



CITY OF
PORTLAND, OREGON

OFFICIAL
MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **17TH DAY OF NOVEMBER, 2004** AT 9:30 A.M.

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

Commissioner Saltzman arrived at 9:33 a.m.
Commissioner Francesconi arrived at 9:37 a.m.

At 9:55 a.m., Council recessed.
At 10:00 a.m., Council reconvened.

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

At 11:17 a.m., Kathryn Beaumont, Senior Deputy City Attorney replaced Ben Walters.

Agenda Item 1315 was pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

COMMUNICATIONS	Disposition:
<p>1307 Request of Robert Neale to address Council regarding an endeavor to preserve the Robert and Mabel Biter residence (Communication)</p>	PLACED ON FILE
<p>1308 Request of Richard L. Koenig to address Council regarding repeal of the right of the public to use the streets of Portland (Communication)</p>	PLACED ON FILE
TIME CERTAINS	
<p>1309 TIME CERTAIN: 9:30 AM – Declare the purpose and intent of the City to approve the SW Palater Road/Palatine Hill Road High-Volume Street Speed Bump Demonstration Pilot Project (Resolution introduced by Commissioner Francesconi)</p> <p>(Y-5)</p>	36270
<p>1310 TIME CERTAIN: 10:00 AM – Approve the Willamette Industrial Urban Renewal Plan (Ordinance introduced by Mayor Katz)</p>	PASSED TO SECOND READING NOVEMBER 24, 2004 AT 9:30 AM

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<p>1311 TIME CERTAIN: 11:00 AM – Appeal of Arbor Lodge Neighborhood Association against Hearings Officer’s decision to approve the application of Bobby J Jones and Jerry Eekhoff, W.E. Develop LLC, for a zoning map amendment to change the existing zoning from R5a to RHd at 7116 N Montana Avenue (Hearing; LU 04-006751 ZC)</p> <p>Motion to deny the appeal and uphold and adopt the Hearing’s Officers recommendations: Moved by Commissioner Leonard and seconded by Commissioner Saltzman.</p> <p>(Y-5)</p>	<p align="center">APPEAL DENIED</p>
<p align="center">CONSENT AGENDA – NO DISCUSSION</p> <p align="center">Mayor Vera Katz</p>	
<p>1312 Confirm appointment of Deborah Raye Lark to the Portland Utilities Review Board for a term to expire June 30, 2006 (Report)</p> <p>(Y-5)</p>	<p align="center">CONFIRMED</p>
<p>*1313 Authorize Right of First Refusal Agreement for real property at the Guilds Lake Industrial Center for the Bureau of Environmental Services (Ordinance)</p> <p>(Y-5)</p>	<p align="center">178880</p>
<p>*1314 Authorize acquisition of vehicles for use by City bureaus (Ordinance)</p> <p>(Y-5)</p>	<p align="center">178881</p>
<p>*1315 Accept a grant from the U.S. Environmental Protection Agency in the amount of \$200,000 for environmental cleanup of Parcel 8 at RiverPlace (Ordinance)</p> <p>Motion to accept amendment to identify the correct fund for receipt of the grants in section 18 should be the general grants fund: Moved by Commissioner Leonard and gaveled down by Mayor Katz after no objections.</p> <p>(Y-5)</p>	<p align="center">178889 AS AMENDED</p>
<p align="center">Commissioner Jim Francesconi</p>	
<p>*1316 Authorize Intergovernmental Agreement with Multnomah County to provide Alternative Community Service crews for a maximum of \$91,960 to work at sites maintained by Portland Parks and Recreation (Ordinance)</p> <p>(Y-5)</p>	<p align="center">178882</p>
<p>*1317 Amend Intergovernmental Agreements with Oregon Department of Transportation to provide additional funding on SE Hawthorne Boulevard transportation improvements project between SE 20th and SE 55th (Ordinance; amend Contract Nos. 51754 and 50635)</p> <p>(Y-5)</p>	<p align="center">178883</p>

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Commissioner Dan Saltzman

1318 Support the annexation of a parcel of land to Tualatin Valley Water District (Resolution) (Y-5)	36269
*1319 Amend pledge language in four existing loan agreements between the City and the Oregon Department of Environmental Quality under the State Revolving Fund Program (Ordinance) (Y-5)	178884
*1320 Authorize an Intergovernmental Agreement with Portland Public Schools to provide bus transportation for school field trips to Smith and Bybee Lakes Wildlife Area and Whitaker Ponds in the amount of \$3,000 per year for three years (Ordinance) (Y-5)	178885
1321 Authorize contract with Murray, Smith & Associates, Inc. for design of water mains in SW Broadway Avenue, SW Columbia Street and SW Naito Parkway (Second Reading Agenda 1298) (Y-5)	178886
1322 Authorize contract to Murray, Smith & Associates, Inc. to provide engineering services for Well 38 Pump Equipment and Site Improvements (Second Reading Agenda 1299) (Y-5)	178887
1323 Authorize application of grant funds to U.S. Environmental Protection Agency for brownfield sites within the City (Second Reading Agenda 1300) (Y-5)	178888

REGULAR AGENDA

Mayor Vera Katz

1324 Authorize bonds for Headwaters Apartments Project (Ordinance)	PASSED TO SECOND READING NOVEMBER 24, 2004 AT 9:30 AM
*1325 Authorize Interstate Corridor Urban Renewal and Redevelopment Bonds (Ordinance) (Y-5)	178890
*1326 Approve annexation to the City of Portland of property in case number A-2-04, 2109 NW Walmar Drive and adjacent vacant lot (Ordinance) (Y-5)	178891

Commissioner Jim Francesconi

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<p>1327 Create a local improvement district to construct street improvements from Virginia Avenue to west of Virginia Place in the SW Nevada Street Local Improvement District (Hearing; Previous Agenda 1260; Ordinance; C-10012)</p>	<p>PASSED TO SECOND READING NOVEMBER 24, 2004 AT 9:30 AM</p>
<p>S-1328 Create a local improvement district to assist in the capital financing to construct street improvements in the Portland Mall Revitalization Local Improvement District (Second Reading Agenda 1280) (Y-3; N-1, Leonard) (Saltzman recused himself)</p>	<p>SUBSTITUTE 178892</p>
<p>Commissioner Dan Saltzman</p>	
<p>1329 Amend City Code regarding collection of past due business license fees (Second Reading Agenda 1305; amend City Code Sections 5.33.300, 5.33.470 and 7.02.100) Motion to change \$50,000 to \$5,000 in sections a, b and c: Moved by Commissioner Leonard and seconded by Commissioner Saltzman and gaveled down by Mayor Katz after no objections.</p>	<p>PASSED TO SECOND READING AS AMENDED NOVEMBER 24, 2004 AT 9:30 AM</p>

At 12:13 p.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS **17TH DAY OF NOVEMBER, 2004** AT 6:00 P.M.

THOSE PRESENT WERE: Commissioner Saltzman, Presiding; Commissioners Leonard and Sten, 3.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Kathryn Beaumont, Senior Deputy City Attorney; and there was no Sergeant at Arms.

<p>1330 TIME CERTAIN: 6:00 PM – Amend Title 33, Planning and Zoning to clarify and improve the regulations for accessory structures including accessory dwelling units, without changing policy or intent of the original regulations (Previous Agenda 1274; Ordinance introduced by Mayor Katz; amend Title 33)</p> <p>Motion to amend the revisions by adding a date of implementation: Moved by Commissioner Sten and seconded by Commissioner Leonard. (Y-3)</p> <p>Motion to adopt the revisions: Moved by Commissioner Sten and seconded by Commissioner Leonard. (Y-3)</p>	<p>Disposition:</p> <p>PASSED TO SECOND READING AS AMENDED NOVEMBER 24, 2004 AT 9:30 AM</p>
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At 6:33 p.m., Council adjourned.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS **18TH DAY OF NOVEMBER, 2004** AT 2:00 P.M.

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

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

1331 TIME CERTAIN: 2:00 PM – Adopt the River Renaissance Strategy as a guide for advancing and integrating City projects, plans and activities (Resolution introduced by Mayor Katz)	Disposition: CONTINUED TO DECEMBER 8, 2004 AT 2:00 PM TIME CERTAIN
1332 Establish a bureau directors' group to advance River Renaissance (Ordinance introduced by Mayor Katz)	CONTINUED TO DECEMBER 8, 2004 AT 2:00 PM TIME CERTAIN

At 4:15, p.m., Council adjourned.

GARY BLACKMER
Auditor of the City of Portland

By Karla Moore-Love
Clerk of the Council

For a discussion of agenda items, please consult the following Closed Caption File.

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

NOVEMBER 17, 2004 9:30 AM

Katz: The council will come to order karla, please call the roll. [roll call taken]

Katz: There's been a request to reverse the order for communications, and richard has been kind enough to give that request a positive nod, so let's hear 1308.

Item 1308.

Richard Koenig: Good morning city of Portland. Good morning, city council.

Katz: Good morning.

Koenig: Good having a discussion here almost a year now, and that's just recently, about the right of the public to use the streets of Portland and whether it's a limit exercise of the police power to tax the people for such right. It seems like there's a general opinion that maybe it should be repealed, and i'm here today to put the choice for official consideration, does the city council wish to uphold the right of the public or to move toward repeal of the right of the public to use the streets of Portland? As a researcher with perhaps the largest collection of highway-related files in Oregon and 14 consecutive years as a citizen lobbyist, i'm here submitting my bid for city lobbyist. I'll accept a salaried position to do everything, everything that's procedurally and ethically possible to repeal the right of the general public to use the highways for the vehicles and subject them to the same regulations imposed on commercial operators under title 59 of business regulations, part two, our current vehicle code, subject to the following terms and conditions, the wage and benefit package as specified below. The legislative session is just aren't the corner. There may be a chance for pre-session filing. Put me to work so that while I attend city council meetings i'll be here to update you on your agenda instead of mine. You'll never retain anyone else as motivated as I am to assist the city with this legislative endeavor, because I want to stack up the weight of my experience, my knowledge, and rigorously test the tradition that we have as a culture, about 1,000 years of right to use the highway. If it can't withstand my best effort, then city council's position will be vindicated, and will do away with the right of the use of the public. The time for me to give it my best shot is now. I can assume the duties within one week of accepting my offer and that would be the writing of the check that i've requested above, and we'll go to work. I've already been in touch with legislators down in salem, and i've already drafted the legislation that would require the public to comply with the same provisions that are currently in the vehicle code for other folks. So it's already in the works, but i'm looking to go to work for the city. Thank you.

Katz: Thank you. All right. 1307. Come on up.

Item 1307.

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

Katz: Good morning.

Robert Neale: Mayor and council, i'm robert neale. I'd like to give these to our mayor.

Katz: Oh, how sweet. Thank you.

Neale: This is a magic rose.

Katz:

Neale: And it's magic, because it makes you feel good because I gave it to you, and makes me feel good.

Katz: Thank you very much. They're beautiful. I'll share them with the rest of the council.

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Neale: I think best political speeches are short, not necessarily all sweet.

Katz: Why don't you start the clock now. Thanks.

Neale: I want to preserve the bitter residence. I had a chance to talk to commissioner Leonard in the hall, cheated a little bit, but I'm here to ask the city for help in the sense of ideas and suggestions. I think the idea, concept, is excellent, and there are some hoops to go through. [inaudible] I think I have both private and corporate donors that will fund it, and then deed it to the city. [inaudible] there are neighborhood objections to more traffic in the area, but I think those could be overcome. [inaudible] this was given to me from the parks division, showing the property in question, laurelhurst, burnside, 39th. And this is the property here. This property next door was available at one time. The opportunity didn't present. I suggest maybe offstreet parking in this area, which is a little used area of laurelhurst park. This is my suggestion box, because I want help. That's my speech.

Katz: Why don't you take the photos and pass them around for the councilmembers to take a look at.

Neale: I tried to come up with the best legal advice I could. I went to one of the law firms in Portland, as far as setting up the trust. This is the proposal.

Katz: Thank you.

Neale: Thank you very much.

Katz: All right. Let's get down to consent agenda. There's a request that we pull 1327, because there has to be an amendment. Any other item to be pulled?

Moore: 1315.

Katz: What did I say?

Moore: 1327.

Katz: Wrong number. 1315. Ok. Roll call on consent.

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

Katz: Mayor votes aye. [gavel pounded] 1315, I need an amendment.

Item 1315.

Katz: Ok.

Don Carlson, Financial Planning Division: Madame chair, members of the council, I'm Don Carlson in the financial planning division. We're recommending a minor amendment to identify the correct fund for receipt of the grants. The ordinance in section 18 refers to the general fund, it should be the general grants fund. We're asking you strike general and insert federal grants.

Katz: Ok.

Leonard: So moved.

Katz: Any objections? Hearing none, so ordered. Anybody want to testify? If not, roll call.

Francesconi: Can't we cross-examine?

Katz: No.

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

Katz: Mayor votes aye. [gavel pounded] all right, item 1309.

Item 1309.

Katz: All right, come on up. I hope it's not a school day. [laughter] I think it is.

Will Stevens, Portland Office of Transportation: Good morning, council. My name is Will Stevens with the Portland office of transportation. This morning we're here to talk about the southwest palatier road/palatine hill high-volume street speed bump demonstration pilot project. I have a southwest palatine road resident, Mark Morgan with Lewis and Clark College. And Sophia, also a southwest palatine hill road resident. A little background about why we're here. In 2003, the city installed speed bumps south of Riverside Drive on southwest palatine hill road, however we could not proceed forward with speed bumps north of Riverside Drive on palatine hill due to the fact that the volumes exceeded our threshold limits. [inaudible] we'd also heard from other residents

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throughout the city that shared similar concerns, where their streets were suffering from high-speed and traffic safety issues, but could not -- would not qualify, would not be eligible under the city's current standards for speed bump installation. So our response to that, at the urging of the residents, that were in dire need of these traffic safety surfaces, were to -- was to form a working group that was compromised of residents, staff, and Michael Harrison from Commissioner Francesconi's office.

In August of this year, the council adopted a resolution to initiate three demonstration projects to determine if installation of higher bumps on higher-volume street are appropriate, Palatine Hill Road being one of those projects. This gives you the sense of the neighborhood. It's a shared-use neighborhood with the Lewis and Clark campus on one side of the street and residential properties on the other. We have a high amount of pedestrian activity on this street, accessing the campus from the -- the main campus from the Lewis and Clark Law School. This gives you a visual image of the difficulties that the drivers are presented with in seeing the crosswalk as they approach the crosswalk, as indicated in the previous image. This also gives you an idea of the difficulty of site distance for drivers driving southbound on Palatine Hill Road, and this -- happens to be in front of Josh's property. Current speeds on the street, we have the highest 85th percentile speed of 37 miles per hour, but more importantly 29.2% of the traffic traveling 10 miles above the posted speed limit.

10 miles above the posted speed limit. The project segment that I referred to earlier south of Riverside had a high of 39 miles per hour with a staggering 46.1% of the traffic traveling at 10 miles per hour or above. After we installed the bumps on that segment of the road, we showed a dramatic decrease in traffic speeds. 30 miles per hour being the highest percentile speed, but again, more importantly, a tremendous decrease in the amount of traffic that was traveling above 10 miles per hour. Why does this matter? It matters because the speed dramatically inquiry our fatality rates. If you're struck by a car traveling at 20 miles an hour, you have a 95% chance for survival. If you're struck by a car at 30 miles per hour, your fatality rate is 40%. But the important point to make here is that if you're struck by a car traveling 40 miles per hour, you're going to -- more than 40 miles per hour, you're going to endure life-altering injuries. The project goals are to reduce traffic speeds, improve pedestrian/bicycle safety and enhance the neighborhood livability. We've gone through our mandated public outreach process. We've conducted a meeting, discussed the project, proposed project, with the surrounding neighborhood. We also made a presentation to the Collins View Neighborhood Association, the governing neighborhood group for the area. We have obtained the necessary approval elements as adopted by the council's resolutions for these demonstration projects, submitted an interest petition, that the Collins View Neighborhood Association voted unanimously to endorse the project, and a project support petition circulated by residents received a 76% approval rate. Staff recommendation is to approve the Southwest Palatiner Road/Palatine Hill project north of Riverside Drive for installation of speed bumps. Thank you. Now I'll turn it over to Josh.

Josh Hinerfeld: Thank you, will. Thank you, councilmembers. Good morning. My name is Josh Hinerfeld. I'm here to seek city council's approval of the neighborhood's request to install three -- three speed bumps on Palatiner Road/Palatine Hill. As will mentioned, on August 11, city council adopted a resolution that gave residents of three high-volume residential streets the green light to seek approval. You may recall these demonstration projects are subject to a higher standard of approval than ordinary speed bump project requests. In my neighborhood, we affectionately describe this as the 18-step program to sobriety and speed bumps. I'm pleased to report we've successfully completed steps 1-12, and since will elaborated on those, what we've done, I'm going to cut this short. In early October my wife and I made contact with residents of 15 households in the project area. 13 households signed the petition. Roughly an 87% level of support. We were not able to make contact with residents of the two remaining homes situated in the project area. Both homes appear to be temporarily unoccupied. So if you add those two households to the no column, the petition garnered the percentage of approval. Today I ask you to join my neighbors, Lewis and

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clark college, and the collins view neighborhood association in supporting the proposed project. We don't want any more pedestrian accidents in our neighborhood. We almost lost a neighbor two years ago. We believe that the three bumps will go a long way in making our streets safer. Almost five years ago my neighborhood began its quest for speed bumps. Two years ago our project appeared destined to suffer the worst of fates -- death by bureaucracy. And into the breach stepped will stevens and mark lear of pdot and michael harrison of commissioner Francesconi's office. They helped resurrect the city's traffic-calming tram, but let residents undertake speed bump projects. I wish to thank them for their efforts on behalf of my neighbors. I also want to thank each of you for giving me this opportunity to present this project proposal for your consideration. Thank you.

Katz: Thank you. Could you move the sign so we can see her? Thanks.

Sophia Duntley: Hello. My name is sophia. I'm 12 years old. I live on southwest palatine hill road. I think we should get speed bumps. Every morning I take the school bus to school. The bus is a three-minute walk from my house to the bus stop. I have to cross the street twice to get there. I would feel much safer with speed bumps on the street, because every time I cross there are people speeding by and I can't cross without risking being hit. Cars come out of nowhere, going way too fast. I would really like to have speed bumps for safety means as well as convenience. My dad works over at lewis and clark, across the street, and we always work to his work -- walk to his work. It would be more convenient for our family and the rest of the neighborhood if crossing the street was safer. My mom let me skip school in the morning to come testify here so we might be able to get the speed bumps. My whole family thinks this is very important.

Katz: Thank you. Nice job. Thank you. All right, sir.

Mark Morgan, Lewis and Clark College: Mayor and members in session, my name is mark morgan, director of transportation and parking for lewis and clark. As mr. Stevens as pointed out, the speed bumps that have been installed on southwest palatine road have been very effective in reducing traffic speeds and improving pedestrian safety conditions. The traffic speeds on the section of southwest palatine hill road that we're discussing this morning frequently appear to be significantly above the speed limit. And this is obviously unsafe for bicyclists and pedestrians in the neighborhood who utilize the roadway. Notwithstanding city crosswalk signs and pavement markings, the crosswalk on this section of southwest palatine hill road at the intersection of southwest palatine is very risky for pedestrians. I conducted a crosswalk survey this past spring, crossing the street as vehicles approached to determine motorists' reactions. Out of 10 crossings, only one eastbound motorists stopped as I walked into the crosswalk. Others continued at the same speed and did not stop as I walked into the crosswalk. We recommend speed bumps on this section of southwest palatine hill road as an effective means of slowing traffic so that motorists would be more apt to notice the signage. Lewis and clark students traversing southwest palatine hill road are a very large portion of the pedestrian traffic, and a majority of our law students cross the road at this point as well. Reduced traffic speeds would improve pedestrian safety and bicycle safety associated with both the college and the neighborhood, and we are in very much support of this project. Thank you.

Katz: Thank you. Questions by the council? Thank you. Back to school. Anybody else to testify?

Moore: That's all who signed up.

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

Francesconi: Thanks, everybody. This makes our neighborhoods much more livable, when it focuses on the safety of our children and neighborhood. So thank you for coming. You learned a lot more -- we learned a lot more having you here than having you in school this morning. So thank you for coming. Josh, thank you for your persistence on this over 12 of the 18 steps. Without your persistence, people like mark there, will stevens, michael harrison, terrific public servants, wouldn't

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have pursued this if it hadn't been for your persistence. I spend a little time on palatine hill road recently. I see that dixie johnson and her husband can't be here this morning, but they've been fierce advocates of this project, and very complimentary of not only you, josh, but also you, will. This is a great thing for this neighborhood. It's a second of the pilot projects. We're also doing one in southeast that will help that neighborhood. Now we have to figure out additional sources of funding down the road so that more neighborhoods can benefit like yours is going to benefit. Aye.

Leonard: Well, I obviously appreciate the work you've done, but it's not lost on me that you've identified a problem, come up with a solution. And it's something I wish more people would do. We're all easy at identifying problems, not many come up with solutions to the problems. It refreshing to see. Aye.

Saltzman: Good work. Aye.

Sten: I agree. Aye.

Katz: Aye. [gavel pounded]

Francesconi: If I could add one other thing, we appreciate you being here, lewis and clark.

*****: Thank you.

Francesconi: In the past there's been tensions occasionally between the neighborhood and lewis and clark, and having that attitude seems to have evaporated and much more of a sense of cooperation with the neighborhood is noticed and appreciated.

*****: Yes, thank you.

Katz: Thank you. All right. We'll take a five-minute recess and come back at 10:00 to deal with the willamette industrial urban renewal plan. We'll reconvene.

Item 1310.

Katz: Item 1310. For years -- come on up. For years, many of us felt extremely frustrated that we didn't have the tools to clean up sites, industrial sites, along the river, and as a result make them available for additional investment. Commissioner Saltzman and I sit on impact where we spent over a year discussing the need to expand industrial sites. We shared with impact that there are industrial sites, and that what we needed was to have the resources to clean the brownfields up and to make these available for additional investment and to carry out the city's economic development agenda. This is an area that was identified as a wonderful potential for a variety of reasons. You'll hear -- I don't want to preempt anybody hear, but you'll hear what potential we have in this particular area for additional investment by companies that are already here and by potential use of the industrial lands. This will be the first in an industrial area. It's predominantly zoned for industrial purposes. I'm sure that it will stay zoned for industrial purposes. Dan and I aren't going to fact impac and come in and ask for zone changes on this particular land. Who wants to start?

Don Mazziotti, Director, Portland Development Commission: Don mazziotti, thank you mayor, and commissioners. I want to introduce the topic. John southgate and bob alexander, economic development, have been in the lead on this project, and working on it for some time. In the audience, we also have people that we've been working, including the c.e.o. of siltronic corporation, the director of the Oregon economic and community development department, marty brantley. I believe we'll be joined by the c.e.o. of p.g.e., who has chaired, along with steve pratt of esco, an ambassadors group working on the siltronic recruitment effort. What we're proposing to you today is not merely for the siltronic recruitment. As the mayor indicated, we've been looking at this area and the land associated with it for some time. We're highly constrained for purposes of supply of industrial land in the city. Only 252 acres of nonrestricted land remaining to accommodate industrial uses, and those are split up into 52 different sites. So none of them very large. Few of them free of constraints. We do have, however, a very large supply of land which has facilities -- or the land itself are obsolete and/or contaminated. This renewal district contains a number of sites which are badly contaminated and the urban renewal mechanism tax increment offers the potential

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to be able to get an early start on cleaning those properties up, bringing them back into our inventory. In addition, they hold the -- it holds the prospect for accommodating a new 300 millimeter wafer facility, and the freightliner corporation is included in this industrial district and its manufacturing parts facility. They've made it clear to us that they think there are opportunities for siting their supply chain closer to their facility as well as upgrading many of the facilities currently there, but keeping them strictly in manufacturing, distribution, logistics uses for the future. You asked us, in fact directed us, in may of this year to proceed to examine the feasibility of establishing a district. We've been doing that since may of this year, led by p.d.c. staff, and i'll leave it at that, and ask bob and john to take you through the feasibility study.

Katz: Go ahead.

Bob Alexander, Portland Development Commission: Thank you. Good morning, mayor. Good morning, commissioners. I'd just like to reiterate some of the things that has just been highlighted about this district, the fact that we have an extreme need for immediately developable industrial land. Our intent is to retain, grow industries with good-paying jobs. This district will allow us to do that. Done alluded to the siltronic investment, the 300-millimeter wafer fab. There's five00 jobs associated with that investment. There's also currently 1,000 employees currently employed at siltronic. You'll hear more about that in a moment. With regards to the industrial land, over two years ago, with the completion of the economic development strategy, the shortage of readily-developable industrial land was indicated as a key priority. And a key constraint within the city of Portland. Since that time we've undertaken a number of studies. Portland harbor industrial land study, citywide industrial land inventory and analysis. Done alluded to the most pertinent fact there, which is that we have roughly 250 acres of industrial tier a land, land that's readily developable and divided into 52 different parcels. So the lack of the ability to locate a company on one of these properties is a huge constraint for us in trying to retain industry. In addition to the shortage of industrial land matched with high unemployment created an urgency to provide solutions. Much of the available industrial land, particularly near the harbor area, is contaminated or has other infrastructure constraints to development. Additionally developed areas, where businesses would like to expand, upgrade or modernize their facilities. And we lack the financial tools to assist them. Much of the area has been developed, but not unlike airport way, the demand is would a. Companies who want to upgrade for more efficient operations, further companies considering development need additional assistance to locate there and provide critical jobs. There is also an opportunity to link some of these with the river renaissance vision, providing funding for the greenway improvements and implementation strategy. The other key reason has been alluded to several times, and that's the possibility of attracting a 300-millimeter wafer fab for siltronic. The district is the key to the successful attraction of this investment. Without forming this district, utilizing the increment stream generated by the investment, we certainly would not be able to locate it here. And while formation does not guarantee its location, it is a critical step. I would like to acknowledge, as don has done, leo nelson, peggy fowler, marty brantley, all of which have been instrumental in our efforts to put forth a competitive package. I appreciate their extra efforts in this regard. I'd like to go ahead and turn it over to john southgate here to provide details of the plan, and thank him for his responsiveness to produce this plan.

Katz: Thank you. When john finishes, bring up your next three testifiers that you would like to identify.

Alexander: Ok, thank you.

John Southgate, Portland Development Commission: Good morning. I'm john southgate, Portland development commission of the a lot of the main points have been covered, so i'll focus on additional matters. Some of this is the technical side of forming an urban renewal area. This is an approximately 750-acre district. It includes actually four subareas. I'll point them out. The west bank north, includes the siltronic facility. West bank south includes several significantly

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contaminated properties. Swan island has properties that lend themselves to redevelopment. Then mock's bottom subarea, there is the lack of tools to develop, further expansion of those businesses. For an urban renewal area to be formed, as you know, we have to meet basic tests in Oregon state will you. The first two tests are computations. No more than 50% of the city's land area and no mother than the -- owe. [inaudible] 13.4% of the city's land mass and a little over 10% of its assessed value would be one of these urban renewal areas. The third test is one of the -- a finding of blight has to be made, and as you know from prior urban renewal areas that have been formed in the recent past, the definition of blight is broad. It can include areas like the river district, which lack infrastructure, north of macadam. In this area we focused on the key issues, already been mentioned, is environmental contamination. The other one is the need for tools to help to fully develop these properties, to provide tools to existing businesses to expand and modernize. This process has been a relatively fast track process for the formation of an urban renewal area. Because of the need to come up with the tools for the immediate opportunity. However, as bob said, this isn't just about one business, as important as it is, it's about a larger policy discussion, the mayor alluded to in her opening remarks, the need for tools to help both existing businesses, as well as hopefully attract new ones. Our processes involve a number of steps, notwithstanding its brevity, we tried to be a focus in our outreach. We formed early on a key stakeholders group of key governmental agencies, as well as key property owners within the affected area. That group has been instrumental in making this a better plan. We've also had several other outreach mechanisms, including the required super notice and an open house held in september. I mention those, because it has been a fast track, but we've done as much as we can to try to incorporate the concerns. I just want to mention a few of those briefly. An early on concern was that the plan was not responsive enough in identifying the importance of existing businesses, and especially the distribution and logistics businesses here. And I think we made significant changes to the plan to acknowledge the importance of those businesses, both within this area, but also the citywide freight infrastructure. We've also acknowledged with regard to contaminated properties that there are, in some of these properties, have responsible parties, and this plan will not absolve them or take over their responsibility. That's been the concern of many. So this is going to be more of a partnership to make these properties, to clean them up and to restore them to productive use. Another important change, the one actually -- I think the one that's the most intriguing, is the notion of an implementation strategy, because we've -- we've been relatively quick in forming a district, we wanted to have -- and we were recommended to have, an implementation strategy to give more clarification and guidance as we move forward in implementing the plan. How will dollars be spent to achieve the goals? How do we incorporate river renaissance ethic and vision in specific projects. I guess the last thing I want to do is -- i'll try to do it briefly -- but there are have been a number of issues or concerns raised at the planning commission hearing. The planning commission did endorse this plan with one minor revision to a change, that is the sustainability language and the goals. It would -- their recommendation would strike somewhat of a limiting clause that says, in accordance with p.d.c.'s green building policy, embrace sustainability. I'm paraphrasing. It gets rid of the green building practices, because it was pointed out this is larger than just p.d.c.'s green building policy or trying to use leed standards. It talked about tracking businesses, leading to more sustainable development practices. Other issues that have arisen, one concerns the inclusion of the triangle park property. Right here. You may or may not hear testimony on the possibly inclusion of that property. I suspect if it's -- if there's a possibility of it staying in there, there will be concern for the university park neighborhood association about the possibility of its development for industrial purposes. I don't want to totally anticipate possible testimony, but the university of Portland has been attempting to acquire that property for a possible expansion of their campus. Along the lines of university park neighborhood association, they want to participate in the ongoing implementation of the urban renewal plan in which we're more than open to the wide bluff trail as a proposed

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improvement that would connect from the bluff down to the mock's bottom. This little property right here, and because that falls within the boundaries of the neighborhood association, because there are concerns about how that trail might be built or designed, I think there are legitimate concerns and legitimate questions, we are proposing that that be addressed as part of the implementation strategy and that the neighborhood participate in that discussion. I've already mentioned the one slight modification to the sustainability goal that the planning commission has endorsed. I guess there's several other possible issues that might come up in testimony, and so we're prepared to respond to those if those do arise. Thank you.

Katz: Ok. Don, who do you want to come up? Peggy, marty, neil. I'm not sure how the hierarchy works here.

*****: I think it doesn't work.

Katz: Marty, why don't you start.

Marty Brantley, State of Oregon, Economic and Community Development: Sure. Thank you.

My name is marty brantley, director of economic and community development for the state. Madame mayor, city council people, it was about a year and two weeks ago that the governor and some business people went to germany to visit some of the people of germany who have economic interests in the state here. While some of our media friends said why would anybody in germany want to locate in a hellhole of taxation in Oregon, we had I think a rather successful meeting, if you will, with a series of people of among them with lufthansa, and have been very successful here as you might know. Other visits that we had were with deutsch telecom. We also met with the owners of freightliner, which is referred to here, as well as with siltronic. Those -- as I say, those visits started a relationship, I think, that had already been going on, but accelerated particularly with siltronics. And they accelerated because literally the time that we were there, siltronics changed, if you will, their business plan, and said we're going forward very rapidly with the development of a 300-millimeter wafer plant. And we very much like Portland to be a -- play a role in that. As you might know, Portland in the past, when there was an opportunity, did not play a role in the previous plant, and again they very much wanted us to be aggressive. We came back, rolled up our sleeves, asked the Portland development commission, as well as other business leaders, to say let's really go after this and be as creative as we possibly can. Over the last year, visits have been made by the p.d.c., myself and other people, to munich to talk with them, to understand the culture and company. They have been here a number of times, including the chairman of the board, and continued that conversation into where we have evolved to a very complex financial plan. While there's no guarantees that that financial plan will be accepted, quite frankly I think that it is a very innovative plan and one in which we can be very proud of all the participants themselves. Peggy has been cochair of that project. It's been a very, very informative and good project, I think, going forward. And -- but what you're considering here today in terms of the urban renewal district is a key factor economically of putting this complex financial plan together. So peggy, i'll turn it over to you.

Peggy Fowler, Portland General Electric: Good morning, mayor Katz and commissioners. I thank you this morning for letting me speak to you a little bit. I'm here in support of formation of the willamette industrial urban renewal area. This new area will assist industrial business retention and expansion efforts within the north/northeast industrial area, as well as the siltronic expansion. Last spring, as you know, I was asked by the mayor to serve as cochairman of the Portland ambassador committee to help siltronics expansion, and have been working along with governor kulongoski's nominee. This is a public/private partnership, and are charged with getting as much support as possible to assist in the expansion of this \$466 million facility which would employ 500 new employees. The investment would help the existing fabs one and two where we have 1,000 employees. We've put together a strong package of assistance, and I believe that we are competitive with other locations. The establishment of the willamette industrial urban renewal area

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is a key component of this project. Siltronic's \$466 million investment will generate over \$60 million in tax increment that would be available to Siltronic to invest in capital investments and infrastructure. This package also leverages a series of work force training funds from local, state and federal sources, in addition to loan funds that were announced recently from the U.S. Department of Housing, the Brownfield Economic Development Initiative grant of \$2 million, which would be combined with \$26 million loan. There is also a loan from the Oregon Department of Energy, which is part of the overall package. In all the combination of urban renewal funds, grants and loans puts Portland in a strong position to compete with a significant private investment, and this will in turn create more than 500 new family wage jobs for Portland residents. In addition, the formation of the urban renewal district for the rest of the industrial area is an important tool for businesses that would like to modernize or upgrade their facilities. This district would allow funds to assist existing businesses. I encourage your support of the Willamette industrial urban renewal area. Thank you.

Katz: Thank you.

Neil Nelson, President and CEO, Siltronic Corporation: I'm pleased to be here, Mayor Katz and city councilors. I'm president and C.E.O. of Siltronic Corporation, and I'm here in support of the proposed Willamette industrial urban renewal area. For 25 years, Siltronic Corporation, formerly Wacker Siltronic, has been a member of this community. In 1979 we began construction of the first manufacturing plant. The first fab was followed in 1995 with a \$300 million investment with fab two. We currently supply more than 1,000 family-wage jobs that include a full range of benefits. The positive secondary effects of Siltronic are felt throughout the community. For example, Siltronic has purchased goods and services from more than 500 small and medium-size businesses in this region over the last five years. Siltronic is engaged in an extremely competitive global industry. Nearly three years ago, Siltronic's parent company evaluated Portland as a site for the new investment in the new manufacturing facilities. We lost that bid. This new investment in our community would have brought about \$430 million, but it went to another location. Siltronic's parent company was left with the impression that Portland was not really interested to compete for these jobs. One year ago Governor Kulongoski led a delegation to Siltronic headquarters in Munich, Germany, and vowed to fight for the next investment. With the support of Mayor Katz and the Governor, a public/private group came together to ensure we were competitive for the next investment. So why does this community want this next investment? The total investment in this new facility would be approximately \$460 million. Almost immediately this investment will create 1200 inspection-related jobs, ongoing 500 additional family-wage jobs will be created, and those jobs would continue into the future. In addition to the 500 direct new jobs, another 620 jobs would be created in the community. In the final analysis, considering the multiplying effect, this new investment would pump about \$4 billion into the region over a 15-year period. Simply stated, winning this investment is a win for the city. It's a win for Multnomah County. And a win for the state of Oregon. Siltronic Corporation has worked side by side with the city for 25 years. Approval of this new urban renewal area is a key part of continuing this mutually beneficial relationship far into the future and I would appreciate your support. Thank you.

Katz: Thank you.

Leonard: Can I take a moment, just a personal privilege? I want to thank Peggy. I don't get a chance to do this often. For the leadership on updating our franchise agreement with P.G.E. Our franchise agreement still makes reference to East Portland as a separate entity and Albina, and it speaks volumes to the management of P.G.E. During these rough times, that you've kept your eye on the ball. I greatly appreciate your integrity and work on helping us get to that place.

Fowler: Thank you, Randy.

Saltzman: I have a question. I was curious, could you fill us in on what is the status of the decision by Siltronic to expand in Portland?

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Francesconi: Or rephrased are you coming?

Saltzman: What's the status of the decision? I know there's been several dates that have lapsed where we've expected a decision. So if you could fill us in on what the current thinking, thought process is about a decision to expand here in Portland.

Nelson: Well, as a part of that board, i'm viewed as non-- as a partisan member of that board. They clearly know where I would like this to be placed, here in Portland. It's on hold right now. The market has seen a downturn here in the last three or four months. So we're currently ramping that facility, I mentioned, in former east germany, where it was built. We have capacity there. But we will need another facility somewhere in the world. The primary competitor to Portland is singapore. The final decision is up to the board, but I would anticipate in the next year, we'll need to make a decision, a site selection and go full steam. This 300-millimeter business is the growth part of the industry. So more demand, more -- there's plenty of demand out there to fill another facility over time.

Saltzman: Good.

Leonard: I will tell you, you will not find a friendlier place in the world to get a permit to get your work done. [laughter]

Katz: Let me try nicely to correct some history. We really did want you, the second plant, to be located here. We worked very hard with the state and with the county as partners. We just didn't have the ability to raise the kind of resources that we're talking about now. The tool chest was much too small. And you got a very good deal in east germany.

Nelson: We did.

Katz: We really did want you. We were at the table with your superiors, working very hard. Just didn't work out. We're very anxious to make this work out. I think the group came up with a financial plan that is terribly creative. And on my review of it, it can work. And all we need is your decision to come to Portland.

Nelson: Great. It is a wonderful plant. I appreciate your support in this process.

Katz: And we'll do whatever we can, including the permitting, and anything else that you need, to make this on time, on budget, and easy to do.

Nelson: Wonderful.

Francesconi: So what you're saying, at least as far as your knowledge, singapore's not ahead of us, and we're still --

Nelson: When we started this process, I would have called us a real long shot, but as mayor Katz pointed out there's been a tremendous effort, and I would call us neck and neck.

Katz: That's not bad. With singapore?

Nelson: Yes, yeah.

Katz: Thank you. All right. Thanks. Thanks, peggy and marty and neil. Go ahead. Who wants to start? Shelley, why don't you start.

Shelley Lorenzen: Good morning, council. My name is shelley lorenzen here with the league of women voters with Portland. The league certainly supports reformation of industrial lands and clearly supports trying to attract siltronics to expand its operations in world. As always, though, when urban renewal is the tool to achieve those goals we urge careful and thoughtless analysis because of the impact on schools, county and general fund, among other taxing districts. Often the concern that we raise about the impact on schools is brushed aside with the general comment that, oh, not to worry, the state will infill. We think this is a bit of misguided thinking. My colleague, corrine paulson, will address this in more detail. As john southgate says, there's been a bit of a rush, pause of the perceived timing with the siltronic decision. As a result, the report in the plan did not include enough information to really thoughtfully assess many aspects of the proposal. And the public did not at all get an opportunity to thoughtfully assess information and give the Portland development commission meaning input. Then at the p.d.c. hearing, there was very credible

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testimony that questioned the inclusion of mock's bottom in the territory, and also suggested the inclusion of the zidell property, which I think is, as we're seeing, is quite a controversial issue. We met -- we understand that urban renewal may be an important part of the siltronic package, but we think we need to do it -- make sure we're doing it right. At least we would ask that the council consider conditioning the designation of the urban renewal on siltronic's commitment to come. If siltronic doesn't decide to come to Portland, we'd urge you to reassess this urban renewal area and what should be included and what the project are going to be and whether it's appropriate. John also mentioned that there was -- because we've been in a bit of a rush, go ahead and designate an urban renewal and then we'll do an implementation plan. One of the points the league always tries to make is that our best leverage is with the landowners in an urban renewal district is before the urban renewal designation is given. Once you've given the designation, law requires that you spend those tax increment revenues in the district. Now is the time to sit down with your landowners and make a deal about what the landowners will do in return for this urban renewal district. If you do it -- if you wait until after, you've lost an enormous amount of leverage. Just to conclude, I would say, you know, siltronics has slowed down, understandably because of the market process, and perhaps we have a little more time as well to fine-tune this urban renewal district.

Katz: Thank you.

Corinne Paulson: Corinne Paulson, also speaking for the league. Shelley has already reiterated the concerns about loss to communities and schools through the loss of the -- of revenue. Prior to the passage of measure 5, schools were funded by taxes, and the tax provided about 30% from its budget. The passage of measure 5 reversed that, and there's a gradual shift in funding. The state now provides about 70% of Oregon's education dollars and local communities about 30%. Now the impact of urban renewal is this -- when cities create urban renewal areas, taxes generated in that area, which would otherwise go to schools, are spent in the urban renewal plan areas. This in return reduces the amount of property taxes that goes to fund schools, increases the burdens on the state's resources to pay for education, and that burden is being increased continually right now. Communities throughout Oregon utilize urban renewal. This results in a reduction in property tax revenues that otherwise would have been spent on schools. The amount of revenue that ordinarily would go to schools, but instead went to fund urban renewals statewide, including Portland, was \$46 million in 2003-2004. \$46 million would have provided students across Oregon with more services, quite often it's the marginal dollar that makes a difference in a child's education and can change a child's chances to succeed. On average, the cost of a full-time -- on average this is -- full-time teacher, including benefits, is \$70,000. If those dollars are not being spent in urban renewal areas across the state, that would mean approximately 650 teaching positions available. And that would reduce class size. Urban renewal is only one factor contributing to the funding problems Oregon faces. It's a small part of it, but it's one element. There's no money to backfill the losses due to urban renewal. State and local governments respond in a variety of ways. They include reductions in state-provided services, such as healthcare and corrections. At the local level, citizens are choosing to pay extra taxes through the local optional leafy. Urban renewal is a tool for keeping our cities active and thriving, but we need to be aware of the fact these decisions have on our schools and community and utilize it carefully. A lot of people are buying a lot of christmas wrapping paper to help the schools this year, too. Thank you.

Peter Matzkee, Waddell & Reed Financial Advisors: My name is Pete Matzkee, a registered investment advisor representative, also a financial planner. I'm here speaking on behalf of the urban renewal district. I do believe that it is a sound financial practice. Not only for the city, but of course for the workers that are employed by the industries in these districts. This practice is a sound practice, because it helps at a fundamental level of helping the family by providing more good-paying jobs for our community. That builds our commercial base. It increases the tax revenues over time, and creates more viable community. So I do believe that this is a sound

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financial stimulus for Portland and for the district. And i'd just like to put one final comment on. Thomas jefferson had a wonderful slogan, and that it is failing to plan is planning to fail. And this is true planning that will help our community. So again, I hope you encourage support of the measure.

Katz: Thank you. Somebody start. Go ahead.

Bob Wise: Ok. My name is bob weiss. I'm cochair of the sustainable development commission for Portland/Multnomah county. I wanted to recommend the planning commission commence on the plan. And we support the implementation of the urban renewal district. It provides an unprecedented opportunity for the city to go beyond the current practices of industrial development and really look at implementing a broad scale eco industrial facility, which when we look at the -- we have a whole series of examples from all over the world, and we look at Portland's emerging reputation, we've had over 10,000 people visiting Portland, just in the last year, including 6,000 this last week, on green building and sustainable development. This is an unprecedented opportunity to take this to a whole new level and provide more jobs within the city. I have a paper i'll hand out for you, but I think that basically summer ryes our main points.

Katz: Thank you. Go ahead.

*******:** Yes. I'd like to thank you for the opportunity to speak here. This is my first venture into a meeting like this.

Katz: Identify yourself for the record.

Soctt Mizee: My name is scott mizee, a north Portland resident. I live on yale street just above the bluff in the university park neighborhood, as was mentioned earlier. I want to speak in support of the urban renewal area. I speak both as a neighbor and as an employee of an architectural firm here in town that also was participating in this event that this gentleman next to me was speaking about. I speak from the perspective of I think the jobs. It provides a wonderful opportunity for family-wage jobs. This comes down to why Portland is a wonderful place to live and why I moved here with my family, three children, and wife two years ago almost. I also speak in support of the trails opportunity. I lived in boise, idaho, for four years, and loved the green belt that they have there along the river, in which I commuted to work on my bicycle and rollerbladed and walked and ran. I think this is a wonderful opportunity to help provide some funding for this trail. As a small part of the larger picture here. I just want to affirm my support as a neighbor, that this is -- sound like a wonderful opportunity.

Katz: Thank you.

Apricot Irving: My name is apricot irving, a north Portland resident also. I currently really enjoy the benefits of the green belt on the east and west side, that loop, and would love to see that extended.

Katz: Speak up a little bit.

*******:** That was all that I had to say.

Katz: Thank you.

*******:** Thanks.

Katz: Go ahead.

Janice Dole: I'm janice dole, a longtime resident of Portland. I'm not against the urban renewal area, but have concerns about the removal of money from the tax base. Part of it had to do, I looked at the properties that were being included in the urban renewal area in the northwest Portland site. And it doesn't look like they have correct assessed values. I would urge that before the money is frozen, the taxes are frozen, that those values that -- that this is looked at and the property assessments are done before they're frozen and that much more money is lost from things like schools and fire services, the city at large. I also looked at one of the sites for -- to the e.p.a.'s website, some of the sites are really badly contaminated. Some of them have e.p.a. easements on them. So I think the gentleman said that there was no restrictions on this property, and there are

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restrictions on some of these properties in the northwest Portland area. The e.p.a. has restrictions on what can and cannot be built. One of the sites has permanent contaminated material in big huge, concrete blocks, stored on site. And there's also some kind of water collection system to prevent lead and other contaminants from going into the willamette river that are also on these sites. You have to get the e.p.a. approval before you can even build on these sites. So when I talked to the e.p.a., I actually talked to them in person and asked them if they had heard about the urban renewal area and the site person that I talked to, in charge of one of these northwest Portland sites, hadn't even heard about it. And so I would really urge that they be included, some of these sites really get looked at, before they're included. And the taxpayers have to pay a lot more money to fix things that seem like it should be part of the property owner's responsibility. And that's about all I have to say.

Katz: Thank you.

Francesconi: Why did you do all this work?

Dole: Why?

Francesconi: Yeah.

Dole: Because I knew the site was contaminated. And I have a kid that's in high school, and we're asked to -- to put lots of money into it. I got really frustrated with the county tax, my income taxes, that was equivalent to 1/2 of my food budget for a month that I had to pay out in extra taxes for the schools this year. This is money that I as a citizen can ill afford to pay, but you're going to remove millions of dollars from the tax base in the future to pay for this urban renewal area. And it's going to get frozen in values that are undervalued on what it really is. One of the sites sold for over \$800,000, yet it's valued at \$153,000 for assessed value. So it's paying way under the taxes of what the property sold for. Half of it's not buildable.

Francesconi: So you did all this work on your own time, did all the research?

Dole: I did.

Francesconi: That's terrific work that you've done.

Dole: Thanks.

Karen Frost: Good morning. I reside at 5704 southeast liebe street. I look forward to the willamette industrial urban renewal area matching the other successes of p.d.c.'s other urban renewal areas. Every time there's an investment in new development, I believe that the city should guide property owners to help implement transportation six of the -- transportation goal six of the comprehensive plan. And u of those six elements of the transportation goal are providing adequate accessibility to all planned land uses and reducing reliance on the automobile. My interest in speaking today is to request that transportation demand management policies be required in the implementation and the process of the urban renewal area. And a few objectives should be providing adequate but much reduced parking lot area, improving transit, completion of the sidewalk and trail network, and requiring employers who promote active transportation, and that's defined as transit, walking, biking, carpooling and van pooling. We should not repeat the industrial land use mistakes of the past, including laying out vast acreage of asphalt for parking lots. Not only is it economic and environmental impact of creating runoff that's polluted by water and gasoline, but parking lots are the lowest value for valuable land and plentiful parking always attracts drivers driving alone. A large parking inventory makes business owners blind to the negative impacts of their -- of employees driving excessively. I spoke yesterday to a business manager in a large company on swan island, and he said that corporate headquarters in los angeles would not invest in transit passes for employees because there was plentiful parking at the swan island location. So he saw no problem. On the flip side, it's discouraging for businesses that want to invest in transit and yet are stymied because the bus stops and the line serving their property cannot serve their midday shifts. More people riding transit and other active transportation modes, of course, equal improved freight movement in the u.r.a. And on other city streets and highways in Portland. And every

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success we realize in making transit, walking and biking more attractive, translates into improved health and well-being of employees. A 15-minute walk to the bus stop in the morning and in the evening is the required amount of time that the surgeon general says is for healthy lifestyle.

Katz: Thank you. Your time is up. Go ahead, sir.

John Bartles: My name is John Bartles. I agree. One thing, we need to have a trail. Number two, I agree the bus need to be upgraded. We need to have a system running all the time. Thank you.

Katz: Thank you. P.d.c., when it's your turn, we need to have a discussion on what the assumptions were on the redevelopment possibilities, if we didn't do this. From what I understand and from what I've read, the value of the property would be reduced even greater. So the capturing of any growth in a tax base probably would be almost nonexistent without the investment of an urban renewal area. If I'm wrong, I stand corrected. I'll stand corrected. Ok. You'll speak to it. Not now. We'll do it. I just want you to prepare yourself for it, because everybody's assuming it's going to grow without any of our investment, and that's not what's going to happen.

Sandy McDonna: Good morning. I'm Sandra McDonna, president of the Portland business alliance, we represent 1300 businesses in the greater Portland area. I'm here today in support of the formation of the Willamette industrial urban renewal district. This new district will substantially assist business retention and growth in the north/northeast manufacturing area. Together with other vital businesses, this is a very important cornerstone of our local economy and for job creation in the area. We're also very pleased to have seen the local -- the local businesses join with government leaders to work together to bring the siltronic expansion to the Portland area. We hope this is a kind of public/private partnership that we can continue to build on and do in the future to create more jobs in the region. We're also pleased that P.D.C. worked with local warehousing and distribution businesses to ensure that the importance of those businesses in the area are also addressed in this plan and continue to be an important base of the economy there. We're hoping to continue to work to -- together with P.D.C. in the future on the implementation of this renewal district, and again we're here to support it today. Thank you.

Katz: Thank you.

Terry Parker: Thank you for allowing us to testify today. My name is Terry Parker. I'm a resident of northeast Portland. I've been a Portland resident all my life. Once again, the city of Portland wants to place its hand in the public's cookie jar. The practice of skimming off dollars from increased property values and urban renewal areas and siphoning off property tax revenues by giving wealthy developers tax abatements has left a void in funds for schools and law enforcement.

We're robbing the present to pay for the future. Individuals, families and businesses in Portland can ill afford having their pockets once again picked with another new tax, be it a county income tax, a cellphone tax, or something else to cover the loss of future increases in property tax revenue from this urban renewal district. Yes, the urban renewal district may create jobs and an aesthetically pleasing atmosphere, but also place a stress on public service needs and reduce jobs and positions in supplying those needs. The questions that must be asked -- what government services will be cut if this district is approved? What services will the city cut? What services will the county cut? What additional cuts can the schools make? This decision needs to be made now and the public informed, because if this district is approved paying off the urban renewal bonds will take priority over public services and increased property values in the district will not be offsetting the inflated costs of providing these government services. The bottom line is taxes on the increased value of these properties are needed in the general fund to keep pace with inflation and a need for increased services. If the schools' portion of the taxes on increased property values cannot be paid to the school district, even if this requires a change in legislative approval, or whatever.

And the city and county cannot identify where future cuts can be made for -- because of the lost revenue to pay off the bonds. And if the city and county are unable to guarantee not to raise taxes to cover for those lost services, any urban renewal district should be rejected. One other note I want

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to make, too, is if the urban renewal district is approved, the public must be guaranteed riverfront access, and that would include the siltronic property. And I specifically mention that one, because many years ago I was kicked off of the path in front of their property when it was wacker chemical. Thank you.

Katz: Anybody else want to testify? Come up, don, and respond to those particular issues. I remember our conversation when we went to one of the sites, and that was part of the concern at that time.

*****: Yes.

Katz: I'm not sure. Either I don't understand how it all works or the public doesn't understand. But some of the public testifying doesn't understand.

Mazziotti: Mayor, thank you. You give the example that I would give, because we know the site so well, the former autofina site. Still is that site. That site, seven years ago, was paying a million dollars a year in taxes. Today it's paying zero dollars in taxes. And the reason is because it's not usable. It's a site that's so contaminated, until it's cleaned up it can't be put back into productive use.

We don't know for sure, but we're hoping that the tax increment instrument that accompanies renewal districts can be utilized, not to pay for something the company should be pay for, but rather to accelerate the time when the site is cleaned up. You'll recall a renewal district that includes union station, which was among the most contaminated sites in the region. We accelerated the cleanup of that site, which several hundred acres in the center city, using the tax increment instrument. It is cleaned up. Development is occurring on that property as we speak. It is creating jobs, and those jobs are creating revenue for the city, not in property taxes directly until the renewal district is complete. But when that happens, we will have multiplied the value of the property, on average, by about six times what it would have been had it not been put in an investment pattern. And so I think the autofina site is a good example of the kind of site that was a major contributor, both in jobs and revenue, that no longer contributes to the tax base because of its contaminated condition. This is precisely the reason that we want to launch an industrial renewal district. It's not just siltronic, but it is also the example that I spoke of. I'm not familiar with the specific transaction that one of the people spoke of, property -- that was made for 800,000. That's independent, as I'm sure you know, of what the property is assessed at or charged by the county. There's a different formula, different process utilized. I don't know, john or bob, if you want to respond to that issue or not.

Saltzman: I'm curious. She's referring to the gold site that was, according to the information from janice dole, was purchased by nico materials for \$800,000.

*****: Right.

Saltzman: If a property is valued at \$90, it sells for 800, doesn't somewhere along the line the real market assessed value land somewhere in the middle of that.

Alexander: The property in question, I don't know that one specifically, commissioner, but the -- related to both that and the site adjacent to it, both of those were heavily contaminated, and there are portions of both of those sites which cannot be redeveloped. We're aware of that. There's another portion, adjacent to those sites, on those same sites, that can be redeveloped. Properties, in terms of overall assessment, is done typically, centrally assessed, if the properties are over a million dollars in value. It's done out of salem. Otherwise it's done through Multnomah county assessment.

And there's a number of issues they consider when they assess properties. And one is, you know, the value of the property itself, and the level of contamination clearly factors into that in terms of what can be done on the site. So I think --

Saltzman: Does a transaction price figure into that also?

Alexander: I'm sure it does. But i, again, as you know, p.d.c. Does not do the assessment here. It's done by Multnomah county and done through -- and it can be appealed through the state tax clerk. So I don't know the specific on that particular transaction. But that site is highly

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contaminated. And again, if we were to be involved in helping to redevelop that particular site, it would be for those people who would ultimately locate on the site and not for the responsible party for the contamination.

Katz: John, did you want to answer any part of my question?

Southgate: A couple observations. One, there's the measure 50 limit on increased values, so the real market value may be indeed considerably more than the assessed value.

Leonard: Doesn't measure 50 require that when a property is sold, the value actually ratchets up at the time of the sale to the fair market value.

Southgate: My understanding is a mere change of ownership does not trigger that. It's only a new improvement. I'm not the expert. Maybe someone can correct me on that. Just another, kind of an neck dote, but the concerns about the impacts on the taxing jurisdictions, just to illustrate, the original siltronic facility, that urban development has terminated, that project is generating over \$300 million a year to the taxing jurisdictions, virtually none of which would be there if we hadn't -

Katz: That's my point.

Southgate: To sort of reiterate, too, industrial properties are subject to depreciation, if there's no new investment, you can actually see a decrease in assessed value, not just remarket value. This is different from other urban renewal areas, where you have residential districts, where you'll get the guaranteed growth no matter what. There's such a gap between the assessed value and real market value.

Francesconi: Two related questions in this regard, on this particular subject. So the financial analysis that was done says that if we do nothing, over the next 20 years, there's \$331 million in tax revenue will be generated compared to \$720 million if the u.r.a. is formed. So I think that might get at some of this issue we're talking about here. But then the question is, does that \$720 million -- you may not know this -- does this assume that siltronic is coming? And so what's the number if they don't come?

Southgate: It probably would somewhere in between there. I could look up the specific number. This projects growth. We're talking to some of the businesses, apart from siltronic, that are interested in possible new investment to their properties. So there'll be some growth, but it will not be -- somewhere between a third and a half -- well, closer to a third will be generated by siltronic. If that doesn't happen, you still have other growth.

Francesconi: Ok. So you think the -- you have a number or you don't have a number?

Katz: Are you looking at eric?

Francesconi: You don't have a number.

Southgate: Don't have a specific number, but --

Francesconi: Ok. The policy question that was raised here, is there a way to make sure that the property is adequate -- is accurately assessed before it's frozen?

Mazziotti: Commissioner, we rely on the county tax assessor to perform that function. We don't have jurisdiction over that, as you know.

Francesconi: No, I understand.

Mazziotti: We rely frankly on the county. We work closely with them before establishing the district. We met with dave boyer a number of times, and he's assured us that within the boundaries of human intelligence that the report forecast and so forth, included in the plan, are accurate. Whether there may have been changes since that was accomplished, I don't know.

Francesconi: That might be the policy question, just to make sure you talk with the county, that before we freeze these, that they have a process in place to make sure they're up to date, it would seem to me. You would be responsible for making sure that we do that. Ok, I have a couple of other unrelated questions. John, for you, it's the implementation plan. Can you say a little bit more about how that's going to be developed and who's going to be present at the table so things that have been raised that are appropriate, like a transportation management plan, will actually be in place?

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Southgate: Right. In fact, that's a specifically called-out item in the implementation strategy. I believe it's on page 10 of the plan. That component is in there. What we intend to do, and this is generally -- we're October to do -- obligated to do the plan, is put together a stakeholder group of property owners, the port, the Portland business alliance, as well as the university park neighborhood association, to work on a plan that -- that addresses the -- most of the issues that you've heard today, with regard to -- you know, what's the most effective use of t.i.f.

Francesconi: We have the history, you personally have a history of delivering on this in terms of interstate but also in lent's and if you could make sure that at least the transportation demand elements and the trail elements are represented, those interests are represented in these follow-up steps.

Katz: There's a gold star for interstate. 52-member committee.

Saltzman: 55 I think at one time.

Francesconi: Can you elaborate again, John, on what you said -- what changes were made specifically to include the existing businesses, the local distributors, so that this plan can not only be attract a major employer, a terrific employer who would support small businesses but there's something in it for the local businesses themselves that have been struggling for a long time.

Southgate: Boy, I should have brought up my -- I had a copy. But throughout the report, and the plan, for instance on page one, the fourth paragraph was added, identifying the fact that the distributions and low cost six industry is a key element of this district. That plays, that's just, you know, language acknowledging that fact. Then it's translated in several of the goals on the following page. Again, the implementation strategy will help meet those goals. But for instance, goal 13 was added. Central city industry competitiveness, provide resources to invest in modernization and upgrading of logistics and manufacturing facilities allowing the industry to maintain the competitive advantage supported by this location. Goal 2, business retention. Goal 12, infrastructure to support business investment. So it's in the goals. And then it's also in the implementation strategy. I think the specific language on page nine that the second bullet on page nine, the strategic targeting of urban funds supporting existing business particularly those in core cluster as --

Francesconi: A couple more questions. The whole work force component which was brief, you alluded to but the whole idea of attracting a major employer to support businesses, but then the idea of also attracting a major employer who can support some of our own folks who are looking for work. Can you talk a little more about what's the work force strategy going to be here?

Mazziotti: Let me speak to that. Commissioner, if you could, in all cases where the development commission is involved in large-scale projects with companies that are planning to add people, we, in general, require one thing and try to assist in another. The thing we require is first source hiring agreements so that they will hire city residents or neighborhood residents first. And secondarily, we try to offer assistance with work force training funds or assistance or technical assistance in all cases. And we would certainly intend to do that here. Siltronic, for example, has made that commitment along with many other community benefits. Freightliner has made that commitment informally. It's not in formal writing. I was out at column why distributing last week with Randy Miller, our purpose was to have the same kind of discussions. And I think you will find that characteristic. Way we are operating our economic development operation within renewal districts. Correct me if I am wrong, Bob.

Alexander: No, that's absolutely correct, Commissioner. And I guess I would like to go back and address that issue also of assisting existing businesses within the area. It was always our intent and it was included in the plan from the beginning that tools that we have within the districts, the economic opportunity fund and the quality jobs program, is pervasive throughout our urban renewal districts and those are the tools that we would bring to this district. Their only purpose really is to help existing businesses upgrade and modernize. So the intent from the very start was to reinforce

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the industrial uses that are on swan island, mocks bottom and the rest of the area, in litigation to attraction for siltronic.

Francesconi: Making sure this is at the top are our list seems perfect. Why was the decision an appropriate decision made to leave out the, from my perspective, to leave out the triangle park area, the zidell property? Why was that decision made? In the beginning?

Alexander: I think the major intent for there district all along was urban development here. The fact the industrial uses for that area, although zoned industrial, we understood that there were talks underway with the university of Portland to use that site for other than industrial purposes. The site is also constrained in a number of ways. And the constraints with, in addition to the mccormick and baxter site which has also been redeveloped both in terms of a park and there's challenges there with balance cut and fill, that that area is going to be apparently will be used for park-type purposes as opposed to industrial purposes. Therefore, you have very high infrastructure costs that can only be supported by roughly a tenth or a third of the property that's down on that site. And if it was to be used for industrial, the road would have to be upgraded to roughly \$5 million to \$6 million worth of improvements. And the ultimate uses again would have -- did not seem to be compatible with the rest of the industrial nature of the district.

Francesconi: Is that p.d.c.'s position? Do you agree with that?

Alexander: That's -- I agree with that.

Mazziotti: Commissioner, I won't speak for the commission except to say that testimony was received by them on both sides of this issue and by me in discussions with both the community and plan owners and I think they basically felt that there's an intractable question here that they could not, did not have jurisdiction or authority to resolve, did not want to resolve it through drawing a boundary. Planning commission received the same testimony. I think they concluded the same thing and so this is one that the council will have to deal with in the future.

Katz: This is an interesting policy discussion and we are not going to have right now. And it's, do you -- do you include it and create the possibility of moving an industrial currently an industrial site located in another part of the city up here, freeing up additional investments and additional development?

Francesconi: Assuming that would happen.

Katz: Exactly.

Francesconi: Which is a big assumption.

Katz: Exactly. And I guess that was the question probably for the commission. No guarantee that that would happen.

Mazziotti: We don't think it's a settled matter at this point. There are just a lot of issues in the air and I think they were uncomfortable trying to resolve those in that process.

Francesconi: Last is a statement, comment as opposed to a question but I notice that eminent domain is in this plan and cannot removed. From my perspective for what it's not worth and it's not worth much it doesn't make any sense to not include eminent domain in any urban renewal district given our experience when it's not in the planning makes no sense. It robs the public. It just deprives the public because land prices go up too high and -- why even create these districts if there's no eminent domain? So I appreciate you having it in here.

Katz: I think --

Leonard: I have a question. Marge kafoury informs me --

Katz: You were right.

Leonard: I wasn't going to put it that way. Measure 50, since you put the that way, yes, I was right. [laughter] does require the property to reflect value upon sale. It's only when you maintain the property and improve it that you include the improvements in the new value. So I would like to have before the final vote next week, the specific information on the sale of this property that ms.

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Dole has brought forward. It sounds like more than just myself would be interested in that to see the actual numbers involved.

Alexander: We would be happy to provide that. If we could have a copy of that letter.

Leonard: I think you have it.

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

Saltzman: I wanted to -- there were a number of suggestions raised through testimony that I just think it's important to get on the record. The response from p.d.c. I think the first was suggesting that this urban renewal area will be enacted if the siltronic makes the commitment. I am assuming - - let me make that into two subquestions. I am assuming you believe that -- since the sub -- there's only one subdistrict that is the siltronic property. So I am assuming you believe, the commission believes the three of the subdistricts stand on their own merits as worthy. And then maybe a narrower question would be, if, is there a possibility or what would you think of conditioning the siltronic subdistrict on an actual commitment on their part to build the 300 millimeter fab plant?

*******:** Commissioner, I think the -- we have done the analysis based on eve one of the subareas. And without the siltronic, if we took the siltronic thing off the table as it were, the district still makes sense financially as well as in terms of needs for redevelopment both addressing contamination issues and the area as well as modernization upgrades on swan island and mock's bottom. Even without the siltronic we have some definite needs for industrial land and modernization, mechnization if you will, within those other industrial areas. To make -- it's council's choice, of course, to adjust those boundaries but my recommendation at this point, based on the needs of the industrial properties throughout the area and the jobs provided by all those businesses that that would be greatly assisted by the for nation of the district. And I think again we are not going to be going out for any bond sales, let's assume siltronic does not locate here. We clearly cannot go out for bond sales nor would there be any logic for going out to support that kind of investment. So it's not the formation of the district doesn't provide a foregone conclusion that you are going to go out and sell bonds to offset that. The bonds will be --

Saltzman: And the tax increment would be spent throughout the whole district? Is that correct? It's not just increment from siltronic necessarily confined to that?

Mazziotti: That's correct. It can be spent throughout. We have said informally that each district ought to, subdistrict ought to be able to live on its own and increment, as it were. So we are trying to make them somewhat independent but they can be used across districts legally.

Mazziotti: Commissioner, if you could I could add something. Lets say siltronic does not make a decision to develop their 300 millimeter facility here. They have still, within that subarea, and within their own property bounds, 20 some or 20-plus acres of land which can be developed that's directly on the industrial road that serves their current site. And that's not to say that there would not be some potential for other forms of investment that would be beneficial to the tax base. And so we think that it stands on that basis as well.

Saltzman: Thank you.

Katz: Further questions? All right. Thanks. This will pass to second and we will vote on it next week. All right. 1311. One more off the least.

Item 1311.

Katz: Ok. Kathryn.

Kathryn Beaumont, Sr. Deputy City Attorney: Just a minute. And morning, mayor Katz. I have several announce announcements -- I am required to make at the outset of this hearing. I would like to describe the nature of the hearing, the order of testimony and a few guidelines for presenting testimony. This is an on the record hearing. This means that participants have to limit your testimony to material and issues in the record. During this hearing you can only talk about the issues, testimony, exhibits and other evidence that were presented at the earlier hearing before the hearings officer. You can't bring up anything new. This hearing is designed only to decide if the

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hearings officer made the correct decision based on the evidence that was presented to him. In terms of order of testimony, we will begin with a staff report by sylvia cate from the bureau of development services for approximately 10 minutes. Following the staff report the city council will hear from interested persons in the following order. The appellant neighborhood association will go first and will have 10 minutes to present the association's case. Following the appellant, persons who support the appeal will go next. Each person will have three minutes to speak to the council. Next is the applicant who will have 15 minutes to address the city council and rebutt the appellant's presentation. After the applicant the council will hear from persons who

Oppose the appeal. Again, each person will have three minutes each. And finally the appellant will have five minutes to rebutt the presentation of the opponent's appeal. The council may then close the hearing, deliberate, and take a vote on the appeal. If the vote is a tentative vote the council will set a future date for the adoption of findings and a final vote on the appeal. If the council takes a final vote today, that will conclude the matter before the council. Finally, some reminders and guidelines representing testimony. Again, this is an on the record hearing. This means you have to limit your remarks to arguments based on the record compiled by the hearings officer. In presenting your argument you may refer to evidence that was previously submitted to the hearings officer. You may not submit new evidence today that was not submitted to the hearings officer. If your argument includes new evidence or issues the council will not consider it and it will be rejected in the city council's final decision. If you believe that someone who addressed city council today improperly presented new evidence or presented illegal argument that relies on evidence that is not in the record you may object to that argument. Finally, under state law, only issues that were raised before the hearings officer may be raised in this appeal to city council. If you believe another person is raised issues today that were not raised before the hearings officer, you may object to the council's consideration of that issue. Finally, if the applicant fails to raise constitutional or other issues relating to proposed conditions of approval, with enough specificity to allow the council to respond, the applicant will be precluded from bringing an action for damages in circuit court to challenge the approval. And that concludes my remarks.

Katz: Ok. Declaration of conflicts of interest. By council members. Exparte contacts. Anybody want to challenge our silence? On these issues? Ok.

Sylvia Cate, Bureau of Development Services: I am sylvia cate. A challenge in zoning can be initiated by a property owner and reviewed when a request is to change to a zone that has been previously designated by the city's comprehensive plan. In this case the subject property was designated as rhd through the city council's adoption of the albina community plan in 1993. The approval criteria for a zone be map amendment look at thee things. First that the requested zone complies with the designation. Second, that adequate public services are available or can be made available to the site to support uses allowed by the proposed zone. And, third, if the request is to constitutional residential that the applicant also has a prior approved conditional use master plan, or an impact mitigation plan. In this specific case, the institutional residential criteria does not apply. The site is situated between the i-5 corridor, which is immediately to the east, and the light rail alignment in north interstate avenue, two blocks to the west. One block to the north across north buffalo street is a large parcel zoned general commercial currently being redeveloped with a fred meyer store. One lot north of the subject site, on the east side of north montana, are two lots currently zoned r-2 with a comprehensive plan designation of rhd. Both lots are currently developed with single family houses. Balance of the immediately surrounding residential properties in proximity to the site are zoned r 5 a with a comprehensive plan says e-says dig sis. Rhd. Residential properties one block further west from the site are currently zoned r-1. Again, with the comprehensive plan designation of rhd. The albina community plan calls for this area to transition into higher density to capitalize on the city's investment in light rail and the resulting improved transportation system that makes higher density supportable and desirable. The applicant's propose

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the 9 thousand 2130 square foot subject site be rezoned to rhd consistent with the comp plan designation. The rh zone is a high density multidwelling zone, density is not regulated by a maximum number of units per acre, but by a combination of the maximum size of buildings and intensity of use through floor area ratio limits and other site development standards. Allowed housing is characterized by medium to high height and a relatively high percentage of building coverage. Generally, rh zones will be well served by transmitted facilities or be near areas with supportive commercial services. The height limit here would be a maximum of 65 feet with a two to one f.a.r.. However, it is important to note that no specific development is proposed at this time. If the zone map amendment approval by the hearings officer is upheld by the city council, any further development on this site must meet the community design standards in chapter 33.218 or be subject to a type 2 design review. This is an aerial view of the surrounding area near the subject site which is highlighted for you. The approval criteria for these requests evaluate the compliance with the requested zoning with the comp plan and if the comprehensive plan designation can be implemented by more than one zone, is a requested zone appropriate? In this case the rh designation is implemented by only one zone, the rh zone which is the one that the applicant has requested. The approval criteria also evaluate whether public services are available and adequate to support the requested zoning. In this case, all responding service agencies noted services were adequate and had no objection to the proposed zoning. As I mentioned previously, the third approval yeah tear I don't know regarding institutional residential is not applicable to this specific request. Therefore, the hearings officer found that all of the applicable approval criteria are met and therefore approved the request. We will now go on a quick virtual site visit. This is the subject site. We are looking towards the east, i-5 would be behind this property. The site was properly posted with the hearing notice as you can see. This view is looking north along north montana avenue. The immediately surrounding properties are generally platted at 5,000-square-foot lots and developed with single-dwelling houses. In the far distance is the construction occurring on the fred meyer site correctly north of north buffalo street. All the properties we see in this picture have the comprehensive plan designation of rhd. This is a view looking south along north montana avenue. Again, showing the character and development of the immediately adjacent properties to the subject site. All of these properties also have the comprehensive plan designation of rhd. In view is looking southeast along north montana in proximity to the subject site and here you can see traffic calming devices installed in the north montana right of way. The proposed zoning is in conformance with the city's comprehensive plan designation of rhd for this area. There are no conditions of approval requested by any of the responding service agencies. The hearings officer found that the proposal meets all of the applicable approval criteria and thus approved the request. During the hearing before the hearings officer several neighbors testified raising the concern that the traffic study that was submitted inaccurate. Neighbors testified that the traffic study did not include accurate traffic counts because the study was done after the fred meyer store, one block north, was closed. The hearings officer kept the record open one additional week to allow the neighbors to submit additional evidence regarding traffic counts but no additional written testimony was received. The hearings officer found that although the traffic study was dated for june 2004, the infield traffic counts were performed in may of 2003, while the store was still open. And that the traffic study was sufficient for this review. Additional concerns were raised before the hearings officer regarding the impact of the future development allowed in the rhd zone on the surrounding residential area. However, these issues were not included in the formal appeal statement. This concludes staff's presentation because the appeal is based on the traffic study, I have asked bob halley from Portland transportation to be available to you if you have any questions during this proceeding regarding transportation impacts.

Katz: Ok. Thanks. Questions? All right. Hold your questions I guess on the transportation. Are you the appellant in.

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Jose Alvarez: Yes. Jose Alvarez, 6946 North Avenue representing Arbor Lodge Neighborhood Association. Before I begin I have a question about the maximum building footprint that's allowed in my investigation review I saw because of where the site is located it could actually be to maximum of 100 feet in height. And that's -- there's a four-to-one floor area ratio rather than two to one. If there's a clarification.

Katz: Why don't you bring the mic close to your mouth and start your testimony while she takes a look at that.

Alvarez: Thank you. Our concern is two-fold with the transportation study was done before the Fred Meyer was open. And also before the light rail had begun operation. One of the areas that is looked at in the traffic study is a level of service. And one of those issues is delay time. Without the light rail operating it will be difficult to measure that. Particularly making left-hand turn from Portland Boulevard or from Lombard going west, turning on to Interstate Avenue. The other area we have concern with is the comprehensive plan designation of RH for not only this site but just in the neighborhood as a whole. Extending along the Interstate Corridor. We understand that the comp plan designation was changed with the Albina Community Plan but hasn't been revisited since. With all of the work done on the Interstate Corridor and the outreach done by P.D.C., to get input from residents, of what they would like to see along the corridor, there's some inconsistencies between those two, between what the comp plan designation is calling for and what the outreach information has been provided. And we would like the Bureau of Planning to revisit the comprehensive plan designation. We know it doesn't -- it would not affect this particular site. But I believe this is an issue that's going to continue to occur. And if there's an inconsistency between the Interstate Corridor Redevelopment Area and the comprehensive plan designation we think it should be addressed as quickly as possible. Further the RH designation, if it's correct that it's 100 feet in height limitation, there's no other neighborhood that has that intensity of a development. There's been a lot of interest in the Arbor Lodge Neighborhood Association, a lot of people moving to the neighborhood. And a lot of people feel that the investments they have made will be impacted by the level of density and the type of development that would be allowed by an RHD zone. We are not opposed to an increase in density. But this is severe. It's dramatic from what's currently on the ground. And we think it would be more appropriate to have an R1 or R2 zone in that area as opposed to the RHD.

Katz: Ok. Thank you. Anybody else? Nobody else? All right. Supporters of the appellant. That's all right. I am going to call you next. [laughter] I just wanted to see you exercise a little bit. All right. Principal opponent. Of the appeal.

*****: I apologize.

Peter Fry: My name is Peter Fry. My address is Southwest Main, room 105, Portland, Oregon, 97205. I think we will be very brief. The record shows that the staff report and recommendation recommended this change. Hearing officer approved the zone change. The issue of consistency between the existing development and the surrounding development will be dealt with through the design review process. We are having an RHD and through that process, as the record shows, we either meet the compatibility guidelines or we go through a formal type 3 designs review process which is where the city will have the opportunity to shape this development in regards to surrounding development. I would like to briefly have our traffic engineer respond to the issue about the light rail, the Fred Meyer.

*****: Who should I give these to?

Katz: Thank you.

Scott Mansur: I am Scott Mansur with DKS Associates, one of the transportation engineering firm that represents. Our address is 1400 S.W. Fifth Avenue, Suite 500 and the zip code is 97201. I am handing out a one o-page just kind of summary of key issues that we received from the residents that just point to where the issues were dealt with in the traffic study that's already on the record. And it talks about the Fred Meyer. We worked with the city of Portland staff to come up with

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counts had the study started. The area out there was all torn up due to the interstate fred meyer, which you guys are familiar with, and so we worked with staff and we actually ended up getting counts that were done as part of the interstate max traffic impact -- I am sorry -- signal timing project. So one of the appellant's questions was that the delay from the light rail wasn't included. And that's actually incorrect. We did include that. We worked with the city staff to get their models that included the interstate max and added our traffic on top of that. Our traffic study did include, you know, all of the traffic signal timing that will be in place and is in place now. So that was taken into account. And other than that, if there's some issues there if you have any questions, I will be happy to answer them.

Fry: So that's it for us unless you have questions.

Richard Uffelman: My name is richard uffelman. I am an attorney. My business address is 3 centerpointe drive, lake oswego, Oregon, 907035. The only comment I have is that the applicant addressed what he perceived improprieties. I suspect to the council this is not the time or place to be revising the comprehensive plan. We need to deal with what's there and this designation is consistent with the plan.

Katz: Thank you. Anybody else thank you. I would tend to agree -- come on up. On the rebuttal. That was a whole different issue. I made a note of it because it comes up another example of revisiting decisions that were made 12 years ago or 13 years ago. Ok. But that's not within this.

Alvarez: And we understand that but we wanted to use this as an opportunity to put in front of you.

Katz: I understand.

Alvarez: Two things. One, I got a letter from a resident that you wanted me to read for the record. So indulge me. This is doris combs, 6539 n. Montana avenue. I have lived on montana avenue since 1987 when I bought my willing dream house. Just absolutely the perfect dwelling. And the perfect neighborhood. Just exactly right for me. And so it has been our street is filled with gentle neighbors who all depend upon one another in a pinch. All age groups, ethnicities are represented and get along. I love sitting at my dining room at breakfast watching the kids march off to school each year getting bigger without getting bolder which means -- [inaudible]

Katz: Kathryn, in the rebuttal it also needs to be on the the record.

Beaumont: This is an on-the-record hearing.

Leonard: I recommend you let him finish.

Beaumont: It is fair to present argument based on information or evidence that's in the record today.

Leonard: I would recommend you let him finish.

Alvarez: Which means not getting into gang fights or disrupting the peace with unseemly conduct. If this goes through all the will vanish. Will that because of one multiplex? That that is simply the tip of the iceberg. To once that zone change takes place our peaceful little neighborhood will change as well. I am looking at an array of high rises will completely disrupt and spoil forever the particular culture of north montana street. There will be congestion problems, traffic problems, and parking problems. The neighborhood of which we are all so proud will deteriorate exactly to the degree that multiplex dwellings will proliferate. And if anyone reading this believes this is not to be true, get real, folks. A zone change is just that. A change in building requirements giving free reign to any and all developers. Who want to turn a profit and make a quick buck on apartment housing. So how do I know? What makes me such an expert? Well, I have lived in such disparate areas of new york's Washington heights, now spanish harlem; brookline, massachusetts, the poshest suburb of boston where john kennedy was brought up; and in western massachusetts where I watched in increasing horror as the above script of zone change and subsequent overdevelopment unfolded. When I moved to Portland in 1972, the city and I fell in love. Living quietly on quiet montana street has been a true blessing. I shopped carefully for this home taking all factors into

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consideration and the fact that each of our little working class middle class homes has such little traffic whizing by, the fact all the neighbors knew one another, the fact that no one had to search for a pork parking place before entering his or her own home sure made my decision easier and in these 17 years of residence the quality of life here has not changed. It is all good. Once more, please understand that this letter is not from some naive, idealistic do-gooder. I have done my research, believe me. I have consulted the Portland development commission and various archives in order to authenticate that once a zone change is permitted, developers come in, multiplex and high rise dwellings proliferate. Parking become as premium, traffic increases to the point the school children must be escorted across what were once innocent side streets. And as we all know research here done vy at Portland Oregon police bureau crowding escalates the crime rate, oh, yes, indeed I have left the best for last. The more crowd it gets the more crimes are committed. Anyone want to dispute this? I not only have the written research to back it up but a hole bunch of personal experience ranging from new york city to massachusetts, where in springfield the similar development zone change sparked exactly the calamities verified in this letter. Signed doris combs.

Katz: Let me just clarify. Kathryn, what is your response?

Beaumont: My response is this. During this hearing it is fair to present argument based on evidence in the record or based on issues that were raised before the hearings officer. At least and unfortunately I only have the first page of this letter. At least as to the issues raised in the first page, which are traffic, parking, and increased density, those were, in fact, issues raised before the hearings officer and he makes reference to them on pages four and five of his report. The last paragraph or two that you read concerning research and archives and the author's perceived conclusions with respect to the research and archives, I don't see that reflected anywhere in the hearings officer's report. I would defer to staff as to whether that was, in fact, raised before the hearings officer. And if it was not, then, you may want to reject that letter, part of the letter.

Katz: Was that raised?

Cate: I don't recall it being raised.

Katz: I would recommend we reject the last two paragraphs and accept the letter, the remaining part of the letter.

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

Katz: Ok? You have about a minute left.

Alvarez: All right. The last issue was, while the applicants technically meet the criteria for the zone change, it's not that there's -- there's still going to be a decrease in the level of service currently seen in that area. And with the rhd zone change, at that site, and along the entire interstate corridor, there will be significant impacts and a continued reduction and a degradation of level of service, transportation and otherwise.

Katz: Thank you. Sir? Come on to the mic.

Uffleman: Comment that I wish to make, your honor, was there was nothing in the record indicating that the service would be reduced. This is outside the evidence that was received. Thank you.

Katz: Thank you. All right. Discussion? Motion?

Leonard: Go ahead.

Saltzman: I did have a question. There seemed to be confusion about the height limit and f.a.r. So if you could clarify that.

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

Saltzman: On my part. Maybe not on your part.

Cate: Sylvia cate with b.d.s. My apologies. I read you the base zone standards. This property is actually in a special subdistrict that allows four to one f.a.r., and up to 100 feet maximum height because of the so close to a transit, light rail transit stop. So the potential here is actually through

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the zoning code, given greater building envelope and intensity than the base zone standards for rhd.

Saltzman: And that's subject property would be subject to design review? Is that correct?

Cate: Oh yes. The d overlay goes with an rh. It has to meet community design standards or go through a design review. I apologize for that confusion earlier.

Saltzman: Thanks.

Leonard: I move to deny the appeal and uphold the hearing's officers recommendations.

Katz: Motion made. Do I hear a second?

Saltzman: Second.

Katz: Any discussion?

Beaumont: And in making that motion you're adopting the hearings officer's findings to make a final decision today?

Leonard: Yes.

Katz: Since we haven't changed anything. Roll call.

Francesconi: Aye.

Leonard: I appreciate the concerns of the neighborhood. I actually worked at the fire station on buffalo for a number of years. It's a wonderful neighborhood. But this is a request that falls within the guidelines of what our rules are. And I do appreciate your concerns. Aye.

Saltzman: I think we are supporting something that's entirely consistent with our comp plan. However, I would be remiss if I didn't mention something that I think would be 100 feet tall would be out of character with the neighborhood but I am confident that the developers will work with the neighbors to come up with something that is suitable and acceptable design. Aye.

Sten: I do support the motion because I think it meets the criteria. I have mentioned this before, I will mention out loud that I continue to have concerns particularly as this plays out a little more of some of the areas chin we have underlying comp plan that is high density in r-5 neighborhoods many I am not convinced in retrospect that was the right call in each of these places although I think as you look out, say, 50, 60 years in this location that's probably the right call. But it's this transitional that's pretty tough on the neighbors. So that being said I think the best approach for me is to stick with the code which does meet the criteria but be very direct in saying that if we are to see a design appeal from the neighborhood on the actual plan, I will expect a really good design in order to want to be able to support that. I think that's the only real fairness to the neighborhood. Yea.

Katz: As I said those are issues that in some neighborhoods and some streets we are going to have to revisit. We may have made the wrong decision or had anticipated something happening that really hadn't happened over the last 13, 14 years. We are not going to do it across the entire city. But we may want to identify and the council may want to identify with the next mayor and the next commissioner who's got the planning bureau certain areas for revisiting. Aye. Let me also add that I have also done some research and high density doesn't necessarily mean higher crime. There are other factors. Oops. I'm sorry. I apologize for that. Ok. Authorize bond for headquarters. 1324.

Item 1324.

Eric Johansen, Bond Counsel, Office of Management and Finance: Good morning, mayor, members of the council. Eric johansen, debt manager in the office of management and finance. The ordinance before you authorize the issuance of up to \$12 million unlimited tax housing bonds. Proceeds of the bonds will fund construction of the headwaters apartment project located near the 30th and barber bureau in southwest Portland. The head waters project is the first project to be pursued under the city lights housing program. This program's intent is to stimulate the production of new housing units which are not currently being built due to market financial constraints. The bonds authorized by this on the other hand are secured by the net operating revenues of the project. And by the appropriated funds of p.d.c. and ultimately by the full faith and credit of the city 37 I

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should point out if the net operating revenues of the project are not sufficient, and if p.d.c. Does not appropriate funds for the shortfall the city's general fund would be required to step in and make up the difference for the payment of the bonds. We expect the annual debt service will total about \$825,000 per year. We have prepared, p.d.c. has prepared a financial pro forma for the project that under reasonable stress scenarios indicated a willingness an ability of the project to be self supporting over its life but it is appropriate to point out the general fund ultimately does back this project. If there's questions about the project itself, we have John Warner from p.d.c. here in the audience today who can answer project-specific questions. If not I will be happy to answer any questions.

Katz: Questions by the council? Do we have a list of people wanting to testify?

Moore: Just one person. Zachary jprpwotz.

Katz: Anybody else?

Zachary Horowitz, Chair, Multnomah Neighborhood Association: Mayor, commissioners, thank you. I am the chair of the Multnomah neighborhood association. Regarding this project the official position of this neighborhood has had a vote inside the association, I think maybe four or four times over the past five years, on this project has been to be against it. The main issue brought up by neighbors are the density of the project and parking and traffic, other transportation mitigation efforts. As well as just sort of inappropriateness of the project being placed in southwest Portland. Regarding the p.d.c.'s involvement in the project, a lot of neighborhood -- a lot of neighbors are sort of concerned because this seems to me the p.d.c.'s monies should be allocated for neighborhoods that fully require additional investment to make them increase their livability. Southwest Portland is not really falls into that project. In addition, subsidizing housing in an area that has a lot of existing apartments, you know, doesn't necessarily fit with the city lights program in terms of providing housing. The proposed rents for the project are much higher than existing rents for housing in the area. So there's a lot of concern. And this gentleman just mentioned the city's general fund would be responsible for overcharges in case those apartments are not rented. There are mostly apartment buildings in the immediate area do have vacancies. So they have much lower rents. This apartment, these new apartments are new. And so I mean, that's a bit of a concern. On the other hand, I will say that both -- sorry. One other concern of the neighborhood was sort of the involvement. Process. A lot of times people were sort of concerned there wasn't really a lot of opportunity for public involvement. The only real point besides this meeting the p.d.c. Meeting and the opportunity during the land use notice that was sent out for the subdivision of the proper were the only public inputs. There was there wasn't any real time to make a case regarding the density, et cetera. In addition, in terms of the process, a lot of neighbors myself, a little concerned that the bureau made a coordinated effort to make mitigation efforts related to, say, transportation. I know there is a lot of -- there was bureau involvement, for example, in the storm water projects or the storm water part of the project. And that seemed to have quite a bit of buyoff from b.e.s. That all being said, in terms of communication between Mr. Warner and Mr. Winkler, the developer on the project, while the neighbors did have a lot of concerns initially, I can't speak to the time before I was involved in the project, which is this past July, but since then --

Katz: Go ahead. Finish.

Horowitz: Thanks. Citizens then they have made a really good faith effort to meet with the neighborhood and there Francesconi in his office regarding transportation concerns. It looks like money, the s.e.c. money will be available for the park and we are looking at o-dot to get a light at bureau bureau and 30th which is maybe the most important transportation mitigation effort as well as the -- Mr. Winkler and Mr. Warner are working with the neighborhood to develop a good neighborhood agreement. All in all everything I think hopefully it will work out. However, I will say that if the project for some reason does not work out, a lot of the neighbors are going to be really upset at the neighborhood, p.d.c. and the commission.

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Katz: Thank you.

Horowitz: Thank you very much.

Katz: Anybody else? Council have any questions? It's been on the radar screen for a long, long, long time. The winklers aged. Ok. This will pass to second.

Francesconi: Just so while you are here, on the issue of the transportation improvement the on barbur and southwest 30th, you have wanted that for a long time and so we are trying to help fund that. We are working hard to fund it. Not only because of this project but because it's necessary. So we're working on that. And we are working to try to have the funds for springwater to develop it. Not only because this project but because it will be nice to have springwater developed so we are trying to do these things right now. We are working on it hard.

Katz: Ok. 1325.

Item 1325.

Eric Johanson, Bond Counsel, Office of Management and Finance: This particular ordinance authorizes the issuance of the interstate corridor urban renewal bonds in an amount that's sufficient to pay the general back obligation issued originally in 2000 and then refinanced in 2002, which provided the city's \$30 million mass for the interstate max light rail line. If you recall in 2000, the city issued its general fund back bonds with the intent that when the tax revenues in the area grew to the point they could take on the obligation this that he would we would refinance the general bonds with renewal bonds and we thought that this particular year would be the earliest that would happen. And, in fact, we have gotten to the point now that revenues in the district are sufficient to take on that obligation. And as such we are here with an ordinance requesting approval to issue the bonds to take care of that. Current plan is to sell these bonds at the end of this month, closing in the early part of december.

Katz: Ok.

Saltzman: Is this issuance have anything to do with the ethos at school?

Johansen: No, no. The only proceeds to go repaying existing obligation. No new money for the district.

Saltzman: We were contacted by ethos yesterday expressing a concern about an item on the agenda that would somehow diminish their ability to use urban renewal financing and by process of elimination this is the only within I can figure out must be. They were talking about 108 funds.

Johansen: Not familiar. I have heard of the project but I don't know how this particularly impacts impacts that. There will be other other coming in the district but they are not being taken care of.

Saltzman: A nonprofit music school that will use the old masonic temple near jefferson high school? Except by process of elimination. Ok.

Katz: It doesn't -- it doesn't have anything -- there may be other -- there may be other projects that are going to make requests for funds and that may be what he is concerned about. But it's not here.

Saltzman: Ok.

Katz: All right. Anybody else want to testify? Roll call.

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

Katz: Mayor votes aye.

Item 1326.

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

Sylvia Van Dyk: I am sylvia van dyk and I live in a house near the two proposed properties in skyline heights. Mayor Katz and the commissioners, thank you for letting me express my concerns. I realize that some of my anxiety may be unfounded but there are so many things I do not know about this. These two lots do not exist in a vacuum. Or in an undeveloped area. I think you have this paperwork. These two lots are part of a neighborhood that has been in existence for 56 years. Mr. Martin's study only looks at the impact to the city of Portland. It does not address the concerns

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of these two neighborhoods. -- of this neighborhood. If the sewer comes into these two lots underneath skyline, is that going to be more expensive if the sewer ever comes down ramsey and walmar for the rest of us? But I have to admit my primary concern is my own personal pleasure of the value of my property. My house -- let's see -- -- actually, if you look at the page on the back, figure, 2, the two properties here, my house is this one across from this lot. And the house on this lot was destroyed -- my husband and I bought up there for the view and we knew we could not afford to buy a lot of property to protect our view so we bought a house with a view across the roof line across the street on this property here. Since then that house has been destroyed. And he sold it to a young fellow for rebuild. And I got in there with heavy earth moving machineries and damaged the drain field. The house that was on it originally was -- look like a ranch from the street level but has a complete basement and a daylight basement. I understand that style of house is no longer acceptable. My concern is that if a house were built on that property now, it would take my view completely and therefore reduce my property value.

Katz: But aren't you pointing to property that isn't even involved in this?

Van Dyk: That's the thing. I am getting to that. Petition a 204 as written does not affect me. But I am not satisfied I have understood that the person on this lot which it does affect or could affect does not want to come into the city. Does not want to hook up to sewer. And I find it difficult to believe that if you approve three hookups for the sewer there is not going to be somebody that could figure out a way to make it these three lots instead of these three lots.

Katz: Thank you. Your time is up. Do you want to make another point on this?

Van Dyk: Yes. Oh. Mr. West could replace his septic tank. I don't think it would cost him any more than coming into the sewer. The owner of the lot next to him, mr. Leech, previously owned the house that mr. West owned and the property -- I didn't know that he still owned the property. He has moved out of the area. In fact, I believe he's moved out of state. And I think that if you approve this you will make it possible for people to make a lot of profit, people outside the neighborhood, to make a lot of property at my expense. Thank you for listening.

Katz: Questions by the council? Anybody else?

Moore: No one else signed up.

Katz: All right. Roll call.

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

Katz: Mayor votes aye.

Item 1327.

Katz: 1327, I will recuse myself on this vote since I wasn't here for the hearing.

Andrew Aebi: Good morning, mayor and commissioners. I am andrew aebi. Council accepted petition for the southwest nevada street local improvement district on the october 6 consent agenda.

There were 76% persian support and 6% waiver support. For total support of 82%. We have received remonstrances representing 32.2% of the area of the l.i.d. and 35.7% of the estimated assessment for the l.i.d. we originally were going to have this hearing on november 3. We held it over for two weeks. A lot -- most of the petition support that we had originally appears to have eroded and I took this two-week time-out and took the opportunity to talk to the property owners and there appears to be a strong consensus in improving this street via a permit instead of doing an l.i.d. So there's still strong support for improving the street but the preference among the property owners is to pursue a permit in lieu of forming an l.i.d. If I were to repetition the l.i.d. at this point my best guess we would have 14% petition support and 86% no support. So for that reason, what I am recommending the council do, and council does have jurisdiction to form the l.i.d. Or not form the l.i.d., but at this point I am recommending that council next week at the second reading vote no on the ordinance. Thank you.

Katz: Ok. And so you didn't have a hearing? You just delayed it? Right.

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Aebi: There were some folks who were going to be here today but due to the time constraints they left a little early today.

Katz: Ok.

Moore: I think we have some people still here.

Katz: Come on up.

Michelle Rudd: I guess I will start. Good afternoon. I'm michelle rudd. I am an attorney with stoel rives. My address is 900 s.w. Fifth avenue. I am here on behalf of george fagan, one of the property owners that initially agreed to formation of the district. He owns lots four through eight on southwest virginia place and the at the time he consented he didn't fully understand how changes in the configuration of parcels one and two and a clay in the planned access to lot 3 were going to affect his ultimate development costs and so he's no longer in favor of the l.i.d. And we appreciate staff's recognition of how the property owners's position has changed and urge you to vote no on the ordinance.

Katz: Ok. Thank you.

Joelle Lewis: My name is joelle lewis and I am in contract to purchase mr. Fagan's property. I am a developer. And it was during the process of investigating the l.i.d. and explaining to mr. Fagan who is an out of state owner of five preplatted but undeveloped parcel that he was brought into the l.i.d. And that he actually received no benefit from the l.i.d., and that 100% of the costs of improving the next 400 feet of the street that was not inclusive in this plan actually devalued his property and so I am encouraging the council to vote no on the l.i.d.

Katz: Thank you.

Theresa Venezia: My name is teresa. I am one of the property affected property owners. I live the 0415 s.w. Nevada street. I have been in residence there for approximately five years. I am one of the residents that has actually in favor of the l.i.d. And I would like to state my reasons. The street, the affected is on a serious decline and it is currently loosely graveled. And often potholed. Pedestrian safety is an issue on the street. It needs a sidewalk. Pedestrian safety is also an issue with regard to vehicles being able to yield their right of way to pedestrians. Imagine trying to get up a steeply graded gravel street, avoiding potholes and remembering that you also need to yield your right of way for pedestrians, be they human or canine. One of the other compelling reasons I believe our or I am in support of the l.i.d. Is the issue of surface water on the street. The drainage that is currently in place cannot accommodate the volume of surface water coming down the street. I am one of the affect the property owners because my house is I believe below grade. Over the past couple of years, there have been changes and modifications made to many of the lots bordering the street. There has been significant deforestation. There has been a destruction of homes along the street, at least one home along the street. Thereby eliminating the sewage or at least I am sorry the ground water -- the ground water mechanism to get the water from the lot to the street and we really experienced an increase in the surface water on the street. We need to have a system that drains into the sewer and we need to mitigate the impact of the surface water on the street on residents such as myself that do not have the ability or the finances to start installing even more storm drains on my own personal property to accommodate the water. My home has been flooded on two occasions. And it has cost me, along with pedestrian safety issues, to address council today.

Katz: Thank you. Questions?

Francesconi: Are the camellos?

Rudd: I represent george fagan who is out of country.

Francesconi: I am sorry? They left?

Katz: Thank you. This will pass to second. All right. S-1328.

Item 1328.

Brant Williams, Office of Transportation: I am here to answer any questions.

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Katz: Do you want to add anything? We are ready to vote.

Williams: Mayor, members of the council, brant williams, director of Portland office of transportation. If you would like me to respond to some letters that were received.

Katz: Not particularly unless the council members want.

*******:** I will do --

Katz: Do the council members want to have brant respond? I don't hear a loud yeah. Roll call.

Francesconi: Brandt, if you haven't already, meet with michael levine and kind of talk to him about this and make sure that whatever happened we can try to rectify it for the future. And for the future, you don't have to respond. And also as we move forward through the c.a.c. process with further looking at the redesign, make sure michael has sufficient opportunity to talk to his folks to make sure that it's satisfied, I guess.

Williams: I will do that.

Francesconi: So in terms of the -- we all spoke last week. This is just an important thing for the city. It was born in some controversy but it's being born. And this is critical for the downtown but it's also critical for lents and for gateway and for our transportation infrastructure system to keep us competitive with other regions. So let's build this and let's build it in a way that helps the public space, helps the transportation infrastructure and helps the economy and the housing that we need to stay competitive. Aye.

Leonard: Well, I thought I had been clear last week about my concerns but from some of the emails, calls and other comments, apparently, some misunderstood. What I was saying. I support light rail. I support the economic development it causes and I support and agree with the recognition that it creates economic activity. And it's a good investment. I do not support excluding condominium owners who will directly benefit from the installation of the light rail being excluded from paying for light rail when we are including entity the such as salvation army, Portland state university, and other such enterprises to assess them to help pay for the cost. No.

Saltzman: I will recuse myself from this vote due to pecuniary interest.

Sten: Aye.

Katz: I also made my statement last week with commissioner Francesconi and made it again this week with another group. My disappointment but that's all passed. We are now on the road. I want to thank tri-met agency, and commissioner Francesconi for staying on top of this and making this a reality. Aye. Ok. 1329.

Item 1329.

Katz: Roll call.

Leonard: I have an amendment.

Katz: You have another amendment?

Leonard: Well, it was requested to clarify what I thought we had accomplished with our amendment. You want to speak to it?

Katz: Excuse me? [inaudible] who wants to address the issue? Does dan want it or do you want to address it?

Leonard: It apparently was unclear to some in the staff -- can you speak to this?

Terri Williams, License Bureau: I am not sure I can.

Leonard: It apparently was unclear to some in the staff that they had the authority under the amendment that I made last week to actually apply this -- the language that we adopted last week to contracts as low as \$5,000. And -- do you want to speak to this?

Ben Walters, Sr. Deputy City Attorney: Commissioner leonard, it's my understanding that the amount that's in the first sentence after the "now therefore" and the directive section has been changed from \$50,000 to \$5,000 and to reflect the discussion of last week, that's a substantive change in terms of the text of the code. So because it is a substantive change, it's an amendment that will require this to pass a second reading. That's the procedural situation council finds.

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Leonard: We do need to adopt this amendment?

Walters: Yes. You will need to approve the amendment as -- by motion today.

Leonard: Ok.

Katz: Somebody tell us what this is all about.

*******:** This is just --

Katz: Identify yourself.

Ty Kovatch, Commissioner Leonard's Office: My time is ty kovatch. I am with the office of commissioner randy leonard. Last week when we were drafting the ordinance there was some confusion between our offices and the city attorney about whether or not sections a and b in the ordinance needed to be adjusted to the \$5,000 number with section c having the \$5,000 included in it. Because what we were doing was essentially saying that here's the process for contracts that are greater than \$50,000 on one hand and here's the other process for contracts between \$5,000 and \$50,000. And so we just wanted to make sure there was an alternative that was cited in the code for the \$5,000 to \$50,000 and to make it consistent in the code, jim van dyke from the city attorney's office felt it was necessary to change the \$50,000 number to \$5,000 to encompass the whole.

Katz: So that's all well and good. What about the underlying language? Is this the existing language or the first amendment?

Saltzman: That's from the original.

Katz: That's from the original.

Kovatch: The only thing that's changed is the number \$50,000 is changed to \$5,000 in this replacement.

Leonard: I move the amendment.

Katz: Do I hear a second?

Saltzman: Second.

Katz: Thank you everyone we stand adjourned until 6:00 tonight.

At 12:13 p.m., Council recessed.

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

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Item 1330.

[roll call taken]

Saltzman: Mayor's absent. If you could read the item before us, please. Ok. Susan, are you going to come here and update us?

Susan Hartnett, Bureau of Planning: Thank you. For the record, I'm Susan Hartnett, Bureau of Planning. I'm going to give a brief overview of tonight's item. I don't want to take a lot of time, but if somebody were to tune in, I want them to have some idea. What's in front of you tonight is the final piece of the code maintenance 2004. You'll recall that it was adopted as parts one-a, parts 1-b, part 2, and then this final piece, which is just called accessory structures amendments. This was a piece that the planning commission pulled out of the original package so that they could do a little bit more examination and in-depth research on it. They did forward to you a recommendation to adopt the changes, which were contained in this document dated July 19. Council held a hearing on that planning commission recommendation on October 20. At the conclusion of that hearing, the council requested that staff provide a modification to the planning commission's recommendation. Just to kind of give a quick synopsis of that -- first of all, the modification that we prepared is in the bright orange document. City council proposed revisions. This is set up as substitute pages to the planning commission's report, and I did it that way because it would be too difficult to try and show on the same pages what -- what the proposed -- or the council's requested amendment would change to the planning commission's recommendations. So if you want to see them, you need to look at them side by side. In essence, the city council asked that we change the -- or the planning commission's recommendation that would have applied to any accessory structure, to make it apply only to an existing garage, so that an existing garage could be converted to some other type of accessory structure, such as a home office, artist studio, or even an accessory dwelling unit. So just briefly to walk you through these, if you begin in the council's proposed revisions, on what is substitute page 16, in the commentary, and just as a brief reminder, the commentary is what describes the legislative history and intent of code amendments. The third paragraph down, which begins "during the initial city council hearing," I've added a little bit of text to explain the council's change from applying it to all accessory structures to only existing garages, which I understood to be based on the testimony about the potential negative impact of a proliferation of these small structures. On the next page, actually substitute page 19, in section c.4.c, side and rear setbacks, language has been added to clarify that that applies only to an existing garage, not to any accessory structure. On page -- substitute page 21, under e-2, existing detached garages, we've added a cross-reference, so that anybody who's looking at the existing garage regulations will know that there is an opportunity to convert and how they can do the conversion. And then e-3, which had been struck as part of the planning commission's recommendation, is left in the code. This is the existing language that says only a garage can be built within the side or rear setback. So that's just a quick overview of the changes. That's -- there's another set of pages that are essentially the same that apply in the multidwelling zones, the pages you're looking at apply in the single-family zone. The last thing I want to say before I go away is to remind you that the public record in its entirety is available at this hearing. It's in the box in front of the city attorney's desk. It includes all the

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materials and informational -- information produced to date that relates to this project, if at any time you needed to see something i'd be happy to pull it out. I can answer any questions you might have or if you want to turn to testimony, whichever, it's up to you.

Saltzman: Questions?

Sten: Just one question. I think there's only one issue left, and I got an email from amanda, and I just wanted to kind of frame this to council as we get started, that when I made the amendment last time, the question came up, ok, so you can convert an existing garage, but you can't built a new one, so what happens if somebody builds a garage and then the next day comes in and wants to convert it. So they built the garage in setback. Frankly I think there's still argument about this. I personally am not -- I don't think it's going to happen a lot, come and build something defined as a garage and change it immediately, but at the last council hearing I had said, at I think staff's request, staff threw out the idea, why don't we put into this the date, meaning that you can convert a garage that's -- that exists as of this date, but you can't do one that's new, the idea being new people would know the rules. In later conversations planning came in and argued to me that date shouldn't be in because it creates a real administrative headache. I'm just going to be blunt. I'm not real impressed by either sides' arguments on this. I don't think it's hard to figure out if a structure exists as of today, and I don't think it's going to get abused a lot on the other side. This issue is still ranging, and I think the council needs to decide it tonight. If anybody wants to testify to that, i'd be interested in that.

Saltzman: We were just talking about your email, amanda. Inviting testimony.

*****: So --

Saltzman: Do you want to respond?

Hartnett: Other than to say I think at the last hearing it was difficult for me to speak as a single voice for both the bureau of planning and the bureau of development services. I can tell you now that both bureaus believe that any way to try and make this apply only to an existing garage creates more problems. If you just do it the way we've done it, existing with no date, you do leave this sort of loophole that you just described. Whether it gets abused or not, that's an issue we could track, but it's not something I can give you a firm answer on tonight. Any time you put a date in the code, you make the implementation of the code more difficult and more difficult to explain in the permit center. What's special about december 23, 2004, which would be the implementation date of these amendments. Why a garage that's been there five years, but not a garage that's been there three years. So either way you try and tie it to a date, it makes it more difficult to implement and to explain to the public.

Leonard: That was not -- susan.

*****: Yeah?

Leonard: Susan feldman.

*****: Sorry. Different susan.

Leonard: Keep your eyeglasses on.

Feldman: Came from the eye doctor.

Leonard: Going to have a problem administering this specific date?

Feldman: Umm, we can do it.

Moore: Susan, identify yourself.

Susan Feldman, Bureau of Development Services: Susan feldman, bureau of development services. We can do it. The staff felt if there was a date, their preference, we did -- because this came up this afternoon, this option, a little survey, and they would prefer meeting the public and saying "your garage has to have been there for four years or three years" versus a certain date, because that way it's sort of a -- they felt it was a fairness issue. Either way we can administer the code. So their idea was versus a cutoff -- instead of a cutoff date, do something where there isn't that obvious loophole, like "today I get a permit for one thing, tomorrow a permit for another thing." but it's there, it's there for three years, five years, and then you kind of have the same rights

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as somebody who had a garage yesterday. So that was -- that's where the staff was coming from. Under any circumstance, we can administer it. We just think that we can administer the second -- the three to five years, somewhere in there, with kind of a straighter face, more fairness, I mean that it would be fair. It's really up to you.

Leonard: You get to blame us.

*******:** What?

Leonard: You get to blame us.

Feldman: We always blame you. Fine, no problem. Go talk to them.

Sten: I don't think this is going to be a long hearing, so i'll be slightly repetitive. Amanda, I was saying I don't feel this is going to get abused a lot, if it doesn't have a date. I don't feel it's that hard to administer. I'm kind of in between the two sides in trying to work something out that's reasonable. I guess the intent of my amendment last time was to, at least for the time being, and I didn't reiterate in my opening comments, that i'm really, really interested in a comprehensive look at the accessory dwelling units and I really expect that change some of these rules, and expect that to be something people can work on both side. We've got the s.d.c. issue and a bunch of things. The point I was trying to solve, is if you have an existing garage, you pay I think it is \$1500 to apply to turn it into a playroom or studio, and we approve it 100% of the time. That doesn't make sense to me. I think you shouldn't have to pay that money, and you ought to have that right, the structure already exists. That's the reason for the date. If the structure exists, you get to change it. Frankly I don't feel that strongly about it either way. So we can just take the testimony and --

Saltzman: So we'll have testimony. People signed up?

Saltzman: If you could state your name for the record. You'll each have three minutes.

Cathy Mahle: Ok. Cathy Mahle. Commissioners, thank you for hearing residents' concerns about accessory structures on october 20. I will focus on the possibility of people taking advantage of a situation since this comment was aired at the time. I feel that people are currently taking advantage of code changes legally, but not to the benefit of residents, neighborhoods or our city. I've observed density growth most intimately in the little quadrant of sellwood where I wheeled my daughter around in her stroller. She's now a freshman in college. On the white page -- i've got pictures color coded. So the pictures on the white page. In march of 2003, I became aware of problems in code when a parking lot in our blocks r-5-a zone was approved for subdivision. The overlay side effect wasn't common knowledge in the neighborhood. The landlord of the blue home on my block owns over 20 rentals in the neighborhood and recently thought she could subdivide this property, too. Some landlords knew about the a overlay intricacies and built high density. Those are the two little homes -- two pictures at the bottom. A lot of those units went up around our neighborhood. Before it was to become the r-5-a zone, before the neighborhood plan went into effect. Now back to the parking lot. When the developer was asked if they would consider building a home on this piece of property, which would logically fit, the answer was yes, but they couldn't afford to do so. They proceeded to develop 35 units across the street on the old sellwood hospital site, and they do look nice. I've also submitted a few other things in there for your reference about testifying at the hearing for that zoning. On the red page, the large tutor-style home immediately south of sellwood and garthwick neighborhood has a accessory dwelling above the garage. This property within six years sold for close to a million dollar by word of mouth. The owners of the ranch home with the accessory dwelling feel they've improved the value of their property with their a.d.u. addition, although the property has had lots of interest, it isn't selling. On the purple sheet, this a.d.u. is a block away from me. The owner of the property where I took most photos is contemplating a move to her father-in-law's home with acreage in the southwest. She would prefer to live in sellwood. She likes the neighborhood, biking to work, walking to shops, working in the community garden, etc., but didn't expect this monstrosity next door when they purchased and renovated their home. To conclude, I believe many code maintenance policy changes have not benefitted residents in

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neighborhoods. I hope in the future there will be a reexamination of code revisions. The bureau may be running smoother, but residents in neighborhoods are paying the price. Again, thank you for questioning the wisdom of building accessory dwelling structures on property lines.

Saltzman: Ok, thank you. Sir?

Kevin Fischer: My name is kevin fischer. I'm here tonight to ask the council to not approve the revisions and approve or adopt the planning commission recommendations as originally stated. I'm a residential designer here in Portland. My work is all residential additions, new construction. It's all contextual, I work all over the city. In fact my design for the living smart was chosen for the Portland catalog. So thank you. And before working on my own as a designer, I worked for a company, residential remodelers. I get all my work through contractors. The reason I say this, is i'm all over town, talking to people all the time. I go look at their projects, talk about when they want to do. I give them a detailed estimate, cost estimate, of what it's going to, you know, cost and all. And most of the time that's where it stops. People don't realize how much things cost. I really think if this gets adopted, i'm not going to put a second line in my office to handle all the calls coming in to build accessory structures on property lines. It's simply not going to be a big thing. The reason why I think we should be able to build these units on property lines is that, first of all, the zoning code makes sure that, you know, lot coverage, if somebody wants to have an office or something, you know, they have to only allow a certain amount of cars coming into the neighborhood during the day, things like that. All these things are on the code that are not changing that, preserving the integrity of our neighborhoods. The simple issue of putting a building on the property line or not only would help, first of all, an existing property, if you have to be within -- or, you know, be in the setback, could get destroyed. You know, there's really no sense to having like five feet behind the garage and not having it in front or on the side. I think it makes for a better yard. A lot of times there's fences, so a fence will stop and the structure will begin. And the other thing is that I don't think that this will get abused either, but the idea of having to build a garage first and then converting it, being the only way that this can happen, will mean that now all of a sudden we have a garage and we have a minimum of 600 square feet of impervious surface, the driveway that really isn't wanted. So when the conversion happens, we have a driveway and we have to cover up the garage door and all these things. If we were allowed just to build this structure, which again I just don't see a lot of these happening, but it will preserve the property and it will -- you know, I used the planning department all the time. I know most people down there by first name. The whole idea of going down there, saying "i want to do this," and them saying "this is the way you have to do it," just doesn't make sense to me. That's all. Thank you.

Saltzman: I'd like to ask you a question. So it's your belief if we adopt the planning commission amendments, I mean people are going to want to build a.d.u.'s, but you don't see the demand for new a.d.u.'s being --

Fischer: Not at all, because of all the factors of cost. Besides, if you build an a.d.u. on your property line, if they want to go with the maximum. -- the maximum footprint, I automatically pulled it back five feet because the dormers have to be within five feet of the property line. That's not going to change. So the zoning code is there, keeps our neighborhoods intact, and it alone, you know, I think, by and large shapes what we're doing. This one issue is a very small issue. I think people misunderstood. I think they really thought that it was just going to open the floodgates and destroy our neighborhoods, but everything else in the zoning code is still there that stops that.

Saltzman: Thank you. Amanda? Anybody else wish to testify? Your name amanda.

Amanda Fritz: I'm amanda fritz. First of all, I think your choices are either to not adopt this amendment or continue the hearing, because the text of the amendment was only available to the public today. It's my understanding the public is required to have 10 days' notice to be able to comment on an amendment. I only had 10 minutes to look it over today. So I would ask for a continuation if you're not going to reject it. Second of all, feels like we're doing the same hearing

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we did again that we just did october 20. I feel that we should be honoring the citizens who came that night and listened to what I thought you said tonight, which was that we weren't going to have a serial permits, you could do a garage on the setback and then do the accessory unit afterwards. That doesn't work for everybody. It's basically adopting the planning commission recommendation and using this extra step. All of the testimony that you heard, most of the testimony you heard that night, are citizens are very upset about encroachments and setbacks. We should be looking at this holistically, looking at the report, system development charges and privacy and open space, all those things which make accessory units work really well and can make them affordable. This one amendment is going to tick people off, result in offices to your -- result in calls to your offices to complain. Obviously if you want to do, you just put up a garage and change it. That doesn't seem to make any sense to me whatsoever.

Sten: You really think people are going to build garages -- garages and accessory units aren't the same thing.

Fritz: People do.

Sten: Build garages on purpose to avoid this law?

Fritz: If they want to have a garage with an accessory unit over the top, you build your garage first. There's one in my neighborhood. Actually went the other way around. They just had the garage. Have this really ugly garage. But yeah. I mean, if it's going to save you \$1500 to do it twice, why wouldn't you?

Sten: I can think a lot of reasons.

Fritz: I think, commissioner, my point is, let's look at this issue as a whole. The other thing I also wanted to say was that this may be a first new zoning code regulation that you're considering postmeasure 37. In this brave new world, put in a new regulation, we can't take it away easily. Everybody in the city who owns their property as of today would have the right to do whatever you say or ask for compensation. This is saying we're going to let you do something which you currently can't. We can't do that and take some of it back because measure 37 would kick in and we can't take it back in. Let's be more thoughtful postmeasure 37.

Saltzman: That's actually a good thought. I hadn't thought about that. So your suggestion is to sort of step back, take a broader look at accessory dwelling units?

Fritz: That's what I was suggesting in october. The additional thing i'm now suggesting, with measure 37, we need to put a hold on regulatory rethink or regulations, until we figure out, if we're willing to pay compensation if we're going to change it again in the future.

Saltzman: Any other questions? Thank you. Anybody else wish to testify? Ok. Susan, you want to come back up.

Hartnett: Could I say "not really"?

Leonard: I'm interested in the point that amanda raised on -- which is a good point -- adopting a regulation now that -- as opposed to a month ago, and then, well, if it doesn't work, we'll change it.

Hartnett: Measure 37 aspect of it?

Leonard: Yes.

Hartnett: I'm going to defer to either kathryn beaumont or cary pinarrd. I haven't been following measure 37 in detail --

Leonard: My intuition is if we grant a property right by an action postmeasure 37, that raises the bar. If we then at some point in the future go, "oh, that doesn't work," want to lower it back down, we have created a use for the property that we are then attempting to rescind, which requires -- to comply with measure 37.

Kathryn Beaumont, Sr. Deputy City Attorney: I think the point that postmeasure 37, we now have a new factor to consider when we're adopting regulations, is a good one. Exactly how it would play out in the future, it's really difficult to speculate.

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Leonard: But as I just speculated, is that an unreasonable kind of --

Beaumont: It's certainly one possibility.

Leonard: Possibility at least, yeah.

Saltzman: What about the issue of a broader look at accessory dwelling units?

Hartnett: I think certainly based on the council's discussion at the last hearing, we have made note of that interest. How that might move forward. I don't remember which one of you it was, but one of you did acknowledge that the planning bureau's plate is always very, very full, and obviously with the implementation of measure 37 we have yet a new factor that we're trying to figure out. I think we are willing and interested in and certainly the discussion about s.d.c.'s also caught our attention. Whether planning moves that forward or how it gets moved forward, I don't know that I have an answer for you right now. But, you know, we can look at how that might work into a work plan. And certainly take into consideration at that point how this kind of amendment might support or not support the -- either encouraging accessory dwelling units or keeping them in line so that they don't have negative impacts that people have raised concerns about.

Saltzman: Ok. And then the issue was raised about timeliness of this amendment being available for public review?

Hartnett: Yeah. My understanding is, is that given that this was a continuation of a council hearing, that we do not have an obligation to have it out 10 days in advance. We try and get stuff out, at least a few days in advance, for the public to see. This one was a little difficult in trying to get some clarity from council members, and then get some consistency internal. It was not available until yesterday morning, that is correct, but I don't think we had an obligation to have it available before that. Kathryn concurred with me on that.

Leonard: We may not have an obligation, but for a number of reasons, I feel cautious right now.

Sten: You're cautious makes me cautious.

Leonard: Exactly. [laughter]

Hartnett: I would say -- I mean, my -- my inclination at this moment is that it -- that the -- it may be best to go back to where we were at the last hearing when commissioner Leonard said to me, "well, if you don't prepare something, this is probably not going to be adopted." that may be the better approach at this point.

Leonard: Yeah.

Hartnett: The one question I would ask you to consider is in the planning commission's recommendation, there were two main pieces. There was the accessory structures in the setbacks, and there was also the design standards and how they apply to accessory dwelling units. I don't know if you remember that one, but it has to do with the five design standards, exterior materials, pitch of the roof, trim, the size of the windows, and how that applies to conversion of an existing structure, expansion of an existing house, or building a new building. And we were making some modifications to try and make that -- that aspect of building an accessory dwelling unit or converting a garage a little bit easier. You didn't hear any testimony in opposition to it. So if you wanted to maybe consider amending the planning commission's recommendation to delete the accessory structure within the setback stuff, but adopt the accessory dwelling unit, design piece, that -- you know, my opinion is that's your best course of action right now.

Leonard: And what about the s.d.c. part we discussed --

Sten: I think we're going to look at that as probably the bigger issue.

Leonard: Ok. I would also be interested.

Sten: I know staff isn't going to like my point of view, but that's how it goes. I mean, I would actually -- you know, I may hold the -- I move that we actually put the date in there of the hearing as Amanda suggested, and adopt the change. And the reason is, you know, this is a code maintenance issue. And to me -- I'm still interested -- I think it was an interesting hearing. I told the neighbors last week that I'm not sure I ultimately agree with them on the setback issue. I just

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thought it was not something that could move through code maintenance and thought it warranted a bigger discussion and ought to be tied to the s.d.c. issues and others. For me, to have done this work, and not fix the issue that you can't convert an existing garage without paying us \$1500, when we're trying in this community -- it makes sense to say use your garage in a productive matter. I would like to adopt this. There's no way somebody's going to take this package on again. Given the measure 37 issue, given -- again, it's kind of in the spirit of what happened at the last meeting. I'm not completely in agreement on -- with amanda, that I think -- I think there will be administrative problem to keep track of the date, i'm not completely worried that people will abuse it, but that was what we talked about at the last group with the neighbors. That's what the neighbors were expecting if this amendment passed. We did talk about that date. The measure 37 issue says to me, yeah, ok, i'm not too worried about pulling back the right of the existing garage, because frankly the permit history is we approve the variance every time, we just charge you for it. And people hate that. But if we do give it, on the new garages, then we have the conversion issue, have to go back and say, ok, we're putting in a date or something, that could be a taking away.

Leonard: Yeah.

Sten: I would be inclined to put the date in there, encourage -- although this is the council's business -- b.d.s. to come up with a simple way to administer it.

Leonard: Is that a motion?

Sten: Yeah. I think we could take some kind of affidavit.

Leonard: Is that your motion?

Sten: I'll stop.

Hartnett: Just a clarification, can we say the date of the implementation of the date of the ordinance adopting these changes as opposed to the date of the hearing?

Sten: Sure.

Hartnett: Thank you.

Sten: So if you build one in the next couple months, you can get the loophole.

Saltzman: It's 30 days from second reading.

Sten: I'm just kidding. You have to be really devious to pull that one off.

Saltzman: Is the bottom line impact of this that people cannot build new accessory dwelling units unless they build a garage first? I mean --

Hartnett: No. If you wanted to build an accessory dwelling unit that met the size limitations, the 24x24, no taller -- no walls no taller than 10 feet, you would have to go through an adjustment. So you would still have the avenue of building new. It wouldn't necessarily be an accessory dwelling unit if you wanted to build a new home office. If you wanted to build a new artist studio, whatever, all of those other options, you could still do it by going through an adjustment. So it's the same adjustments that commissioner Sten was referencing that we are currently approving. We would probably continue to approve those.

Saltzman: Ok.

Hartnett: Although i'd have to think about how -- now having this dichotomy between existing and new might affect the approval criteria. I'd have to look that up. I can't answer that off the top of my head.

Saltzman: Bottom line is you could make --

Hartnett: You could make the application. Definitely make the application.

Saltzman: Get adjustments that would allow you to --

Hartnett: I'm a little reluctant that they would all continue to be approved in the same manner.

Saltzman: I'm not saying you necessarily have to say that, but there's this avenue that you can get -

Hartnett: That is correct. For both an accessory dwelling unit or other habitable space that's not a dwelling unit.

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Saltzman: Ok, ok. So I guess we have a motion and second. I guess that's it. Time to take a vote. Karla, call the roll.

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

Sten: Thank you, everyone. Aye.

Saltzman: That was the amendment.

Moore: On the amendment.

Saltzman: So we need to adopt the --

*******:** So that was the amendment to the revisions. Now you're going to adopt the revisions, or vote on the revisions. Ok.

Saltzman: Karla, please call the roll.

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

Saltzman: Ok. That's it. We have no further business until 2:00 p.m. tomorrow. Thanks.

At 6:33 p.m., Council adjourned.

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

NOVEMBER 18, 2004 2:00 PM

Items 1331 and 1332.

Katz: Karla, please call the roll. [roll call taken] all right. Let's read 1331 and 1332.

Katz: Ok. I'm going to start by making some opening remarks. Gil, why don't you come up while I do that. We have some amendments that are going to be presented. I'm going to wait until the very end to present that. This ordinance and resolution is coming back next week for a vote. And we'll do the vote at that particular time. And we'll send people to the drawing board to see if we can get the consensus on the language, because I think there's, a, some confusion, b, some anger, c, some bad thoughts and d, bad language. [laughter] and maybe if we're lucky, bad behavior. [laughter] all right, let me start by saying that the love of the river didn't start with any of us sitting here. The history of this city started because of the river. And it's always asked, "so vera, how's the river?" when you look at the history of a community, and realize that it wouldn't have been here if it was for -- if it wasn't for the river, we should all be ashamed of ourselves as to its condition

and what we let it come to. It was with the help of some of the members of this council, two of them sitting to my left, who had the bureau of environmental services and the water bureau and the gentleman to my right who had parks, who were concerned about the condition of the greenway, who were concerned about the condition of the river. Governors who had made this one of their major policy issues they wanted to address during their tenure. Most of them all failed. We didn't do so hot ourselves, but we began moving in the right direction. The gentleman sitting right across from me here, who's going to be speaking in a few minutes, took a very strong lead in beginning to address the health of the river. Over all of these years, major initiatives started, and I hope that gil or mike, in a brief form, can identify what that is. This strategy's been an accumulation of -- culmination of years of work. There are things that we need to do. There are things that have already been done. But the -- but the river renaissance notion was we jointly needed to agree there was a problem and jointly make a commitment that we were going to solve it and jointly agree there were different ways that we needed to act and that we needed to change the way we treated the willamette river. The strategy moves the river renaissance vision. It institutionalizes the river renaissance vision. I'm not going to be here for much longer. These three gentlemen aren't going to be here for much longer. Oh, we don't know -- [laughter] sorry. They may not be here -- I mean, when i'm talking not much longer, i'm talking 20 years from now. It's not in the next campaign season. [laughter] chemo brain. And it's important that we actually all agree together, just as it was important we talked about the police, the vision of the police, the police reform, that we all agree together, this is important, we need to continue moving in that direction. What gil and the bureau managers of this city have done is they've agreed that this is important. They have gathered together to work together to make sure that every bureau puts this on their list. And so to that extent we moved a tremendous distance, but as I said unless you monitor it, unless it's in the code, it may disappear. One of the things I wanted to make sure that all the work that mike lindbergh and my councilmembers had put in, and my bureau, and our other bureaus, I didn't want it to be lost. So that's why we're here this afternoon. I wanted to say, it's going to get better. All right. Who wants to start? Oh, I have the list here somewhere.

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Gil Kelley, Director, Bureau of Planning: Good afternoon, mayor and council. Gil Kelley, planning director. I'm going to make a brief presentation, including some visuals so I'll ask the lights go down in a moment. I'm going to be followed by Mike Lindberg. Mike has graciously volunteered time to really coordinate the creation of a parallel effort outside of city hall to complement the city hall effort. We look very much forward to working with Mike on that as it gets rolling. I'll be followed by Zari Zantner, who will be arriving, to talk to you as a director and to talk to one specific issue. Then we'd like to invite Fred Warren to come to the table briefly to present the development commission's recommendations to you. They took this up at their meeting last week. And then finally Deborah Stein will sort of explain what exactly the actions are in front of you and what the very next steps are. So with that outline, we'll try to move as quickly as we can and get right into the testimony. We have a lot of familiar faces here today who are anxious to testify. Let me first of all say I'm here representing a group of bureau directors. I'm not here talking to you alone. In fact, if you look at the cover letter in the document that went out to the public, it was -- I sign it on behalf of the river renaissance director, which includes Susan Anderson, Ray Carriage, Dean Marriott, Don Mazziotti, and wanted to thank all the commissioners for providing their staff time in this. This document that's in front of you is really a midpoint, not an endpoint, of the process we're engaged in to really launch this project. And this document is really the product of authors from each of those bureaus, and including time put in by each of the bureau directors, who really read every word of this document, marked up previous drafts, and all came to a conclusion that we want to advance this. It also is in line with directives, which the council has given me over the last three or four years, that this ought to be one of the three major community development initiatives that we pursue, the others being the next economy and centers and neighborhoods. The river renaissance was really one of those top three. And so we followed through. I'd like to make a special acknowledgment of Susie and Brian from the port of Portland. They've helped with enormous amounts of staff time, in not only reviewing, but in authoring critical studies that have played into this and portions of this document. So with that introduction, let me just walk you through some of the background we have here, for both council and audience, to sort of bring us to what action is actually in front of us today. And with a little luck, I'll be able to work this machinery here. You'll recall that we launched this river renaissance in 2001 as the mayor indicated. That was really bringing together streams of activities and thought that had been occurring for decades in the city, but we formalized it under the mayor's leadership in 2001. And we set forth a call to action. You sent us on our way to complement that initial vision work with doing a whole lot of research and a lot of outreach. So we conducted that phase. And then 2000 and 2004, we produced a number of critical studies that really serve as the informational building blocks going forward in this effort. Those were culminated in a compendium of that research that we call the conditions report, published a few months back. And really is the bedrock of efforts moving forward. We also spent time and are here today at this midpoint to present you with a strategy. This is not a prescriptive plan. It is essentially a document which synthesizes everything that we've learned and distills it down to really some guiding principles going forward. How do we want to behave as a whole set of actors and agencies and private and public actors with common goals, what kind of direction do we really want to give ourselves that's more specific than the initial vision work, but complementary to it. Following this, one of the things called for here is to really have the agencies involved begin to coordinate their work plans and put forward an integrated budget for your review and approval. Each and every budget cycle before the council. We hope that also that that will have a coordinated effect with the port of Portland, with metro, the corps, and other partners as we go forward in our budgeting cycles. And finally, you'll see in midyear 2006, the first annual state of the river report, where we actually go back to that strategy and the measures that we set out for ourselves, which are quantitative measures, and report to you and to the general public, how well are we doing with this strategy? How well are we doing with making the river

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more swimmable, having healthy fish pop populations, having more jobs in the Portland harbor, getting more access to the river, building more buildings with the river as an address and as a front yard. Those are things you'll see coming forward. So today we wanted to just quickly hit, again for you and for the audience, what is river renaissance, what is the strategy in a little bit more detail, who are our partners and what's next. The river renaissance is about three things. First of all, it's about reconciling city and nature. Here are some examples that have already been undertaken that get at that a bit. The restored bank at terminal four, which the port of Portland took on as a project. The new greenway at the south waterfront. This is a portion of it, the bioswale that came out of work that commissioner Sten pioneered with federal agencies to look at a different way of permitting stormwater systems, rather than going into a pipe this is creatively retained with an interesting landscape feature on the bank of a very new robust and district at south waterfront. And eco roof is just one kind of treatment for actually helping water quality throughout the city. The bureau of environmental services and sustainable development through commissioner Saltzman's leadership are working on this kind of project all over town. We're actually becoming nationally recognized for that. These all affect the river, because unless we clean up the quality of the river we don't have a good starting place for all the other goals. What does reconciling city and nature actually mean? Well, it requires that we understand the systems. This is a very complex world. We're doing a lot of work both within the city and within our partner agencies on understanding the nature of industry, the sort of ecology of harbor industry, if you will, understanding the natural systems, not just for fish, but for wildlife as well. It means managing for multiple objectives, the days of doing single-purpose infrastructure and programming is over. The new way of doing things may be represented, like these two middle photographs, the one on the top, the foster road overpass which took a small restricted culvert and built essentially an adequate fish passage, which opened up several miles of upstream, high-quality habitat to fish that were sealed off before. It also works very well for transportation needs. The photograph below that is the oaks bottom trail, which is actually made of pervious asphalt and the fence to the right there is hiked up about six inches from the ground so that wildlife can actually pass underneath it, but it serves the human safety purposes of separating bicycle users and pedestrians from the railway. And finally, reconciling city and nature means that we have to actively collaborate and focus on design solutions. And so things like the -- the river trust, which is bringing together state, federal, and local agencies in a very pioneering way has led to the kinds of bank treatment that I talked about, because there's a way to get through that maze, and we use the design and engineering talents we have in this community to make win-wins. The second thing that the river renaissance is about, in its essence, is reaffirming our identity and sense of place. If you look in the upper left there is a picture of Portland's harbor in the 1890's. Shipping and industry, commerce, were a big part of that, of the city at that time, and our reason for being. Much of that shipping industry has moved downstream, closer to the columbia, and the photograph on the bottom shows that although it's not as visible to much of the Portland public, it is still a critical part of who we are. The middle two photographs, up and down, really show what's happened to our downtown waterfront. It was a very, again, active place for commerce and all kinds of community activity at one time. Our ideas about what that activity have changed over time, but the river remains central to the very core of the life of the city. And on the right you see recreation in the early days along the river, and recreation still taking place today. So in many ways the river renaissance is about recapturing and reaffirming that sense of identity. Here are some notions about one of the districts to be -- being developed now, the south waterfront. This is a truly river-oriented community. You'll see sketches that the parks bureau is working on with the greenway there. And you'll see a rendition of the robust district behind it. It's also quite true that we need to continue to focus on the industrial portions of the river and the -- and the working harbor as we call it. Again, terminal four where you still see very active shipping and industrial activity going on, st. Johns may have one of those places where you have an urban town center kind

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of reaping down to the river in a little bit more of an urban way. At the same time, as you heard yesterday we're working on creating reinvestment through industry for industrial purposes in a section of the harbor through the new urban renewal area designation. It's also important to look at opportunities to express our culture. Here again, on the left is an artist rendition of how the south waterfront greenway might include some representational features of historic waterfront, how we might use, for example, water taxis as they're done in Vancouver, and the diagram on the right is about looking at the bridgeheads as very special places to put really new -- some new urban structures in to celebrate that. Finally, it doesn't all happen on the river corridor, the Willamette river corridor. Here's some examples of reaching upstream. Pleasant Valley plan district just went through a planning process. In fact, the Gresham city council adopted the implementing ordinance for that night before last. They're coming to you December 8. This is really designing around nature, very robust form of -- of redevelopment, but one that really respects nature. The headwaters project, the other sketch, is a project you're familiar with where we've actually daylighted a creek in southwest Portland and accommodated new housing. The green streets on the lower right are a simple but very effective solution about treating water upstream. We may see more and more neighborhood streets in that way. Ross Island, of course, coming back to the main river stem is kind of a jewel in the crown of the urban ecosystem. Finally, we have more ambitious efforts ahead. Doing a river plan as a follow-up effort to this where we get on the ground and much more specific and look at where trails go, where new urban development opportunities are, where habitat restoration opportunities are, very specifically. How industry needs to operate in those sections, so forth and so on. The industrial districts atlas is a new publication that we've just worked on between planning and P.D.C. Again with help from the port. This really goes to understand the character of industrial lands and industrial needs. And the freeway loop project, which the mayor launched through a task force, a committee to look at that as coming forward with a recommendation that a major fix will need to occur to the freeway loop system in the next 15 years or so. And it's going to have to be major if we're going to do that. We might as well take advantage of relocating or reconfiguring that freeway so that it opens up the potential to really use the east bank riverbank in really pretty wonderful ways and the third thing I would say, to define river renaissance, is that it's really about a new way of doing business. So, for example, the names I read off are on the letterhead on the right. That's a new way for the bureaus to act in concert and together with your -- your acknowledgment and your empowerment of that group. The middle document shows a whole list of community leaders that signed up early on to help us with the project. And Mike will talk about that in a moment. And the river trust I mentioned a few minutes ago is a groundbreaking agreement between federal, state and local agencies to expedite permitting and coordinate activities on river cleanup. And essentially we hope that this new way of doing business also means that not everything is driven from the top down, but essentially we've created a common framework for entrepreneurial initiative, whether that's on the public side or private side. Here you see pictures of much of that work already going on. We hope that this fosters a whole lot of that. The strategy, very quickly, is a set of principles. You have those in the document. The bureau directors worked very hard on this, in particular to make sure these were the essential points that would guide our actions and our budgets going forward. We want to be able to measure our effectiveness at delivering on the river renaissance aspirations, so we look for ways specifically to define positive and numerically measurable outcomes for jobs, recreation, habitat, and some of the other aspirations here. Whoops. I have to go back. So here -- here's an example. We know we'll be making progress toward achieving a prosperous working harbor if Portland's establishing emerging industries grow. How do we measure that? We figured out ways to measure that. We know where we are now. We benchmark the year 2002. And we know how to measure that going forward. So we'll hold ourselves accountable. Below this level there are -- well, depending on the specific action plans to come forward that will show us how do we measure our own performance in

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getting us to that increase in jobs. Similarly, there are outcome measures for people getting access to the river and out on the water. We have a survey from 1999 as a baseline. We'll continue to do that periodically to make sure more people are actually getting out there and making use of our effort. Similarly with the habitat value of the river, there are ways to measure that. We have the organization in place to do that. Largely through b.e.s., but also with the cooperation with state agencies. And finally, the strategy is about actions. And I won't go into those today. We have initial actions already included in the book and some illustrative actions ahead of us. This is work to make sure the bureaus and agencies come together each other with actions that can get budgeted every single year so the community can feel empowered by that to take volunteer action as well to complement that. Through our partners -- who are our partners? Again here i've mentioned many of them. These are critical. We're in a new era of doing business. The city can't deliver this alone. These are partners we've already contacted and we'll be needing to grow the relationships with. Frankly we'd like to take this strategy document forward after you adopt it to the port of Portland who we visited already, and to p.d.c. Certainly, and to metro initially, to say "we'd like you guys to endorse the strategy for your own part in the river renaissance." we'll be expanding that out as we go forward. And finally, what's next, just some things that you as a council will be seeing after -- in the next microsoft or after the -- next month or after the first of the year, the framework for management of watershed health is a critical foundation piece in the river renaissance moving forward. It looks about -- watershed health objectives for each of the subwatersheds in the district, begins to say how the science would inform those and whether the kinds of actions we need to take, continuing to map the natural resources throughout the city is important, again, just baseline information, regardless of what way we might take that program in the future. I mentioned the industrial atlas. You have already in front of you the urban renewal plan. And the river plan is something that we've talked about at the bureau directors level as being sort of a joint project for next year where we begin to apply these principles in a very grounded way, perhaps beginning with the north stretch of the river, the industrial stretch, which is indicated in this diagram here. Finally, as I mentioned, you'll be seeing how each year budgets in front of you that reflect this, the progress we've made, and request for new programs, not necessarily always new, but maybe reconfiguring what we've already done. Just wanted to end with this quote from the mayor, who's been so instrumental in getting this off the ground and sustaining it. And that really does capture our overall aspiration. Thank you.

Katz: Thanks. Ok. Mike?

Mike Lindberg: Thank you, gil. Mayor, members of council, my name is mike lindbergh, 4023 southeast ash street, Portland, 97214. And I love Portland, because some place when you leave the city council, there still might be a role for you. To give you an example, in kentucky, I don't know if you knew that when horses ran in the kentucky derby, and if they lost and weren't used for breeding, up until about seven years ago, they were turned into dog food. [laughter] but there was a nonprofit that was formed so -- so rather than be put out to pasture when you leave the city council, I think the Portland tradition is, is that people call upon you to get involved in activities, a whole variety of nonprofit activities. Gil had contacted me about a year ago and asked if I would be willing to get involved in this, because i'd been -- spent a long time in my years on the council with interest in it, in the river. And I readily said yes. And first of all, I wanted to thank you. You know, frankly, with all the transitions going on, river renaissance, the flame of it, could have died. It could have flickered, but what's happening is burning brightly. There's a plan to have it go on into the next administration. And there's so many of us that are grateful that that's going to happen with our concentration really focusing on education and jobs and crime problems and things such as that. When I was working at the river, I talked with audrey mccall, who I still know and visit occasionally, and we were trying to get the 6 billion gallons of sewage out of there. She had kind of said, "you know, tom used to talk about this all the time. He'd be turning over in his grave, spinning

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in his grave, if he knew you weren't continuing to work on that." so I always kind of had that image. He brought us to a certain level. We're kind of slowing down the spin a little bit now. He's going to be grateful we're taking this step forward. So what will my role be? First of all, in addition to all the governmental activities and partnerships, gil has asked me to help form a group that would be an outside advocacy group. We're going to look at best practices throughout this country and throughout the world, in places such as toronto, actually the ex-mayor, his next job was to take over a river trust that kept the effort going. And this is going to be very inclusive, so if you read the paper this morning, or there are different groups that think, well, there's an advocacy group that's just going to concentrate on one aspect of this. No, we're going to reach out. I don't care whether you own property, whether you're interested in water taxis, tugboats, tour boats, environmental watershed restoration, we would make sure that any kind of advocacy group basically would be able to include the people that would want to be involved in some way. One of the reasons I actually was willing to take this on, and I don't want to be too repetitive with what gil said, this is an impressive effort where gil has pulled together the city bureaus, who are working -- it's almost like a city manager form of government in terms of the river renaissance project. And I wanted to thank not only mayor Katz, but I know all of you have been involved, but commissioner Francesconi has spent two or three years as parks commissioner, and put an incredible amount of time into that as parks commissioner. I want to thank you for what you did during that time. The last thing I wanted to say is that there will be a lot of people that will -- you know, will want to provide input. Obviously there's a lot of specific things they have in terms of their agenda. I'll start out with putting together an advocacy group with no specific agenda, except to try to move this forward and support this, because it is measurable, because it is multidimensional, because it isn't a business versus environment. But I do want to just tell you one last story and then close. And that is we shouldn't underestimate the power of a lot of specific things being done that add up -- add up to a great thing. And when I left office one time I took a walk all around the waterfront, and just thought about the things that i'd been involved in. I started up with lee kelly sculpture, remembered then bill naito calling me and saying "hey, I have somebody to donate these cherry trees, we can put them out." those things blossom and they're so beautiful. Then the japanese memorial, which we worked so hard on. Then I walked down and saw the seawall. I don't know if you remember, actually it was solid at one point in time. One time I said "you know what, we'll be able to see the water from there." they had to bush the bureaucracy quite a bit to get that done, but now there's railings to see the water. I walked down to salmon street springs, and I remember jack mcgowan, looking at the fountain there, saying "we need one in Portland." he was director of p.d.c., they had a lot of money, so a good friend to be sitting with. East side esplanade, the trail down to the river, it was a very specific project, took one staffer like six months. That all these little things, what i'm saying, that I do know at one time I voted to move the freeway. They come in and say "where's the big, bold vision?" it was a 4-1 vote. We didn't get it done at the time. We can't forget if --

Katz: 3-2, mike.

Lindberg: 4-2.

Katz: 3-2.

Lindberg: Well, yes, at that time, when you came on the council, it was 3-2.

Katz: You were talking about before.

Lindberg: Before that we had an initial vote, it was 4-1. I just wanted to stress that -- and that's what I like, what gil has showed on the slides, is that this is not like there's one silver bullet, magic button that you can push, that there's one thing, there's not one transforming project. This is a multiyear, multidimensional effort, and i'm willing to stick in for the duration until you guys change that policy about the kentucky derby, you know, what you do with the -- but until that time I stand ready to assist, and wanted to thank you for the offer to be able to help.

Katz: Thank you, mike. Thank you very much for taking that leadership role.

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*****: Ok.

Katz: Ok. Zari, where are you? Ahh, there you are.

Zari Santner, Director, Portland Parks and Recreation: Good afternoon. Members of the council, zari santner, director of Portland parks and recreation. I wanted to build on the theme that mike was describing. I'm afraid i'm not going to do as good a job as he did. And that's the multiobjective aspects of the river renaissance and the strategies that are following that. In 2001 when you endorsed the river renaissance vision, and its theme, you basically acknowledged the importance of the multiobjective aspects of the vision and interrelation of economic and social and cultural aspects of the whole system that could come together to create a vital city in our community. River renaissance strategy that is before you today are just set of policy guides and strategies to optimize the city's planning and development effort to achieve these multiobjectives. And in other words, you will be basically instructing us, within the city government, to work together and get out of our silos, and to work with our community partners, and to be smart, so that we can strive to deliver more than just one objective that we will usually individually would work on. The heart of the vision is the effort to balance these multiaspects of the vision. And both in planning and design and project development. So that we can avoid and mitigate conflicts in the best interest of the whole. One of the themes of the river renaissance is the frontier art, and that acknowledges the importance of an interconnected system of parks, open spaces, trails, along the banks of our rivers and opportunity for broad spectrum of river recreation. The notion is that the public is investing in cleaning up the river. It should have the pleasure of enjoying its aesthetic and recreational values. River renaissance advances a model relying on collaborative problem-solving and creative design as potent tools to remove obstacles, perceived and real, in order to achieve multiple gains for the city as a whole. The common goal is to provide for future generations by revitalizing our rivers into a state of enduring economic, environmental, and social health. These strategies encourage us to think of the river as a finite resource that consistently serves multiple purposes. Public access to the river and a vibrant and healthy harbor need not to be mutually exclusive. I believe that river renaissance is a bold strategy, as bold as willamette greenway was, and as bold as 40-mile loop was and is and continues to be, and by you accepting these strategies it would help us to achieve all of these objectives, to the mutual benefit of each other rather than exclusion of one for the sake of the others.

Francesconi: Just two questions or points. I won't go into long detail. First of all, gil, are we talking river or rivers? Because there's a letter from the port that says this is expanding to the columbia. So far the whole presentation has been focused on the willamette.

Kelley: You know, very good point, commissioner. We really are talking rivers. We started on the willamette and really realized that -- particularly from both an ecological point of view, but more an economical/industrial point of view, we can't draw-line there, we need to turn the corner on the willamette. That being said, we know we have more research to do on the columbia to get it at the same level that we've done research for the willamette.

Francesconi: Well, and also groups, interest groups, and other people, that it's not -- so you may have to phase it, or at least be clear about that.

Kelley: Right.

Francesconi: Because I thought the point's there. That's not the major point I wanted to make. With the way this was introduced, these late amendments coming here, it's easy to forget that we've come a long way. In fact, zari, the parks director, started out with economic in your presentation. We need to acknowledge everybody, especially the industrial folks, who helped shape the vision a little bit better, because maybe we didn't include the economic side as much in the beginning. Having said that now, so I wanted to make that point loud and clearly, because we need a unified version for the council to proceed. We have to work through some important principles that are outlined in the differences in the amendments. And that's why, zari, while I can still direct you, it is

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very important, between now and next week, that you personally, as well with your staff, meet with p.d.c. and the port to look at this language here, as well as the team, to see if we can -- where we end up.

Santner: I'll be happy to do that personally, but I believe both my staff and gil's staff have been working with some of our constituents who have had concerns. And some of the amendments that has come before you from the staff. We believe that reflects the concerns that they had, and i'd be happy to work with them further.

Katz: Ok. What I want to do -- after fred and deborah -- come back to discuss the issue on the amendments, so that the audience knows what they are. I'm not going to take any amendments. I don't want to hear any amendments at that point. But just the issue, because you know, both of you have been working with anne gardener, who represents p.b.a., whoever else, and then we'll open it up to public testimony. If anybody wants to address those particular issues at this time that would be fine, or for sure they'll be able to address them next week. Ok, fred.

Fred Warren, Portland Development Commission: Good afternoon, mayor. Commissioners, Fred warren, Portland development commission and member of the river renaissance management team. P.d.c. would really like to thank the mayor for her leadership on this. A lot of us, back in 1991, the kickoff, and we really do embrace river renaissance initiative and also like to thank the council for their leadership on it as well. Last week p.d.c. commission did adopt a resolution recommending -- basically recommendation by the Portland development commission to the city council to adopt or accept the proposed river renaissance strategy with additions and changes. We embrace the cooperative and integrated approach. The effort to reclaim the river as the center of our city. I've personal been involved in the creation of this document. we support the document overall, but there's still some areas in the resolution that needed to be addressed. Basically had five issues or bullets in there. I think we've got at this point consensus on three of them. I'm going to leave those out for now unless you really want to go into them. You should have a copy of our resolution in or packet. The other three are the following. On two of these, I think our discussions are pretty close to having agreement as a staff recommendation. Deborah can speak to that. But the first bullet is the policy guidance and the strategy should highlight the critical role of the port of Portland and the harbor industries and businesses play in Portland's economy. I remind you from the Portland harbor study that one in eight metro area jobs and a \$3.5 billion payroll comes out of the harbor. I think we're -- we're pretty close on language on that one. The policy guidance concerning i-5 as currently in the document it only talks about in the loop study, or i-5, it talks about the policy itself just says that we should try to reconnect to the river. It actually doesn't talk in the policy language about function, about central east side connections, about not deferring ongoing improvements to the system, etc. So that's another one. Again, I think we're close to agreement on that, but we haven't totally gotten there. And then the last one is the policy guidance about the trail and industrial areas. We remain concerned and we haven't quite reached a consensus yet on that. You'll hear from the business community on that issue. So that's basically where we are. We do support the strategy. We're still working on the changes. And probably of those mentioned, it's probably the trail industrial area that remains the -- the one we're not quite there yet.

Katz: Those are the ones that my understanding is that the amendment's going to come through. Who wants to address now some of the issues, ones people are still working on, and you only have one week.

*******:** Wait. On the ones that fred mentioned --

Katz: Get to the mike.

Deborah Stein, Planning Bureau: I'm deborah stein. And we have been -- I wanted to call your attention actually to some amendments that you've already received in your packet. These are amendments that staff has worked on since the publication of the document to respond to some

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things that we anticipated or have been hearing from members of the public. Since we published this last week for you, we've continued to work on some language to address a couple of the items that came out of the Portland development commission's resolution. So we think that we've got some language that we just needed to finish crafting, but I'm very confident on a couple of those, that we will have something for you at your next meeting.

Katz: Ok. So I'm assuming that at the next meeting we'll have probably an updated list on amendments and errata, and then have to go through them like we normally do.

Stein: Correct. So these are ones, that within the interbureau team, we have agreement on already, and some of these we've worked very hard -- you'll note that in this packet, there are some amendments to the policy regarding trails in industrial areas. That's continued to be the most difficult issue we've had to tackle in the production of this strategy. We've continued to work on the language in here in order to address what we were hearing from the river industrial and economic advisory --

Katz: We'll get there in our usual torturous way. Do you want to articulate the trails in the industrial area so that people understand what we're going to be hearing at the end of the testimony?

Kelley: Sure. And in a very general sense the issue is where and how you would place the river trail, a trail system which is already acknowledged in the general plan for the city, where you place that in industrial areas, particularly with regard to industries that have water dependent or water-related use.

Katz: Ok.

Kelley: Let me tell you what I believe here, is that we can only go so far with words in this particular document. We need to move to the next phase in which we'll actually be walking sites with industrial trail advocates and mapping where that trail should go specifically. I don't know if we'll get the exact words.

Katz: We'll hear language in a few minutes.

Warren: We are not totally comfortable yet with the language, the p.d.c., because of what the stakeholders said on the trail, but I totally agree with Gil that the solution is on down the line in terms of design, etc., but that's the one amendment where, p.d.c. at least, has been --

Katz: Ok, thanks.

Stein: Can I just add a few things that haven't been said yet? I described the amendments that we've already produced, and what we expect to happen today is after we hear testimony we would then like to hear from you some direction, so we can then go and work on some official amendments, and we'll bring those back to you. I want to mention just really quickly, what adoption of this strategy means, we have before you both a strategy which we're asking you to adopt by resolution and we're asking you to adopt an ordinance. An adoption of the resolution of the strategy is your commitment to embrace the guiding principles, the policies in here, as guidance for your everyday decisions and practices of city government. We see that this sets the stage for a lot of future actions that Gil mentioned. And while this doesn't do anything that would directly change zoning or affect individual property owners, we do hope that this strategy serves as inspiration and guidance for individuals as well, so we all have some guidance in how we can behave differently and act differently to advance the health of the river and revitalize our river and waters and streams. Adoption of the ordinance before you will set in motion a few things to institutionalize river renaissance. It would formalize the river renaissance's directors group, which has been meeting. It will direct that group to report annually on progress as Gil talked about through an annual state of the river report. And it will also direct us to prepare an annual cross-bureau work plan. What's been remarkable about this work so far that you've heard from previous speakers is the interbureau nature of this. This ordinance would start to institutionalize some of the activity that's been exciting over the past few years. What's next, we'll come back to you after we hear direction

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from you at the conclusion of today's hearing, we'll come back with additional amendments that we get direction for. We'd like to post amendments on our website on Friday, December 3, so that people -- so that the public has a chance to review any proposed amendments prior to the follow-up session which is scheduled for Wednesday, December 8, at 2:00, time certain. At that time we would expect that we would take any additional testimony on the amendments themselves and then you would deliberate and make a decision on the strategy.

Katz: Ok. Excellent. All right. Karla. Thank you.

Ron Swaren: I guess I'll start. My name is Ron Swaren, a member of the Sellwood neighborhood. I'm not sure what is more accurate, the report or this newspaper article. I'd like to say something about the I-5 proposal. It's not a bad idea, but --

Katz: Excuse me. Let me interrupt. We're not doing I-5. This is not the freeway loop.

Swaren: Well, yeah, but that was in the River Renaissance plan, moving the I-5 freeway.

Katz: I don't think it was exactly that, but go ahead.

Swaren: Well, I think that would be far too expensive when there's other transportation needs. Some letters to the "Portland Tribune" expressed the need for attention to other projects. Looking at Sell -- living in Sellwood, I'm concerned about the impact of regional growth through the Sellwood bridge, and I believe that the area should consider other Willamette River crossings. I've brought up two possibilities that would connect highways efficiently, one in Lake Oswego, and I think one possibility should be examined is Holgate Boulevard to Bancroft, which is right over the Ross Island. So I think that impacts the river. As far as environmental concerns, much of the restoration of the ecology of the Portland area has been too mainly to the fact that we're not a logged-over site like we were in 1900. Because of individual efforts, there's been a lot of restoration of habitat that appeals to wildlife, but I don't think that much of it has come through the efforts of recent environmentalists. I think some of the environmental concerns are getting overblown. I'm not saying there isn't a place for them, but I think they're being given too much priority. I think the Willamette River, the section in Portland is relatively small in comparison with an entire system. So as far as restoring habitat for the Willamette River, there's a lot of work upstream that probably is more important than the various -- than the sum of the projects being done here. Certainly some of the projects are fine, but I think this environmental issue is getting overworked. I think that's the best word for it.

Katz: Thank you.

Ann Gardner: My name is Ann Gardner with Schnitzer Investment. I've been participating with the River Renaissance conversation since they began. The Northwest Industrial Association has been monitoring this, Portland Freight Committee. I'm here representing the Portland Business Alliance today. Mayor, it's hard to summarize the accomplishments of all the work, appear I want to congratulate you and Gil Kelley and the rest of the city for working so carefully and closely together on this. Gil said it represented a new way of doing projects. I think it represents a new way of doing business, and it's a prototype we'd like to see followed with subsequent efforts. The issue of the trail. There are others here who can speak to that more eloquently than I. There are representatives here from the Coast Guard, from Gunderson and others, but let me just give you my take on the issue. Historically those of us that have industrial business have relied on the existing code that says -- and the policy -- that the Greenway Trail will go around the heavy industrial districts. That's the way it's mapped and that's our understanding of how it is to work. This document, the River Renaissance, puts forth policy guidance, which will then direct the rewriting of the Greenway Code, which is number one on our list of next steps from River Renaissance. The Greenway Code, as written, is just absolute -- is so difficult to work through, both for staff and for those of us trying to get permits to expand our businesses. And let me tell you specifically how it gets in our way of the. If we want to enhance a river dependent activity, let's say a dock operation, and we come in for a permit and the rest of our site is probably nonconforming because we've been

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there for 100 years, our application will be reviewed as nonconforming, and the balance of our site, which maybe isn't river dependent, laydown storage activity or some other activity, it's directly related to the shipping and receiving, but isn't seen as river dependent, that triggers all kinds of compliance that is in our opinion inappropriate in the working harbor. We think the language in the river renaissance strategy exacerbates a problem we already have. And we have -- we're trying to find language to preserve what we now believe is the appropriate way to have a trail, a continuous connected trail through this community, but to keep it away from heavy industry for issues of safety operations and compliance with national security requirements.

Katz: Thank you. We'll work through that at the end. Go ahead.

Susie Lahsene: Susie lahsene, port of Portland. We too have been participating in the river renaissance strategy effort for a number of years. I'd like to recognize the planning bureau's efforts and under the leadership of Gil Kelley and you, Mayor Katz, for your willingness to work with the business community and the port in particular in this very important effort. The strategy heralds a new direction for the city of Portland and one that we literally applaud. The concept of an overarching vision for the Willamette River that takes into account both the fundamental values of this community and the realities of our economic base is truly inspirational. And for that inspiration to be sustainable, just like any strategic planning effort, there's a certain amount of discipline that goes with moving forward. And I just want to highlight three things. We've submitted a letter. I want to highlight three of those things for you that I think come under that -- sort of that concept. One, Commissioner Francesconi mentioned, is that the river renaissance started with a focus on the Willamette. It's extended and expanded to include other watersheds and the Columbia River. We would just like the same level of analysis to be done for those other areas, the Columbia River in particular, the industrial areas adjacent to it. We believe they're recognized in the future actions outlined in appendix e-9, but we think that in order to really accomplish this work they need to be included in next year's budget. So that would -- we would request that you consider actually funding those activities in next year's budget despite the efforts to integrate policies and decision-making, budget realities, of course, will dictate that choices have to be made to prioritize projects and evaluate projects and regulatory initiatives that will require careful analysis and consideration. And simply achieving multiple objectives shouldn't be the only test. And at this point we would also request that you consider some sort of cost benefit or implications analysis for the actions that you undertake. Also it's currently reflected in one of the action items, but I believe it needs to be more centrally focused at this point. The third comment is finally on the clean and healthy streams theme, which is a very important one to us, but fundamental to its success is the need to acknowledge that a return to a natural habitat is not realistic. And the goals of this chapter aren't metered as many of the other themes are. This is certainly true at the marine terminals where access to water is fundamental to operations. Certainly in Multnomah County drainage district where there's a managed floodplain, and then of course at Portland International Airport where wildlife hazards to air traffic need to be carefully managed.

Katz: Thank you. [change of captioner]

Wayne Kingsley: I'm here today representing Northwest Pipe Company, which is a Nasdaq traded company, headquartered in Portland. We have about 200 employees in Portland, and a plant in River Gate, which is near the working harbor. I also represent the Central Eastside Industrial Council, I'm past president of that, and chairman of Portland Spirit, which is a harbor, working harbor user. I've been working on issues related to river renaissance for at least the last five years. After a particularly difficult and disappointing permit experience we had locating our facility on the central -- in the central eastside on the river. About three years ago I became involved in the river industrial economic advisory committee with the Bureau of Planning and P.D.C. And other various people. When we first became involved in that committee, it was clear that I knew nothing about planning, and it was also equally clear they knew very little about the importance of the working

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harbor. We fought like dogs initially, then we agreed to work with each other. Gil Kelley and company were very patient. They suffered through our sometimes acrimonious comments. They listened to us, and what they thought was valuable they took, and what they didn't think was valuable they convinced us it wasn't maybe so valuable, and we came up with our contribution to this document. So I congratulate the -- congratulate the mayor and the bureau of planning and the p.d.c. for the work we've done over the past three years, understanding each other better. There was a lot of give and take, and we essentially support the river renaissance strategy that's been proposed. We agree with most of the staff changes. There is one area which you just heard about where we worked with other industrial concerns, also the industrial neighborhood associations on the river, and we came up with some recommended language which would be a slight change to the staff language, the staff changes you'll hear about later. And we support that language, and with the changes that Fred Warren talked about, and the staff changes we were pleased to say that we can really wholeheartedly support the river renaissance strategy. Thank you.

Katz: Thank you.

Howard Werth: Good afternoon, my name is Howard Werth. I represent Gunderson, and we have as well been involved in the river renaissance through the river economic advisory committee for over the last 21/2 years. We've participated in terms of the economic analysis and some of the information that's been gathered through that process. I think it's been of critical importance to what some of the factors that drive the economy in Portland, the interrelationship and the interdependencies that exist, the transportation significance that the harbor provides to the region, and the concentration of the traded sector companies that occupy that area, and that unique link that has with rail, shipping, and trucking. Also, we participate in some of the noneconomic activities in terms of inviting the public to be able to see an active river marine operation, through barge launches, people being able to attend them, by viewing them from the park across on the island and so forwards. Our main issue that's been represented by both Anne as well as others, that the issue of the trails in the area of river dependence. We launch barges that weigh in excess of 2,000 tons. We have active railcar operations, and our issue focuses not only just about access, but also what the definition of river dependent is. The issue has become more recent for us in that we're looking to expand our marine paint facility, which paints modules for part of our barge construction, and we're going through this whole process, is what is a river dependent use. We're going through this whole criteria issue of river dependency. Again, our operations have been there for 50, 60, 70 years, but yet we're having to justify an expansion of an existing facility to be able to add capacity, control environmental issues, and yet it's being questioned whether it's river dependent or not. That just raises some concerns to us in terms of how one starts looking at other issues such as trails and the question and the whole process that goes with that. The other is that there are a lot of options as Anne has indicated with the greenway for trails, but there's only one option for the revival of a working harbor. So there needs work in that area through what has been mentioned. Finally, what has already been mentioned, access to the river and industrial areas does raise significant safety issues, security issues, and also it's difficult to mitigate essentially some of the hazards that can occur. It liquid oxygen becomes an attractive nuisance. On top of that we have security regulations, we don't know how they'll be filtered out in terms of how they'll affect our operations. The issue of the trails is an important one to us and hopefully we can reach a resolution. Thank you.

Katz: Thank you.

Bob Short: I'm Bob Short, I'm with Glacier Northwest. And also the Lower Albina Council. I've been -- our company is one of the major concrete, aggregate and cement suppliers in the region. Among our facilities we operate three in the working harbor. We have a sand yard, a ready mix concrete and aggregate facility, actually very near Gunderson, where we offload sand and gravel on the river and also provide ready mix concrete into Portland. We have a cement terminal in Lower Albina,

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where we engage in international shipping and also barge traffic. I'd like to speak about lower albina just a little bit. That is one of the places where the transportation network in the region comes together. You've got the albina rail yard there, you've got international shipping with us and with the cargo grain terminal, you've got barge traffic at ross island sand and gravel, you've got multiple trucks coming in. We have railcars from the back of our facility, so you've got a stretch of land there where you've got constant heavy industrial -- heavy trucks, heavy equipment, railcars, and international ships, and the practical impact of trying to locate a trail through that area is -- raises some significant safety and security concerns with the new regulations that we have to comply with just as of this year. So i'd like to speak in support of the changes that wayne alluded to, to reemphasize the importance of the industrial sector, working through the multimodal or the multiproblem-solving that gil talked about. Thank you.

Katz: Thank you.

Bob Sallinger: Good afternoon. My name is bob sallinger, i'm here today representing the audubon society of Portland and our 10,000 members. Before I begin, mike hauck, who has worked on river renaissance, asked you to -- asked me to present you with a new map. It was a joint effort. I want to begin by commending staff on their efforts to develop the river renaissance strategy. They've done a great job of capturing the successes, challenges and opportunities before us. And presenting a vision that recognizes ecological, economic and social prosperity are interdependent. We applaud the strategies recognition that our urban landscape is a place that must be able to nurture fish, wildlife, and people. We'd like to offer our strong endorsement of the strategy. We want to note the most difficult decisions lie ahead. The big challenge is moving from a strategy to implementation. E.s.a. listings, superfund and clean water act violations serve as reminders of the costs when we fail to consider the environment. This document does a good job of incorporating those lesson and laying a long-term strategy to avoid repeating the errors of the past. But it needs to be more than just words on a page. A good first step is to formally adopt the framework for integrated management of watershed health and the natural resources inventory that formed the basis for the goal of restoring a clean and healthy river. We would also suggest that the good work forecasted in this strategy needs to be matched by equally good outreach efforts. We are seeing too many bold visions torn down by misinformation campaigns. If the public doesn't get it, they'll get rid of it. We can't make the mistake of thinking the work will speak for itself. We have one specific thing to highlight this afternoon regarding the amendments per taping to the location of the willamette river greenway trail in the -- and the working harbor. We understand the industrial business community's concerns regarding routing it through industrial sites that may present hazards to trail users, interfere with business operation and violate federal antiterrorism laws. We believe these concerns were addressed in the original amendments proposed by staff. These amendments recognize the continuity of the trail as fundamental. But they clearly state the trail should not be located -- it should be located away from the river's edge where needed to enable industrial -- to occur unimpeded. The new proposal eliminates references to the importance of the greenway continuity and states within the river corridor the trail should be located away from the river's edge to assure continued preservation. Such an approach fails to recognize many sites could accommodate waterfront trails without compromising business practices. We will look for a more flexible approach but with that one significant suggestion, we offer our strong endorsement of the strategy.

Katz: We'll be working on that during this interim and then come back for testimony and final vote on any amendments the council chooses to make. All right.

Greg Johnson: Greg johnson, the Portland marine dealers association, p.o. Box 698, la center, Washington. The Portland marine dealers association represents more than 70 boat dealers and marine businesses in the Portland metropolitan area. Together our association employs approximately 800 people. The members of our association. We cater to an Oregon recreational

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boating market that spends more than 850 million dollars annually and generates more than \$538 million personal income there. Are approximately 200,000 registered boaters in Oregon. The Portland marine dealers association is committed to elevating the profile boating through a balanced mix of marketing promotions, community involvement, and political action. For the last six years, our organization has supported solv, an organization committed to protecting the livability of Oregon. Solv annually organizes to clean and enhance Oregon's waterways with the major focus on the willamette river. We applaud the city of Portland's efforts to create a vibrant, healthy and productive vision for the willamette river, and we recognize in add for the boating industry to remain viable, we need a clean and healthy river system for fish, wildlife, and people. If you go out on the river during the rose festival, the blues festival, or during spring salmon fishing season, you'll notice the willamette river is crammed with motorized boats, enjoying their favorite leisure time. We feel the strategy in its current form does not adequately address the needs and concerns of recreational power boaters, the primary stakeholder group who actively enjoys and utilizes the river on a daily basis. In reviewing the strategy, we note the concerns of a number of user groups are addressed, including commercial freighter traffic, neighborhoods, business groups, trade associations and a sundry of governmental organizations. However, there's very little mention of recreational power boating. Based on the information that has been produced, it appears this user group segment has largely been excluded from the plan. In this light we suggest the following. Under advisory groups on page b-3, we suggest the Portland marine dealers association be added. On page e-9, we ask that the effort to develop strategies to promote target industries include the boating industry. On page e-11, we ask the study of water-based recreation needs and river facilities include boaters. Further, we request the capital restoration acquisition projects include boat launches, docks and other boating projects. We suggest that the Oregon state marine board be consulted in developing these boating-related goals. On the public river access section on page d-7, we suggest that the boat -- that public boat launches access docks, and marinas be included as part of the measure of success. Finally, the Oregon state marine board has been a wonderful partner to Oregon boaters. They are unique agency that is fully fund and unlike any other marine agency in the country. It's been effective in securing grant money and can provide an essential and productive contribution to this plan. We fully support your efforts to create a positive vision for willamette river's future.

Katz: Thank you.

Captain Lyman Louis: Madam mayor, commissioners, captain lyman lewis. We are an on the water assistance organization here in Portland, Oregon, we're a franchise of a larger international organization. I personally work between 12 and 1800 hours a year on the willamette and columbia rivers, actually on the water time, so I think I come to this with a unique perspective. I work exclusively with recreational boaters, and so I think I come to this knowing a bit about their needs. On a review of the proposed river renaissance strategy, I think it's important to point out whether intentional or oversight, recreational power boating and sailboating community seemed to have been overlooked by the city of Portland. The recreational boaters are the major stakeholder. There are approximately 65,000 boaters, boat owners in the Portland -- greater Portland area, and that includes clark county, which are also users of the waterways here. Other representatives of the p.m.d.a. specifically indicated that they had early meetings with the mayor's office a couple of years ago at least, where the plan was discussed, a commitment to participate was made, and despite several follow-up calls, those representatives have not had any -- the courtesy of a response. That's disappointing to say the least, as greg pointed out a moment ago, this is a billion dollar a year industry and recreational boating alone. We want to be a part of the solution. Ignoring this constituency who are residents and boat owners in this area along with our friends and family who boat with them is poor planning and poor policy. In the renaissance plan, the biggest discussion of boating of the type that we're interested in has to do with launch ramps. This is an important

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discussion to have, but there is a larger discussion as well. That's dealing with boats that might much as -- mice be as much as 15 to 25 to 30 feet in length. After that you're talking about boats that are not trailerable, so they're unlikely to have the need of access. But they do have need of access in the form of docks, of places to go, places to hang out, camp out, what have you. They require fuel and supplies. Fuel is limited really on the willamette to two locations, and on the columbia in the Portland area to one -- to two further locations. This is an issue I know because I end up having to get the emergency call at midnight and have to bring them fuel when they'd rather be able to buy it on their own. Without having to pay me to come out. There are no places where a better can go and buy supplies without a substantial walk. There's no to my knowledge grocery stores, places to buy a battery for the boat, and so these are things that could be fixed pretty readily.

The new esplanade which provides a docking area for the boats was poorly designed and ends up being unused because of the sea wall echoing the waves of other passing boats, and it ends up being very difficult and damaging to the boat.

Katz: Thank you. Your time is up.

*****: Thank you.

Ron Schmidt: My name is ron Schmidt. i'm a floating homeowner at 1983 north jansen in north Portland. I'm also a member of waterfront operators and owners of Oregon. I would like to defer my time to my partner and colleague, mary shutten, if I could. Not possible? Ok. I've got a great speech. I'd like to introduce to you the waterfront front organizations of Oregon, which is a group of 51 floating home moorages, marinas and water-related businesses. If you go to page 1 of our handout there, you'll see a letter from a couple of our --

Katz: We don't have it yet.

Schmidt: Oh, i'm sorry. You'll see a letter from a couple of our people that are on the river renaissance committee that could not make it today. But they're giving us our -- their support in this letter. I'd also like to go to page 2 of our document. And talk about three perspectives of our organization, which includes the history, we have had operations for over 100 years on the water. I'd like to talk about the economic impact of the floating homes, marinas and water-related businesses. We have over 1600 floating homes in the Portland area. Around 3,000 floating homes in the state of Oregon. We have almost a quarter billion dollars in value and 3,000 people living in the floating homes. We're also a source of jobs, income for small water-related businesses that build, repair, and maintain floating homes, moorages and marinas. In the last six months, we had 26 floating homes that were sold in the Portland area. We're also an attraction, we have tour boats, we have day cruises that employ over 250 people and generate over \$10 million a year. We have seven night cruise boats that generate around \$40 million a year that come through our marinas for the attraction of it. We also have the entertainment industry, who has come in. There's been a couple movies that have been filmed in the marinas themselves. On top of that, we're tax paying, responsible citizens. I know my tax bill this week was over \$3,000 for my floating home alone. On top of that, we believe we have great stewardship and leadership of the water. We live on the water, we love the water, we're -- we want to be involved and participants in the river renaissance strategy, and other areas as well. At this point in time i'd like to turn over to mary shutten.

*****: Thanks for letting us present today.

Katz: Grab the mike.

Mary Shutten: Oh, thank you very much. My name is mary shutten, 6901 southeast oaks park way, Oregon yacht club, number 31. Portland, 97202. I am a board member of the organization, waterfront organizations of Oregon. We include marinas and water-related businesses. Some of the membership of the marine dealers cross purpose over into our organization, so there are 51 members, 51 organizations that belong to w.o.o. We have been involved in the river renaissance dialogue for not very much time, but we are very excited about the river renaissance strategy and really appreciate gil kelley and bar rah hart and mike lindberg, because they have listened. And it's

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really wonderful to work with them, and we are in support of this strategy because it is very systemic. And it's hard to listen to 10,000 voices, but they've done a really nice job, and we really enjoy working with them, and we look forward to the continued dialogue. And the reason we're here is because it's closer to what we're hoping to see with regard to our coalition of folks in w.o.o., but we think it can be better and a little more -- even more accurate than it already is. And if you would please go to page 3, I am wanting specifically to talk about two chapters, first chapter 5, the Portland's -- Portland's front yard. We're hoping to add in chapter 5 two additional policy guidance points. One is a rewrite of three, which was written creative -- creating a variety of settings to create recreational opportunities, and the change we've designated. And to also add, because currently there isn't anything about floating home, moorages and marinas, and that would encourage them as an essential defining characteristic to the water escape. As you say today's paper, you saw our -- part of our floating home community. We want to be recognized more thoroughly in this document. There are other features in defining success, but I really want to get to the third policy statement in chapter 6. To change to active enhance willamette river as Portland centerpiece, shaping the form, environmental health, public spaces, river communities, and neighborhoods. The last three words would be of course our addition, because we do feel a part of the community. We love the river, and we want to contribute, and we want to be acknowledge and we want to be supported, and we want to see that the -- a seat at the table.

Katz: Your time is up.

*****: Ok. We got the document.

Joe Angel: Mayor and council, my name is joe angel, number 4 at the Oregon yacht club. I want to reinforce this language on page 3, please. The number 7 that we're suggesting be added recognizes both the floating home moorages and marinas and water-related businesses as part of the river scene. You heard a lot of testimony about two years worth of working with heavy industry along the river, and we happen to find out about this process because I get emails from the city about various planning things that are going on. Before that, nobody had googled in marinas or floating homes for some reason. We think that when you have 1600 families living on the river every day, that's very important. We have spent several years doing a lot of work on eight acres that adjoins our marina to bring it back into a natural setting. So you find the people that live on the river are extreme stewards of the river. We don't want to be left out of the process. We want to be at the able, we want to have you understand what we do. So floating homes, marinas, and water-related businesses have got to be in this document, please. Thank you.

Francesconi: The bureaus, could they find out who has joe angel on their email list and delete him? [laughter]

Angel: They may have already done that.

Katz: Let's continue. Thank you.

Katz: I think you all begin to understand how difficult it has been to put this together, with all of the interests and the need to put certain language in, and certain language out. We'll continue. Go ahead.

Brad Howton: I'm brad howton, general manager of columbia crossings, a management company responsible for about a third of Portland's recreational boat moorage. I have read all the materials, i've been following this thing from the very beginning, and have had a chance to participate in some of the earlier meetings. It's a pretty fabulous document, and a wonderful plan. You have done a very nice job. The one disappointment I have is that I hear very little language in the document that would reflect the interests of the water dependent businesses, the small water dependent businesses, and the recreational better. If you look in the back in the appendix you'll see a list of 56 groups and panels that have provided input into this program. Only one of them has a reference to recreational boating. And that's a small representation. I have no real direct suggestions to make, other than the fact that as this process goes forward, I think the organizations that are going to be working on this

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plan need to accommodate the need of future boaters, not just the ones that are here today. There are over -- I know you've heard a bunch of different numbers, but there are over 12,000 registered boats in the Portland area that are over 19 feet. These people all need space on the water in order to be able to use their boats. And i'm hoping that the plan will include the opportunity to accommodate the development of further recreational boating facilities on the river. The goals of the recreational better and the goals of the water dependent businesses are not at odds, and we just would like an opportunity to participate a little more directly in the development of the plan.

Katz: Thank you.

Travis Williams: Travis Williams, executive director and river keeper for willamette river keeper. And mayor Katz and commissioners, I appreciate the opportunity to share our views on the river renaissance strategy today. While the work of -- we support the river renaissance vision and strategy. I think it's a pretty unique thing that we have going here to have such a comprehensive look at what needs to happen to improve and protect the biological integrity of the willamette river system in the Portland area. And I think contrary to some views that we've heard and seen in print, Portland is critical to what happens to the rest of the willamette basin. What we do here does indeed have an impact on wildlife species that may pass through this area to go upriver. And very far upriver. And everything we could do here to help them in that journey is very critical. Relatedly, there's a lot of value to improving habitat and water quality right here in the Portland area. I think we all acknowledge that, at least most of us acknowledge that. I think we need to continue to have an emphasis on improving the condition of the willamette's water quality, protecting habitat, and looking for opportunities to engage people in the river. And I think there's a lot of good things happening. My organization is a kind recipient, if you will, of a lot of good work that's gone on. Our new office is going to be located right across the river at the new Portland boat house as of next week, and I think that as part of river renaissance, you're really looking at a facility there that is going to do a lot for the city of Portland to get people interested, to keep them interested, and to develop that affinity for the river. I think the specifics of the strategy, the very broad rush approach is maybe difficult to get one's brain around in a single setting and to figure out -- I guess i'm saying the -- I think the difficulty is going to come when we look at prioritizing this whole host of actions, and for the willamette river keepers' part, we look forward no that opportunity to help figure out, what do we have to do first, and what do we have to keep going, and what do people want in the top 10 list of things we have to absolutely do? I've also said that river renaissance also needs to look at issues related to Portland harbor, not only on the economic side, but what does the city of Portland want to do in relation to proposals that might push for in-water disposal of contaminated sediments? These are discussions yet to come, but just a glimpse of what we're going to be getting into here in december and january and next few months. So again, we are very supportive of this, and as an avid river user, I think that clean water, habitat, and more access for people is a really critical thing in the Portland area.

Katz: Thank you.

Peter Wilcox: Good afternoon, i'm peter wilcox, and i'm speaking as president of the rivers west small craft center, which has been had sustainability as part of its missions since the beginning b. 20-some years ago. And I also helped author the sustainable development commission's comments, though i'm not commenting on those today. For some 10,000 years, the willamette has been the highway, the transit system, transport system, the sidewalk and the trail of Portland. The river's Portland's past, and I think if we do this right and seize this opportunity it can be our future. The river renaissance strategy is an excellent beginning, but the actions of the details will of course be critical. Three major elements need emphasis in my mind, and needs to be prioritized that are not now. First of all, we agree that we need to maintain and enhance the working harbor and the many - and water dependent businesses and all the jobs those generate. Secondly, we need an attractive and sustainable river transit system to link everything together and to bring Portlanders and tourists

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alike onto the river, and to make it part of our daily lives and not just a background or an obstacle to our crossing. We think also the river transit system could assist with the problems of the continuity of the greenway trail by bringing people with a fully accessible way around the -- reconnecting the trail. And in that light, river's west has brought three historic Oregon passenger vessels to Portland, they're on the east bank at salmon street for this purpose, and we're in the process of making them suitable, and more sustainable and available for this use. And we appreciate your support in that, and we'd like to see that in the strategy. Finally, we'd need a harbor speed limit, or no wake zone in the core, like every other major port on the west coast, including Canada which will not hurt the working harbor, but contrary to "the Oregonian" article today, will bring vastly more users and tourists onto the -- into the city's front yard as we're describing it, that are now driven away by the big wakes and high speeds of many recreational boats. And people have cited some numbers on boat users, and according to the Oregon state marine board's figures, there are probably something like 200,000 unpowered and small boats in the Portland metro area. So there's a big number of users there. We have to get our citizens back on the water for them to know and care for the rivers, to make more visitors want to come here as well. Everywhere people want to go in the world is on the water. The river has much more to add to our livability and to our economy. It's a measure of the sustainability of Portland as a place, and river's west stands ready to partner, work with, support, and help implement the river renaissance strategies any way we can, and congratulations again to the mayor and Gil for a really good strategy. Thank you.

Katz: Thank you.

Katz: How many more after that?

Moore: Six more.

Katz: All right. Let's start.

Scott Montgomery: I'm Scott Montgomery, 1531 Southwest Upper Hall Street, Portland, 97201. I'm a member of the Portland Parks Board and the chair of the board. I have been really taken by the effort that has been put into river renaissance. It's extraordinary, and as a board, we have continued to be updated by staff as to progress that's being made on it. There are, however, a few items that I would like to address here today that are of some concern to me. They relate to the staff-proposed consent amendments, and I have them here, I suspect you all have copies of them as well. They're very specific. On item 5.4, page 5-4, we have discussion of the continuity of the trail system as fundamental. And the proposed amendment to that completely deletes the continuity of the trail system as fundamental as one of the items. And that is a great concern to the board. Secondly, there is at the end of item 6 under the existing item it talks about trail design shall incorporate signage displays and viewpoints to reinforce connections between industrial districts and the river, and I emphasize and viewpoints, because in the other section basically from my view it eviscerates the river connections by language that says, trail design may incorporate signage, displays, and viewpoints to educate people about Portland's working harbor. It may be a minor distinction, but in my view, it was of some concern. And then yesterday I received via email another modification that talked -- it was item 5.47, and it talked about the river corridor, the trailer shall be located away from the river's edge where needed to enable river dependent industrial functions to incur on unimpeded. That language was changed to read, the river -- within the river corridor the train -- trail shall be located away from the river's edge to ensure the continued preservation of these areas for industrial uses. We certainly don't oppose industrial uses of the area, but certainly not all industrial uses are such that it would prohibit a trail going along the river's edge. I think it just is much too broad in the proposed language. I would encourage you to not adopt that language. Thank you.

Katz: Thank you, Scott.

Brian Campbell: Good afternoon, Mayor Katz and Council. My name is Brian Campbell. I'm at 1346 Southeast Ramona, Portland. I'm testifying today as a private citizen after spending a great

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deal of time over the last few years working on river renaissance as a port employee, including on the river industrial economic and advisory group. And as part of the interagency team working in parts of the various documents produced so far. I want to stress today I think the only thing I really want to do here is to stress how important it is that the council adopt this very comprehensive strategy, and not just too -- not get too sidetracked by specific language. There's been a tremendous amount of work put into this, and this represent as reasonable starting point for directing future plans, ordinances, projects, programs relating to the river. There's ample reason for some skepticism on the part of business, environmental, and neighborhood interests about how this strategy will work as a guiding document, and future work will need constant participation of all of these groups to ensure that its basic premise, which is to achieve multiple goals simultaneously, actually works. But it seems to necessity there is no choice for a city that prides itself on the quality of life but to strive for a successful achievement of all of these five principles at once. As a document it makes clear not all can be achieved in all parts of the river, and that's as it should be. The discussion over trails indicates that there is a lot of work still to do, but whatever the rang badge that's -- language that's finally decided upon, trails in the critical areas of the industrial -- in the industrial area need to be very carefully sited, even avoiding segments of the riverfront where there will be conflicts with river-dependent industry. The only way to really address and resolve these issues is to set the policy guidance, which you I think are going to do fairly soon here, and then get on with the next step of working on the more detailed plans and other implementation programs, and I urge you to take that action on the policy guidance and adopt the river renaissance strategy.

Katz: Thank you.

Dave Maresh: Dave maresh, with the u.s. Coast guard at swan island. I represent the -- i'd like to address the issue of any waterfront trail and potential impact on the security of the transportation and industrial infrastructure on the river system. The strategy on page 54 says, quote -- safety and security for industry and trail uses are critical in the design and alignment of trails and river access points. Closed quote. That's as good as -- as far as it goes. U.s. Coast guard's interest here is that the security language be strengthened by citing or referencing the maritime transportation security act of 2002. This act passed by congress in 2000 posed as federal law in october of 2003 is a change for both the coast guard and the industries the congress directs that we regulate. The n.t.s.a. requires security upgrades, fencing, security guards, cameras, vehicular searches, perimeters, setbacks, etc., at considerable cost by these facilities. Any trail through or public access through the waterfront industrial facilities or other proximity may increase the facility vulnerability to an untoward action. Currently all Portland area ntsa regulated facilities and are several dozen, are in compliance with the law. And Portland is the first maritime industrial region in the nation to be in compliance. To maintain the excellent security, we currently enjoy in the maritime industry, the coast guard recommends that the maritime transportation security act be specifically cited in the strategy so that all planning groups will remain aware of the law and keep a necessary balance between the waterfront security and public enjoyment of the river system and the -- in the post-9-11 environment.

M'Lou Christ: How are you doing, how is the river? Happier today. Leah hager cohen begins --

Katz: Identify yourself.

Christ: I'm going to do it at the end. Every day this happens. We rotate into light. The earth pivots on its axis and every moment from north to south a great strip of us you have never met and will never meet enter the day together. End quote. She explains we don't recognize the communities that light creates. We haven't been taught to see that way. Instead we all agree that usually imaginary lines rather than any physical attributes form counties, states, and countries because we have been taught to see that way. Morning occurs regardless in strips. A quietly chronically subversive occurrence like a child who will not abide by game rules who insists the

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floor is not boiling lava and steps off the couch. Morning trespasses across the boundaries. We've so solemnly arranged, and there is nowhere northern does not go, end quote. I think of this because water is another boundary forming element we typically ignore and because just like morning and water, there's nowhere we do not go. And oh, my, the change we have wrought on the watersheds since we've arrived. Yet no matter how altered by our pipes, bulldozers, these water sheds retain our common communities. They form great bowls of us who go about our days together, whether we actually meet or not, see or not the confluence of our actions in our to the river space.

Hallelujah for the river renaissance strategy. Adopt it, but for the will to implement it and the upcoming action plan, we need much greater collective awareness of these watersheds we inhabit and alter that then alter us and all other creatures, whether we intend it that way or not. Teach us to see that way. Ask for watershed reference perhaps. Not just in discussions of river renaissance and c.s.o.'s and endangered species, but all land use applications on transportation projects, color code our street signs. Public testimony check-in. Most of us know what neighborhood we live in, unlike most americans, we have been taught to see that way. Siting the watershed of addresses might help us notice these natural communities. Think more about what we're doing to these bowls we live n. Maybe we'll be more inclined to care for them, restore them, thus ourselves and fellow critters a bit more each day as we wrote into light together. M'Lou christ.

Katz: Thank you. That was very nice.

Don Stephens: Don stevens.

Katz: Aren't you glad you're following her? [laughter]

Katz: Don and I are old friends.

Don Stephens: Don stevens, brooklyn neighborhood. And also a board member of the brooklyn neighborhood and also chair of the brooklyn neighborhood association -- brooklyn neighborhood historical society. Brooklyn neighborhood has been a community partner in the river renaissance since its inception. The brooklyn neighborhood endorses the river renaissance strategy, particularly its goal of reconnecting neighborhoods to the river through providing access to the river. The willamette, even though sullied to some degree, truly is our front yard. Our neighborhood and many -- in many ways can be considered the poster child for the issue of providing access to the river. Brooklyn is one of the earliest settlements on the east bank and initially enjoyed unlimited access to its river, its banks, and its island, ross island. There isn't an account gained in a brooklyn historical society interview of an elderly brooklyn resident of how he as an adventuresome youth would use a rail road tie to swim across the river to ross island. This historically unlimited access was apparent in the 1930's when with the construction of mcloughlin boulevard, and then lost completely when mcloughlin was widened to six lanes in the 1970's. At that time, city council began a project to restore brooklyn's access using funds from the council mt. Hood freeway project. However, council, led by the then mayor frank ivancie, narrowly voted to cancel the project, which thereby eliminated all access for brooklyn residents, as well as those of adjacent neighborhoods. Now the opportunity exists for the river renaissance vision to restore brooklyn's historical access and coupled with the approving health of the river, the neighborhoods will once again have an inviting front yard.

Katz: What was the project?

*******:** Which --

Katz: That eliminated the access.

Stephens: It was an -- it was going to be underneath mcloughlin or an overhead. I believe the final version was under. There was a river gate park, riverside park that was planned and they're quite -- there are quite detailed renderings, but now that is gone, and it's hard to find any history of that.

Katz: Thank you. Doug?

Tuck Wilson: Mayor, members of the council. Tuck wilson, eastmoreland resident. Owner of a red canoe. [laughter] the federal determination that the willamette river was a superfund site got my

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attention several years ago. The mayor's river renaissance initiative gave me some confidence that I would live long enough to see it delisted. Something that I know everyone in Portland hopes to see.

I applaud the approach of this strategy to make the willamette river all that it can be for Portland, the region, and the state, starting in the headwaters of the cascades south of here, it passes through all the major cities of the state and is there for a matter of statewide concern in which the city of Portland joins the governor and others with this focus on the river. I believe the focus of city bureaus and their resources and expertise where they touch the river is appropriate and makes sense.

For that reason, I applaud the ordinance that would institutionalize the river renaissance as a mission of the various bureaus. More remains to be done in connecting the strategy to the wider Portland audience, business leaders so that it can be sustained into the future, and that regard -- in that regard, I hope to join mike lindberg as his first senior volunteer.

Katz: Thank you.

Walter Valenta: Walter valenta, from the bridgeton neighborhood. Thank you, jim, for reminding us that we have two rivers in town, and the columbia river is a great river and an important river, and I know we'll get to it in the river renaissance. I got to meet a little bit of the river community today. More of them would have been here today I think, but they're doing the rewrite of the title 28 right now at the same time too, which is a floating structures code. So we have a whole group of people out at the Portland yacht club right now working on that revision, and then the rest of us came here. We're a really diverse, active group, and usually we don't come down to city hall with the exception of maybe me and a few others, usually you just do the things the river, and to call I the front yard, we call it the main street, when you live on the river, the river is the street and all those other things are just the ways you get to your street. And it's nice to see that starting to be recognized here. The other purpose I wanted to bring here is, we've talked a lot about trails, and some of the trails are controversial through the industrial areas, but there is a trail, there are some missing pieces of the trail that are not controversial, so we can tackle those first. One of them runs in my neighborhood, and we're getting closer, and I just want to keep that all on everybody's plate. Now that we're in the urban renewal district and now that we're building condo and houses there and contributing to parks system development charges, we just want to remind you that we're getting closer and closer to making that big missing piece of the 40-mile loop that's uncontroversial just waiting for funding happen, and I can't miss any opportunity to remind everybody about that.

Francesconi: We would have been disappointing if you hadn't.

Katz: Thank you.

Jeffrey C. Aiken: My name is jeffrey c. Aiken, 8410 southwest curry drive, wilsonville, right on the willamette river adjacent to interstate 5. The idea that's have been presented in the river renaissance, the ideas that have been presented by the governor on cleaning up the willamette from the headwaters and all the way down to the columbia, are ideas that I had when I first arrived here six years ago, and i'm glad to see that you're doing it. I have been reading a book that you would probably know, and it's willamette landings. And it details the history of how the area was built up.

I have been working on a college degree and my doctoral thesis is that we, the united states of america, would be a lot better country if we used more of our railroads and our rivers and our water resources as transportation, and that it would be a multimodal transportation mode. And I wanted to thank you for your time that I could have time to express that. Thank you.

Jan Hamer: Mayor Katz, my name is jan hamer, representing the jantzen beach moorage and supporting the waterfront communities in the metro area, and as a director of the waterfront organizations of Oregon. Mary's done a great job in identifying the partnership between the river, the city, and the city's floating communities of floating homes, boat moorages and waterfront living.

My input is simply to remind and recommend that the city continue to recognize and strengthen its commitment in promoting and protecting this valuable resource. In closing, as a reminder that I haven't heard mentioned today, maybe about once, that these communities of moorages and marinas

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do provide one of the largest and best access points to the river today. So we need your support and recognition in the river renaissance strategy. Thank you.

Katz: Thank you.

Moore: That's all who signed up.

Katz: Anybody else? All right. Gil, why don't you come on up. Where's ann gardner some -- ?

Katz: Who else has actual amendments for us to read so we know what you're going to be --

Kelley: Did you receive some --

Katz: I know randy does, I know jane does. Let me get them from the public first.

Kelley: We heard some from the w.o.o. Organization.

Katz: We received those kinds of comments from several groups. I'm specifically referencing the trails. Do you have language you want to read?

Ann Gardner: The language that we originally submitted was new language on page 4.4 which specifically is designed to preserve the industrial area, and it says preserve river access for river-related and river dependent industry, and provide ample multimodal transportation connection and users of industrial properties. We wanted to reinforce the prosperous working harbor.

Katz: Read it again.

Gardner: It says, preserve river access for river-related and river dependent industry and provide ample multimodal transportation connections and capacities for users of industrial properties.

That's for page 4.4. We have other language for the trail section.

Katz: Ok. Go ahead and read that.

Gardner: Specific amendments that we offered were to the first bullet point. Our objective, mayor, is to delete the language that specifically calls out river dependent, and that's -- that speaks to the issue I raised in my testimony as the chat evenings -- challenges we have during the permitting process if we're attempting to expand. So the language we were proposing, staff's language that you currently have says within the river corridor the trail should be located away from the river's edge where needed to enable river dependent industrial functions to occur unimpeded. We're proposing within the river corridor the trail should be located away from the river's edge to ensure the continued preservation of areas for industrial uses. And so that would address an issue like we have with the scrap operation where we have --

Katz: That's fine. You have plenty of time to testify. I just want to give the council and the public an idea of what the little work group is going to be working on.

Gardner: Ok. Sure.

Leonard: I have something printed to pass out here. Specifically on the trail it says, within the river corridor the trail should be located away from the river's edge where needed to enable industrial functions to occur unimpeded. Which I think is essentially what you said. Honestly, the language proposed by staff and what i'm proposing, I -- we had to -- hi to read a number of times to get the nuanced difference, and as it's explained to me, it just makes it clearer that the trails should not go through truly industrial areas, that the intent of the existing proposed language is that, but this makes it clearer.

Francesconi: The reason I want to take the mayor's suggestion of sending it back to have the language developed is i'm not confident that the word smithing attempt that I made were accurate. So let me just say, if as I read anne's and wayne's attempt -- first, I do agree with the p.b.a. that something should be in the policy under prosperous working harbor to reinforce the importance of enabling river dependent industrial use and assure the future uses will be preserved. I word smithed it differently than -- and I put a little more flexibility 90, but I think something should be in the policy. Now, on this one as I -- I didn't want to go with the proposed changes from the p.b.a. Because that would guarantee never as I read it, would a trail be there. But I wanted to make it really hard to put that trail there if it was going to impede with existing uses, and I thought that the language of the staff wasn't strong enough. The reason I didn't want to go with anne's is, and this

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example may not hold exactly, but it's ross island sand and gravel with the spring water corridor, you know, there it works, and under the proposed language, I don't think it would be allowed. And it works, the spring water corridor works. And so that's why I didn't want to go as far as the language that I had read. So what I wanted, and the reason I want zari in this, the language was crafted that I want, but I want parks to sit down and go over this. I don't want to go -- i'm not going to vote to go as far --

Leonard: I'm trying to imagine the ross island sand and gravel -- there is a trail there.

Francesconi: I know. And I want that to be allowed to happen in future cases. As I interpreted this language, it wouldn't have happened. You have to go around ross island --

Leonard: That trail does not go through their work area.

Francesconi: It's on two sides. Ross island is also on the east side of the trail.

Katz: That's really part of the exercise as well, to test the language that you all come back and agree on to see whether it would have prohibited us from --

Francesconi: The right place to do this is in the greenway plan. But we're talking about policies that are pretty important here, and so that's why I thought my language comes closer. Do I think it's exactly where it needs to be? No. While we're doing it, the other one on this riverfront -- the spur issue, that one wasn't clear the way anybody wrote it. And if the idea is not to have spurs at all. I think my language is clearer. And then the safety and security one, we do have to be consistent with federal rules I -- federal statutes those are my three.

Leonard: We're going to take and have a work group?

Katz: I'm going to ask our two -- thank you. I'm going to ask our two staff people to identify how they plan to pull all of this together. Anything more on the trails from the council?

Leonard: It does make sense to me, though I didn't get notations for all the various suggestions they wanted insertion of their language about the marine dealers association said they thought they would like to be part of the -- and they named three different entities, I thought that made sense. And then the language that was suggested by the floating home -- for the floating home moorages, the new number 7, water dependent businesses --

Katz: Deborah?

Leonard: The folks that testified on behalf of the voting industry suggested that the Oregon marine dealers association be a member of -- they named three different entities. I don't know if he's still here. He spoke so fast.

Katz: We've got it in here.

Leonard: Ok. So those three entities that he asked to be a partner in I think I would be interested, including anybody who wants to help us develop strategies. And the floating home moorage language, the new number 7 and water dependent businesses that was -- that I do have the language on, was submitted to us. That makes sense to me. I happen to know folks that live in and on the water are fanatical about maintaining it, so I think that's a great suggestion to have them involved in this.

Francesconi: The three groups I wrote down were the water dependent businesses, the recreation boaters and the neighborhoods living on the river. Those are the three I wrote. Excluding joe angel from this.

Katz: Ok. So I guess the one that's really going to create more discussion is going to be the trail ones. You've got an assignment on that. I want you to address that in a few minutes. I just need -- I was at a meeting, I think it was two years ago, there were boaters, and people from the moorages, and what happened, why were we so timid in doing -- recommending a study of recreational uses and address can it that way? I know there's conflicts on the river, and there are groups that fight with each other most of the time, not all of the time. But why were we timid on that? Did I miss something?

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Kelley: We acknowledged that there are a lot of different competing uses for the water itself, and our knowledge about how to resolve those conflicts, and actually there are a lot of opportunities, they're not all conflicts, is limited without actually doing a focus study on that. So we've recommended in the actions that in fact we do that, parks bureau would likely lead that process with participation of a number of others. I think we need that information based to understand how the various users actually use the water, and frankly what other demands there are for water-based recreation of all kind, which is a limited market so far, but huge demand probably out there. We need to understand more about that.

Katz: Did they participate with you after that meeting?

Kelley: Well, we did have sort of spotty participation, and I don't know that's entirely their fault. We can always do better at outreach. I totally agree --

Katz: Ok. Let's put language in, bring them back in, I don't think that's controversial at all. Tell me, how do you plan to come back next week on some language that we can all hopefully agree we may not and we may have to take a vote?

Santner: Before I do that, mayor, let me just again emphasize that we see this strategy as a guideline from a 10,000 feet up. And it's -- and the idea is to have language there that enables us to all come together and start working on specific ways that we could accomplish these multiobjectives. And I think I personally and for my bureau, we are extremely committed in ensuring that river-related industries, river-dependent industries are able to expand, exist on the river front. Not only from an economic perspective, but because it creates diversity of land use, diversity of interest in the city. So there is no conflict in concept, but what we are trying to say is, we have seen evidence in other cities, and in fact two weeks ago I was at a conference that presentations were made from city of san francisco, and oakland about the bay, and trail system. They have these two cities have worked together for a comprehensive trail system that goes through their harbors, through their industrial areas, and they have come up with extremely creative ways of addressing exactly the issues that was brought to you today. So what we're asking is not to preclude that option, the option of studying how we can do it so we can accomplish all of these objectives.

Katz: Let -- let's get to the process.

Francesconi: There's a couple other ones, mayor, if you don't mind.

Katz: Ok.

Francesconi: Some of the port stuff. They listed some things outside of -- separate from the trail issue. I'm beyond the trail issue now. Some of the other issues that were raised, I don't know if you want to respond to them.

Kelley: The two largest ones had to do with the earlier conversation or exchange that we had about studying in depth as you turn the corner on the columbia, we agree with that going forward. The other had to do with sort of raising the notion of doing some cost benefit or return at least analysis before you venture into a work program item to help set priorities. We agree with that, and I think we can acknowledge that.

Leonard: Let me just on the trail thing, because I am compelled to say that I am hearing everybody say the same thing. So if we come back here and have a split vote, it's a failure of being able to come up with the accurate language to reflect what i'm hearing everybody say. I lived in a houseboat in this city, I worked on the river for 5 years, believe you me, there are places in this city on the river that nobody wants to walk through. For safety reasons if for no other reason. So as a practical matter, we cannot have a system that puts people at harm's way, a trail system. But every one of us agree there needs to be a trail system on the willamette. I'm hearing everybody say that. So why there's some angst about this, i'm confused. I'm feeling like I have to drop other things i'm working on to help figure this out. I don't see why it's necessary. I'm hearing zari say what i'm hearing others say, and what I know to be true is that we can have a good trail system, we don't want it to be in places where people are going to get hurt.

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Santner: Exactly.

Leonard: Beyond interrupting industrial uses, you don't want to put people in place where there's huge machinery, steel if a bring indication being swung around on cranes, and it's just hazardous. We don't want to do that. So don't forget that.

Sten: I've just been reading this, but I think i've heard everybody say the same thing. The proposed language from the industrial users says that in industrial areas they will not go by the river. The difference is, are we saying it will not go by the river where it shouldn't but keep open where it should in some industrial areas? That's where are you, I think the council should say to the industrial team, we're with you 100% on your goal, but we're not interested in language that prohibits the trail from going by the river's edge in industrial areas.

Leonard: If it doesn't -- I couldn't agree more. Absolutely.

Sten: That's where there is an argument.

Leonard: That's the direction I think --

Katz: Ok. Let's not argue about that. Bring back language, be very specific where the differences are. Because there's some subtle -- I think commissioner leonard is right, but there's some very subtle differences that I have identified, and it's basically, it shouldn't happen in industrial areas, and we know that there are industrial areas where it can happen, but it shouldn't happen everywhere because of the reasons --

*******:** Absolutely. Yes.

Katz: What are you going to do?

Kelley: I think you might want to allow us to come back with fewer words rather than more words. Because I think we're both saying the process to come needs to get very specific about where it geese, the kind of considerations commissioner leonard mentioned. I would and -- anne and I have had a number of conversations, would I caution anyone from reading this as new code or near code. This will not be - - staff will not be implementing these words tomorrow, but we need to get to the point to change the greenway code from what it is now. But this really speeds up the task of doing that mapping work, where does that trail really belong.

Leonard: We are developing a proposal that will come before council, it would be early next year. Is that an appropriate vehicle or should it be part of what we do here?

Kelley: Why don't you give us a few days to talk with you and explore the dimensions of that issue?

Leonard: My initial blush was it's not the best place for it.

Katz: I would tend to agree, just because there -- the constituency is different.

Leonard: I don't want to miss the train, either.

Katz: You never miss the train. You're always going to catch the train one way or the other. Even if you have to blow it up. [laughter]

Saltzman: I'm not sure you picked up everything the port is suggesting. There's language under clean and healthy water --

Katz: Ok. I need to -- reality test here. I'm not sure we have three votes on all of those changes. We may have them on some. We may end up having a unanimous vote. So bring those issues to us.

Leonard: If we don't have five votes, it's the failure of the drafters of the language.

Katz: Anne? Hear that? Where are you? Failure to communicate. Ok. This will be continued to december 8, 2:00 p.m., time certain. Thank you.

Kelley: Can I close with one comment? I heard most of the testimony here today as being, let's do this. Me too. I want my issue too, or my wording too. Which I take as a positive. Somewhat different than your introduction about us all being on bad behavior. I think people are very supportive of moving this whole thing forward, and I think they want to come on board, that's mostly what you heard today.

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Francesconi: When you get a statement from anne gardner, she put 90 an email, today I have confidence in the program. I believe it can be a prototype of how the city can and will do business. It creates a structure when we the community can effectively plan for the future, weigh multiple objectives, and see the big picture. Good.

*******:** Great. Thank you, anne.

Katz: We stand adjourned until -- we stand adjourned. [gavel pounded]

At 4:15, p.m., Council adjourned.