all do that together, just from these words, in the very near future, I believe Portland and Oregon will have a much healthier economy because we're purchasing things in helping ourselves very quickly. I encourage you to vote yes as a chair of the small business advisory committee's contracting committee. Also, this is supported by ken turner, the chair of the economic development subcommittee, and the chair of the small business advisory committee, ethan dunham. I want to thank commissioner Francesconi, because as I said earlier in my comments, two years ago this started, but he kind of kept this vision alive. Faye and myself. And it's back here with the mayor's support. And I think, jim, your support, just keeping it alive and bringing it forward. It's important for our economy to have businesses working together with government to improve our economy. We have to do it together. I think this resolution provides that. Thank you.

Francesconi: Go ahead.

Lee Lancaster, 2375 NW Thurman, 97219: My name is lee lancaster. I'm a manager at food front cooperative grocery in northwest Portland. Been serving the neighborhood for 32 years. I live in southeast Portland, near hawthorne. I support the local business initiative and would like to announce a parallel campaign that we're starting for the public. This fall local Portland business are rolling out a campaign we're calling "think local first." we will focus specifically on locally-owned businesses across the metropolitan area to encourage citizens to support those businesses. Many of the reasons for -- for supporting those businesses are the same as in this initiative. So locally-owned businesses are central to healthy local economy. And as we are becoming concerned about the insecurity of a global economy, we're realizing we have to focus on our community and our economy locally. Locally-owned businesses provide the majority of jobs and long-term job growth in the metropolitan area. They provide a diverse and stable economic base, and source of tax

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revenues. Locally-owned businesses have shown to give back more to the local community and charitable contributions and civic involvement. Local ownership of business provides an incubator of skills and opportunity, essential to a vibrant economy. Locally-owned business preserve the unique character, which we've alluded to before, and will again, of our community, and helps make this the special place it is. In addition to these direct benefits of locally-owned businesses, spending money with locally-owned businesses provides a significant economic multiplier effect. That means every dollar spent with local businesses stays in the community and creates more economic activity. Locally-own businesses buying more of the goods and skilled and professional services they need in the city. The profits of locally-own businesses tend to stay local and tend to be reinvested here. Local ownership of business property benefits the tax base and supports local services. Studies have shown that this economic multiplier is about 3 1/2 times. Think local first means that when quality and price meet our requirements we give the local company a chance. The benefits to our community are good for all of us and justifies a local preference. The use of our public funds in this way is an important indicator of our civic pride and community-mindedness. It shows leadership and sets an example. A relatively small change in purchasing behavior will make an important difference to local businesses. And as we do the parallel campaign with the public, I think the similar messages will resonate very well in Portland. If we don't work to ensure a stable economy in our community, who will? Thank you for your support of this initiative.

Bridget Bayer, 2243 NE 20th, 97212: Bridget baird, northeast resident. And member of the north/northeast business association board of directors. Thank you, mayor, and councilmembers, for this opportunity to share my thoughts with you. I'm speaking as a local person, and also one who's worked for the last 10 years in the northeast area, north/northeast. Remaining profitable is definitely still a challenge today for the locally-owned businesses. The state of economy and changes in technology, and most importantly their inability to compete with corporations and large national and multinational corporation. The city so far has successfully supported local business through area revitalization projects, streamlining the permitting and licensing requirements, and the provision of services and resources through apnpa to the neighborhood business associations. The next step in supporting Portland-owned businesses is for the city itself to dramatically ramp up buying local. The mid and long-term benefits of the health of our economy should outweigh the short-term savings. And these benefits include the increased local employment, more recirculating dollars into our local economy, an increased tax base, reduced crime through economic opportunities, and the improved success of locally-owned business. Portland's number one employer. So please take this next step and necessary step now to help Portlanders help themselves. Thank you.

Francesconi: We just have three more people. Gary conkling, professional service. Faye, do you want to come and testify? Then antoine kimball. I don't know if doug or -- go ahead.

Gary Calfman, 3932 SE Gladstone: Thank you. Thank you very much. It's my pleasure to be here today. My name is gary conkling, and i'm appearing on behalf of the professional services of Oregon. They were desperate and elected me chairman. I guess that's because i'm across the street and easy to find you. Our organization, if you're unfamiliar with it, represents engineers, architect, accountants, attorneys, marketing professionals, advertising, creative services and others. It's a cross disciplinary group of people who, if you were to look up and down the streets of downtown Portland, you would find a lot of them occupying offices in space here. They're really maybe one of the most dominant sources of employment in the downtown sector, as well as other parts of the city. We also are, I think, one of the kind of quiet secrets as an economic sector, in that we now are the third largest economic sector in the state of Oregon, and one of its fastest growing. And the professional services also provide as a mix in terms of employment some of the better-paying jobs, family-wage jobs, with benefits as well as actually interesting working environments that are provided this interesting city that we live in. The professional services council has afforded me the

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opportunity to discover some amazingly talented people, many who are from here, but many who have chosen to locate here. This is their home of the this is from the place from where they do business. Many of them are actually quite small. We have so many successful law firms, larger firms, but many of the professional services firms are quite small. They do quality work, and busy doing it, but you don't always find them out, giving them an opportunity to really find opportunities to serve the city through contracts. What I like about this resolution is that it provides an opportunity essentially to say, let's try to find each other. If we can provide the quality work, this gives people an opportunity to be in the ballgame. With a little bit of outreach, I think you can find some fairly amazing quality people who are your neighbors, who you might not have known that can help you save money, find innovative solutions to problems, and be good partners with the city. So we heartily endorse this measure. I think it's a smart move for the city. I think it's a move that will ensure good quality, but good quality that's just around the corner. Thank you very much.

Faye Burch, 2009 NE Edgewater Dr., 97211: Good morning. I'm faye burch. Some of my testimony has been given earlier, but I'll skip the parts that are redundant. I live on edgewater drive in Portland. I'm pleased to be here to support the local business initiative. It's only fitting that one week to the second anniversary of the first draft it should be heard before you today. I give my testimony as a consultant member of the regional pros operator strategy for the Portland business alliance and Portland development commission having interviewed and provided focus groups for over 300 small businesses. I'm also a member of the family of two, where both my husband and I are small business owners. I address my comments to the question of why, why have a local business initiative? The answers are very simple. In mid 2002 we all likely read "the Oregonian" editorial that entitled "a bump in the road" that talked about the state of Oregon doing business with nova scotia, canada, to purchase license plates due to a small difference in the bid. It was a small difference in a bid, but meant a great deal of jobs to Oregon. Portland business alliance also awarded a street lighting contract to a st. Louis firm very unfamiliar with city codes without giving local firms the opportunity to bid the project. We also read about the state once again awarding contracts to a business to protect our most vulnerable citizens, and they in turn hired hundreds of individuals in another country for a call center. The state said, we didn't ask who they might hire to do the work. A very novel idea might have been, what if they utilized a local business committed to hiring some of the people dependent on human services to be call center employees. When competition is expanded to include so many national and international opportunities, it limits local small business ability to compete and it completely diminishes the ability for minority and legitimately women-owned businesses to compete. The answer to the why is because it's the right thing to do. It's the right thing to do to support businesses in hire and train employees from Oregon and support businesses that support our communities, support our tax base, and give back in many civic and social ways by supporting our schools, parks and libraries. Lastly, I want to -- I want to request the city of Portland help prepare a small business system to meet the challenge. The city is very proactive, you plan, you project, offhand know what expertise, construction, skills, products, services that you're going to need to help -- that you're going to need in the future. Help prepare the small businesses to step into those areas so we don't have to say 10 years from now, I need a product or service, but there's no one in Oregon that can provide it. Thank you.

Katz: Ok. Anybody else?

Francesconi: These were the last two, or one. Then tracy reefs is here to answer questions.

Anton Kimball, 3777 SE Milwaukie, 97202: Antoine kimball, principal of kimball design. I live in northeast Portland.

Douglas Bouland: Douglas bouland, also an associate of kimball design. I'm a resident of kings heights in Portland. Antoine kimball associates is a Portland-based branding and design group in business development for over 25 years with a roster of local and national accounts. Among them

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nordstrom, costco, wal-mart, jcpenny, mario's, paramount studios and disney. Thank you for having us here today.

Kimball: Thanks again. We're friends of jim. And we talked with him about our notion of branding Portland. It's not our notion alone, it's jim's idea.

Francesconi: No.

Kimball: It's a lot of -- it's a very broad idea. I like Portland. I disagree politically, it seems, with a lot of the interland, so as a package designer and promoter, we specialize in taking products and synthesizing, symbolizing and representing their assets to a new public, and generating enthusiasm and getting additional sales. So we really suggest that a formal and conscience commitment to promoting Portland as a great opportunity for business, for products, is an untapped avenue of expression for the city. I'll give you a good example. I said that Portland is -- it's like a local favorite restaurant. You kind of keep it to yourself so that it doesn't get too crowded. You don't want to let the word. When I travel the united states, I find that everybody's very interested in learning something about Portland, but they usually have one little story, and to one of the mayor's earlier comments, the major compensates I get are about restaurants. Somebody recognizes jake's. A lot of people don't know that there are six nordstrom's stores in the immediate vicinity, but that the northwest is associated with nordstrom. I'm for establishing a city office that's a Portland brand manager, use the parlance of the contemporary graphic and marketing industry, and use the techniques that we routinely use to sell things like crackers and push Portland. We have a lot of unique qualities that I think could be extrapolated. There could be a feature tuesday dine out in Portland, could be a community effort, the thursday -- first thursday gallery event is very, very successful device that's used throughout the united states to promote gallery walks. I'll for promoting eating in Portland, for example. There are three major national industrial design firms in Portland. Zeba as an example, but none of these design firms has ever created the optimum umbrella. The Portland umbrella should be the best umbrella in the world, I think, and people should come here and buy one. And generating enthusiasm for those professionals, the last testifiers, speakers mentioned the professional community, and then I changed some of the things I wanted to say. As a business professional and providing marketing services to people, I find it much easier to get work in other cities than in Portland. I find that the professional community here isn't especially supportive of itself, so that my request to the city council, rather than saying hire local would be tell locals to hire local. Don't just set the example, but insist that there's really good quality workmanship out here. Some of the major ad agencies that I won't name in this town routinely hire photographers, oil administrators, lettering designers, my specialty, who are in other cities. And the local talent doesn't get an opportunity to work on a project. One of the largest food processors in the united states is based in stayton, Oregon, and they hired a company in san francisco to do their new logo and packaging. That company in san francisco hired me to do the logo and packaging. Third-party. We never got a direct phone call from the locals. That's because of a reticent on the part of locals to look locally first. So I very much want to support that previous comment. So we think that a brand manager for Portland that routinely devotes a specific amount of the city's effort and finances to generating business and enthusiasm for the city would be a really good idea. It's a broad-stroke comment, but one of my specific requirements, when I work with a client is to establish a definition of success. So for me, for one definition for that might be increase Portland tourism by 10% next year. That's a measurable goal that I believe would have enormous, immediate financial impact.

Francesconi: We only have a three-minute limit.

Kimball: I'm done talking, then, but that's one of my examples of success. Thank you for the chance to say it.

Katz: Thank you.

Katz: Roll call.

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Francesconi: I'd like to thank everybody that's worked on this, starting sam adams and the mayor for a long period of time. What this specifically -- specifically what this local business initiative does, is it develops -- requires developing a marketing strategy to promote use of local business, but here we already have lee and bridget and the sustainable business folks working on that. So how we partner with you, since you're already doing it, it will be the next step for a working group to help address. How we provide information about local businesses to city prime contractors and professional service providers to encourage the use of local businesses, that's the second thing. This has been an issue for a long time. We have a lot of talented architects, designers, engineers, who feel as if the information hasn't -- their existence isn't as well known, as well public sized. So that's the second. The third is developing partnerships with other public agencies and with private enterprise to support local business. Fourth is promote and encourage joint ventures between city prime contractors and again professional services, local businesses, minority women-owned business. So this is a step in solidifying it, and then we're going to come back with a work plan to the council in the future. So thank you for all your help, what you all participated in. Aye.

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

Sten: Well, thanks, everyone. I appreciate the sentiment. It really makes sense to buy and promote local. I think this still needs a little bit of work before -- I don't quite know what you want me to do yet. Please come back to me with that. This seems ahead of that, but i'm glad to support the deal. Aye.

Katz: Mayor votes aye. All right, item 1147.

Item 1147.

Gary Blackmer, Auditor, City of Portland: This is the last step of fixing a quirk that we've had in the city charter for maybe 90 years or so. The charter nominates candidates in the may election, even if they get a majority of the vote, unlike other jurisdictions in Oregon, where that person is elected, city council and auditor position have to run again you know opposed in the november race, confusing to the voters, and also creates administrative risks, if someone didn't get put on the ballot by accident, suddenly what happens, we've got a major charter problem. What this was was an issue we brought before the voters in may, and on may 18 they approved the charter change. So commissioner leonard will be the last city candidate to run un opposed as a sole nominee. In 2006, candidates will be elected in may if they receive a majority of the votes. So what we have before you is an ordinance that modifies the code and allows this to go forward. So to that degree, i'm hoping we can get a vote on this so that we can get make the charter change and bring the city of Portland in alignment with other jurisdictions in Oregon which the state has proposed and recommends this process that we're putting in place now. Any questions?

Katz: Write-in candidates?

Blackmer: There wouldn't be in november, but there would be in may. I guess if people have second thoughts between may and november, they'll have to live with it until the next --

Leonard: Tell them not to get second thoughts. [laughter]

Katz: Anybody want to testify on this? No? All right. It passes on to second. And we stand adjourned. [gavel pounded]

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