



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **22ND DAY OF DECEMBER, 2004** AT 9:30 A.M.

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

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

Item 1499 was pulled for discussion and, on a Y-4 roll call, the balance of Consent was adopted.

COMMUNICATIONS	Disposition:
1475 Request of Bonny McKnight to address Council regarding appreciation for Mayor's support for Neighborhood Associations (Communication)	PLACED ON FILE
1476 Request of Amanda Fritz to address Council to thank Mayor Katz for her contributions to the public schools (Communication)	PLACED ON FILE
1477 Request of Paula Casner to address Council to thank Mayor Katz for support of neighborhoods (Communication)	PLACED ON FILE
1478 Request of Linda Nettekoven to address Council to thank Mayor Katz and Commissioner Francesconi for their support of Neighborhood Associations (Communication)	PLACED ON FILE
1479 Request of Marilyn Clint to present Council with a plaque for Neighborhood Associations Float from Portland Rose Festival Association (Communication)	PLACED ON FILE
TIME CERTAINS	

1480 TIME CERTAIN: 9:30 AM – Accept the Portland Development Commission report from the Central City Urban Renewal Area Study Review Committee (Report introduced by Mayor Katz)

Motion to accept the report: Moved by Commissioner Saltzman and seconded by Commissioner Sten and gaveled down by Mayor Katz after no objections.

(Y-4)

ACCEPTED

December 22, 2004

<p>*1481 TIME CERTAIN: 10:00 AM – Amend Downtown Clean and Safe District to repeal funding for skating rink (Ordinance introduced by Commissioner Francesconi; amend Code Section 6.06.200.A.7 and 6.06.216)</p> <p>Motion to accept the Substitute: Moved by Commissioner Francesconi and seconded by Commissioner Saltzman and gavelled down by Mayor Katz after no objections.</p> <p>(Y-4)</p>	<p align="center">SUBSTITUTE 179000</p>
<p>1482 TIME CERTAIN: 10:15 AM – Accept the Taylors Ferry Road Vision Plan (Report introduced by Commissioner Francesconi)</p> <p>Motion to accept the Report: Moved by Commissioner Francesconi and seconded by Commissioner Saltzman and gavelled down by Mayor Katz after no objections.</p> <p>(Y-4)</p>	<p align="center">ACCEPTED</p>
<p>1483 TIME CERTAIN: 10:30 AM CANCELED. THIS ITEM HAS BEEN RESCHEDULED, DATE TO BE ANNOUNCED – Authorize Memorandum of Understanding and Reimbursement Agreement with the Portland Office of the Federal Bureau of Investigation to participate in the Portland Joint Terrorism Task Force (Ordinance introduced by Mayor Katz)</p> <p>Motion to return the item to the Mayor's Office: Moved by Commission Sten and seconded by Commissioner Francesconi and gavelled down by Mayor Katz after no objections.</p>	<p align="center">REFERRED TO COMMISSIONER OF FINANCE AND ADMINISTRATION</p>
<p align="center">CONSENT AGENDA – NO DISCUSSION</p> <p align="center">Mayor Vera Katz</p>	
<p>*1484 Pay claim of Loraine Fischer (Ordinance)</p> <p>(Y-4)</p>	<p align="center">178984</p>
<p>*1485 Create a new Nonrepresented classification of Public Works Inspection Manager and establish compensation rate for this classification (Ordinance)</p> <p>(Y-4)</p>	<p align="center">178985</p>
<p>*1486 Create a new Nonrepresented classification of Enterprise Business Systems Project Manager and establish a compensation rate for this classification (Ordinance)</p> <p>(Y-4)</p>	<p align="center">178986</p>
<p>*1487 Create a new Nonrepresented classification of Housing Inspection Supervisor and establish a compensation rate for this classification (Ordinance)</p> <p>(Y-4)</p>	<p align="center">178987</p>
<p>*1488 Change the salary range of the Nonrepresented classification of Energy Conservation Program Manager (Ordinance)</p> <p>(Y-4)</p>	<p align="center">178988</p>

December 22, 2004

<p>*1489 Amend Human Resources Administrative Rule 8.04 Compensation (Ordinance) (Y-4)</p>	<p>178989</p>
<p>*1490 Authorize a contract with Aldrich Kilbride & Tatone LLC to conduct the second phase of a study to provide transition strategies and implementation plans for creation of a Revenue Bureau as part of the Office of Management and Finance (Ordinance) (Y-4)</p>	<p>178990</p>
<p>*1491 Authorize Intergovernmental Agreement with Clackamas County Sheriff, Washington County Sheriff and the Clark County Sheriff to create a Metropolitan Air Support Unit (Ordinance) (Y-4)</p>	<p>178991</p>
<p>Commissioner Jim Francesconi</p>	
<p>*1492 Authorize Intergovernmental Three-Way Agreement with Multnomah County Office of School and Community Partnerships and the Reynolds School District No. 7 for the SUN Community Schools initiative (Ordinance) (Y-4)</p>	<p>178992</p>
<p>*1493 Authorize Intergovernmental Three-Way Agreement with Multnomah County Office of School and Community Partnerships and the David Douglas School District for the SUN Community Schools initiative (Ordinance) (Y-4)</p>	<p>178993</p>
<p>Commissioner Randy Leonard</p>	
<p>*1494 Authorize Intergovernmental Agreements with Oregon Department of Revenue for the Bureau of Licenses to exchange business license data for state taxpayer data (Ordinance) (Y-4)</p>	<p>178994</p>
<p>Commissioner Dan Saltzman</p>	
<p>*1495 Authorize the Director of the Bureau of Environmental Services to execute a deed to complete the sale of the former Georgia Pacific Chip Plant site to the City of Lake Oswego (Ordinance) (Y-4)</p>	<p>178995</p>
<p>*1496 Amend contract with Ant Hill Marketing, revise scope of work, compensation and extend date for a multi-media campaign for the Regional Water Providers Consortium (Ordinance; amend Contract No. 35099) (Y-4)</p>	<p>178996</p>

December 22, 2004

<p>*1497 Amend contract with HDR Engineering, Inc., for professional services to complete design work for Washington Park Interim Security and Deferred Maintenance and other security work (Ordinance; amend Contract No. 34392) (Y-4)</p>	<p align="center">178997</p>
<p>1498 Add the Bureau of Water Works Interstate Fitness Facility to those organizations eligible to use the payroll deduction system (Ordinance; amend Code Section 5.08.140)</p>	<p align="center">PASSED TO SECOND READING JANUARY 5, 2005 AT 9:30 AM</p>
<p align="center">Commissioner Erik Sten</p>	
<p>1499 Support a City application to the U.S. Department of Housing and Urban Development for a Section 108 loan guarantee in the amount of \$6,125,000 for the rehabilitation of the Meier and Frank Building at SW 5th and Morrison (Resolution) (Y-4)</p>	<p align="center">36279</p>
<p>*1500 Authorize subrecipient Intergovernmental Agreement with Multnomah County Health Department to conduct follow-up testing and evaluation activities of the Portland Lead Hazard Control Program (Ordinance) (Y-4)</p>	<p align="center">178998</p>
<p>*1501 Authorize subrecipient contract with Cascadia Behavioral Healthcare, Inc. for \$592,436 for an omnibus contract to provide homeless services and provide for payment (Ordinance) (Y-4)</p>	<p align="center">178999</p>
<p align="center">REGULAR AGENDA</p>	
<p align="center">Mayor Vera Katz</p>	
<p>*1502 Adopt findings, authorize an exemption to the competitive bidding process to the Bureau of Purchases pursuant to ORS 279.011 and City Code 5.33.560, and provide payment for construction of the Mt. Tabor Interim Security and Deferred Maintenance Project (Ordinance) (Y-4)</p>	<p align="center">179001</p>
<p>*1503 Adopt findings, authorize an exemption to the competitive bidding process to the Bureau of Purchases pursuant to ORS 279.011 and City Code 5.33.560, and provide payment for construction of the Washington Park Interim Security and Deferred Maintenance Project (Ordinance) (Y-4)</p>	<p align="center">179002</p>
<p>1504 Authorize revenue bonds to finance low income and permanent supportive housing (Second Reading Agenda 1466) (Y-4)</p>	<p align="center">179003</p>

December 22, 2004

Commissioner Jim Francesconi

<p>1505 Adopt the final capital finance plan for the Portland Streetcar Gibbs Extension Project (Resolution)</p> <p>Motion to adopt the Resolution: Moved by Commissioner Saltzman and seconded by Commissioner Sten and gavelled down by Mayor Katz after no objections.</p> <p>(Y-4)</p>	<p>36280</p>
<p>1506 Authorize a temporary loan from the Sewer System Rate Stabilization Fund to the Transportation Operating Fund to provide interim financing for the Portland Streetcar Gibbs Extension Project (Resolution)</p> <p>(Y-4)</p>	<p>36281</p>
<p>*1507 Authorize an Intergovernmental Agreement with the Tri-County Metropolitan Transportation District of Oregon for the provision of \$10 million of Metropolitan Transportation Improvement Program funds for the capital construction of the Portland Streetcar Gibbs Extension Project (Ordinance)</p> <p>(Y-4)</p>	<p>179004</p>
<p>*1508 Amend contract with Inekon Group for the purchase of three additional streetcar vehicles and extend the expiration date for options on fifteen streetcar vehicles (Ordinance; amend Contract No. 32210)</p> <p>(Y-4)</p>	<p>179005</p>
<p>*1509 Amend contract with Stacy and Witbeck, Inc. for construction of the Portland Streetcar Gibbs Extension Project (Ordinance; amend Contract No. 35163)</p> <p>(Y-4)</p>	<p>179006</p>
<p>*1510 Amend contract with Portland Streetcar, Inc. to provide construction management and other professional and technical services related to the Portland Streetcar Gibbs Extension Project and preliminary analysis for an extension of streetcar service from SW Gibbs to SW Bancroft (Ordinance; amend Contract No. 31428)</p> <p>(Y-4)</p>	<p>179007</p>
<p>1511 Accept Parks System Development Charges Methodology Report for implementation and amend the affordable housing exemption (Second Reading Agenda 1437; amend Code Section 17.13.060)</p> <p>(Y-4)</p>	<p>179008 AS AMENDED</p>
<p>1512 Add and modify findings and correct a map for the Portland Aerial Tram Local Improvement District with no change in the local improvement district boundary, allocation of funding amounts or estimates of assessments (Second Reading Agenda 1471; amend Ordinance No. 178675; C-10009)</p> <p>(Y-4)</p>	<p>179009</p>

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

December 22, 2004

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

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

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

<p>1513 TIME CERTAIN: 2:00 PM – Petition to initiate rulemaking under OAR 845-005-0303 to declare an Alcohol Impact Area in North Portland (Resolution introduced by Mayor Katz)</p> <p>Motion to amend Exhibit A to include the new map and add the Lombard Street Market as one of businesses affected: Moved by Commissioner Saltzman and seconded by Commissioner Francesconi and gavelled down by Mayor Katz after no objections.</p> <p>(Y-4)</p>	<p>Disposition:</p> <p>36282 AS AMENDED</p>
<p style="text-align: center;">REGULAR AGENDA</p> <p style="text-align: center;">Commissioner Jim Francesconi</p> <p>1514 Accept the Off-Leash Program Evaluation & Recommendations Report on the pilot off-leash dog area program, authorize continuance and prepare an implementation plan (Report)</p> <p>Motion to accept the report: Moved by Commissioner Francesconi and seconded by Commissioner Saltzman.</p> <p>(Y-4)</p>	<p style="text-align: center;">ACCEPTED</p>

At 4:04 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.

December 22, 2004
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.

DECEMBER 22, 2004 9:30 AM

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

Katz: I understand today's your birthday.

Saltzman: Oh, yes, it is. [applause]

Katz: Happy birthday. How old are you?

Saltzman: 51.

Katz: 51?

Katz: Thank you.

Katz: We're going to take communications, and i'm going to ask the indulgence of the council for a suspension of the rules, because harold williams came up to the office and didn't sign up and we have five already, but I never say no to harold -- well, that's not true. I almost never say no to harold. So if that's all right, we'll have a suspension of the rules. Thank you. And commissioner leonard is out on personal. All right, 1475. Don't make me cry.

Item 1475.

Bonny McKnight: We were just suggesting, we didn't want to cry either. Mayor Katz, i'm here today to thank you for your 12 years of dedicated service to the city of Portland. Amanda fritz and I wanted to emphasize the scope of impact for neighborhoods, neighborhood associations, so we've asked specific people to be here from areas of the city. Amanda is of course from southwest. We invited paula, I haven't seen her yet, but hopefully kneel be here from north Portland. Linda from southeast Portland, and i'm from east Portland. This is also an example of the range of involvement that we had for the 30th birthday, and I wanted to tell you a little bit about the impact of your support for us and what we were -- what we believe we did on behalf of the city. I'm going to read the vision statement we had simply to put it in context of what we were trying to do. A committee of volunteers representing each of the seven neighborhood coalitions has identified many of the ways in which neighborhood associations provide special partnerships in each neighborhood, work on local problems, connect neighborhood residents with each other, participate in government decision-making processes, and work toward the public good in countless ways. It's important at this 30-year point to bring special focus on neighborhood associations because they suffered during recent years from diminishing funding. Neighborhood associations are the only consistent neutral forum for discussion of issues and policies impacting neighborhood residents, for balancing contentious factions within the neighborhoods, for providing public services that can't be funded by the city, and for participating in the monitoring of development as it work towards the vision of conference of plan and its implementing land use code. This year's celebration intends to remind city residents and elected officials of the many roles played by neighborhood associations and their participants. We also hope the celebration will build new energy for the neighborhood association participants and build interest on behalf of neighborhood residents who are not yet involved. We hope that at the end of 2004, a renewed sense of the value of neighborhood associations has been restored in city government, elected officials, and among Portland residents. Your support early on was key to allowing us to do that. And I think we have some victories, and I think we achieved a good deal of our mission statement in what we did during the past year. We especially appreciated

December 22, 2004

the donation you gave us, the support you gave us of public money, which allowed us to provide a float that was entered in the rose festival parade, and that will come later at rose festival. I'll tell you about that. But out of that we built a float for a total of \$8,000 for all of the investments.

Katz: Your time is up.

McKnight: I understand that. Our float got a pinnacle award for the best spirit promotion. We have brought you today some roses, 12 roses, exemplifying your 12 years of service to the city. On a personal note, and I'll stop, I respect the courtesy you've given us when you -- when we've come to council, even at long hearings you listened to each person testifying with understanding, and you paid attention to what each person was saying. That recognition of each person in the city is as an important gift you've left us as you leave council. Last week's spirit of Portland award was a perfect example. You were engaged with every award winner. But your special gift was shown when you spoke to the 6 and 7-year-old students. You were just the mayor, an important person telling those students that they could give to the city, too, and it would -- and that it would be rewarding for them in many ways. Thank you for the gifts to the city. I look forward to your new gifts as you begin another phase of your life.

Katz: Thank you, bonny.

*******:** We have the roses for you.

Katz: They're beautiful. Thank you very much. They're wonderful. Go ahead, karla.

Item 1476.

Amanda Fritz: Rosalyn carter said, "a leader takes people where they want to go, a great leader takes them where they don't necessarily want to go, but ought to be." mayor Katz, for 12 years you've been a great leader in our city. The river district, the pearl, the Katz esplanade, show off your policy and implementation successes, but your greatest gifts to me can't be seen and are difficult to measure. You were the only mayor I've ever testified before. When I first became involved in neighborhood land use issues, I was told that the Portland city council is pro development and neighbors never win. I found out the council under your leadership listens to neighbors and often does what we request. You saved the planning bureau from being submerged in the bureau of development services. You included citizens in the process to hire gil kelley as director of the new planning bureau. You sent the land division code back for more than a year of modifications and improvements. You understand the comprehensive plan. In the skinny lots debate, you said "this is a public hearing and we will hear what the public has to say." even when you voted against my position, I've known you heard my opinion, you understood that the options, and you chose a different course with valid reasons. And you noted sam adams to continue your legacy of understanding and valuing both planning and citizen involvement on our next council. But it's your contributions to the public schools your greatest gift to Oregon, to Portland, and to me and my family. The 21st century schools framework you authored in the legislature was 30 years ahead of its time. I remember you talking about educating children for jobs not yet invented. My firstborn entered kindergarten at marquam elementary school in 1991, the year after measure 5 passed. Today he's a freshman at western Oregon university, preparing for a career in law enforcement. In a country where law and enforcement have taken on meanings we never imagined prior to 9/11, 2001. Throughout my children's education at marquam, jackson middle school, and wilson high over the last 13 years, time and again you saved our schools. You saved the schools throughout Portland, in school district number one, and also in the david douglas, reynolds, parkrose, centennial and Multnomah education districts. You said you wouldn't stand by as the district is teetering on the abyss. You inspired others to stop standing by, too. 30,000 of us marched the streets of Portland. You worked with the unions, business leaders, and other politicians to piece together budget after budget. It was so hard, but you did it and I thank you. Golda meir said, "if only political leaders would allow themselves to feel as well as to think the world might be a happier place." mayor Katz, you've used both heart and mind to full effect. You

December 22, 2004

worked so hard and sparkled so often. Portland is a happier, better place, because you've been our leader. We love you and we thank you.

Katz: Thank you. [applause] just want to remind everybody that everything that both bonny and amanda said couldn't have been done without these wonderful people sitting next to me. They were there when we made decisions to do all the things you identified. So I want to share all those kudos with the rest of the council. Ok. Go ahead.

Moore: 1477. I understand paula is on her way.

Katz: Ok. We'll take her at the very end. 1478.

Item 1478.

Linda Nettekoven: Good morning, mayor Katz, commissioners. Scott and I are here from southeast this morning to be voices thanking you for some of the things you've done for southeast neighborhoods during your time as mayor. When I moved to Portland six years ago, and, mayor Katz, please note I wrote these things before yesterday's central city roundtable meeting, but this is what I had planned to say anyway. When I moved to Portland six years ago there were rumors of a walkway along the east bank of the river that was going to link the east and west sides of the city, going to call attention to the east bank in a favorable light, and it was going to strengthen the heart of our community by bringing people together to learn about, care about, and enjoy our river. Now neighbors from the east side, with our mantra of "access to the river," have greater opportunities, and more reasons to regularly visit the willamette. We're hoping that this will continue to increase in the years ahead and we thank you. I'd like to thank you for again and again setting the stage or setting the table for important conversations so they could happen and point us to new solutions and new opportunities. Two examples, the river renaissance process has been important to a lot of us on the east side, allowing us to come together to talk about ways to share this precious resource. More recently you convened a group and the central city roundtable to bring people together to explore visions for the heart of our city that include both sides of the river. It also gave us a chance to explore with young artists and entrepreneurs what it takes to create a rich environment in which creativity can thrive and also to talk about ways to keep families living close to our inner city. We thank you for showing your commitment via the budget process to two of our southeast uplift coalitionwide priorities. Our efforts to secure Washington high school and a tremendous thank you, again, to you, commissioner Francesconi, on that one. And also for your budget note, even though the funds were diverted, your efforts to acknowledge the need to get more of our under-represented groups to the table in more meaningful ways. We appreciate all you've done to nurture and nourish the spirit of Portland. Although it's important to have a place that's safe and clean with services that are efficiently delivered, that provides a backdrop for the business of living, something more is needed for a place to be vibrant and vital and to sparkle. Amanda also used that word. You've contributed to that spirit in many ways, and we're especially grateful for your determined efforts to find a creative solution that would allow murals on the sides of our buildings again, an important part of our community, aesthetic, and we appreciate your efforts. Also our southeast neighborhoods contain many historic buildings and we really appreciate your efforts to encourage better stewardship of those resources. Finally, we want to thank you again for establishing the spirit of Portland awards, which provide an opportunity for people from all walks of life to come together to be acknowledged and demonstrate your commitment to bringing people together. And we know people have been reminding you for a week of your good efforts, but we truly are appreciative and we hope you have many future opportunities to contribute to this place that you obviously love. Thank you very much.

Katz: Thank you. 1479.

Item 1479.

Marilyn Clint: Good morning. For 30 years the city of Portland has officially recognized our fantastic neighborhood association system. These groups have been intrinsic to the fabric of our

December 22, 2004

community, bringing people from all walks of life together to work for what's best in Portland's diverse neighborhoods. This past year members of various associations and the city's office of neighbor involvement, wanted to publicly celebrate this 30th anniversary to remind people of the importance of the neighborhood associations and the role they play in our city's infrastructure. So last february a coalition from several neighborhood groups approached the rose festival to create a partnership to promote this mission during the 2004 rose festival in june. This project had three major components. First, a birthday party event to commemorate the anniversary as part of the rose festival calendar. Second, some direct marketing and a significant presence at the pacific power showcase of floats, a two-day event that happens on parade weekend. And third and most important, a community float entry in the southwest airlines grand floral parade, the largest single-day event in the pacific northwest. In the parade this float, which was designed, constructed, and decorated by volunteers from the neighborhood associations, won the rose festival court award for the best float exemplifying community involvement and pride. The overall partnership was so successful that last month the international festivals and events association, which is the trade organization for events like the pasadena tournament of rose, mardi gras, and the macy's parade, recognize the Portland neighborhood association's 30th year celebration during the 2004 rose festival with a gold medal pinnacle award, the best new promotion for events and festivals around the world.

Katz: Wonderful.

Nettekoven: I'd like to acknowledge folks key in making this happen. Bonny mcknight, scott vala, and brian hoops from the city's office of neighborhood involvement, and sitting beside me my friend and board member, marsha apperson who found the float chassis and spent hours working on the float. On behalf of all of them and the rose festival, i'd like to thank you, mayor Katz, and the city of Portland for your overall support in the neighborhood associations, and certainly your support for these projects, last year during the rose festival, and we want to officially present you with these awards from the 2004 parade and from the international festivals and events association.

Katz: Wonderful. Thank you. Skinny houses, huh? [laughter] thank you. We don't usually talk when we do this, but i'm afraid that if I don't give this to somebody officially it will end in archives, and this is to be celebrated, so somebody think through who should be getting it or whether we ought to pass it from one neighborhood cluster to another one, over the years. Ok? So bonny, since you were the first one that spoke, you figure that out.

*******:** We've got that taken care of.

Katz: You do? That's my staff. [laughter] thank you. Is paula here?

*******:** Yes. She says she's very close.

Katz: Ok. Harold, come on up. Let me announce -- is anybody here for the joint terrorism task force? Ok, it's going back into the mayor's office. There aren't enough -- well, there are enough votes, but they're not under our code. It can't be an emergency ordinance acted on today. It would have to pass on to next week. Next week is the new council, and in all fairness to sam adams and to mayor-elect tom potter they need to hear the testimony before they make a decision. So we're going to have -- we're not going to be here. [laughter]

Francesconi: We're not going to be watching on tv either. [laughter]

Katz: So next week we'll be honored to hear all the testimony. Harold?

Harold Williams: Good morning, mayor Katz and councilmembers. The difficulties of life we can handle with ease. The impossible takes a little bit longer. And mayor, you dealt with the difficulties very easily, but we applaud you for dealing with the impossible and dealing with crisis and bringing human relations to a higher plain. And as we say it, no matter where you stand, you stand on top of the world. And we acknowledge your greatness and your compassion for humankind. And you have sight and a vision that you understood the children are the only true

December 22, 2004

measure of time, and recognizing that in what you've done in education. We acknowledge it and embrace it. As an african american male, in dealing with struggles that sometimes humanity doesn't allow me to be on the stage, I thank you for the opportunity that you've given humankind of all in the city to be on top and see the mountaintop and have visions of what the promised land should be about. You are truly the angel of hope, and I pray to god almighty that your future be embraced with gentleness and compassion. And I look and see that hope is a dream that many people have not yet embraced. Those who look like me haven't tasted the things of success as they should, but you've made it clear that maybe you won't be there with us on the city council to get to us the promised land, but you've shown the way that there's a view, that we can see it, and it's reachable. We look to you and thank you for your gentleness. We thank you for what you've done for all our people. And you and your coworkers on the council have embraced the city in a special way. No matter what our differences might be, you have been the anchor, you've been the hope, and you've been the dream. And I end my statements with this -- to see a person of greatness and to understand their compassion, to know when god has allowed an angel to be in our midst, and allowed one to touch us in a space that no other can do, that a child can understand what the smiles of hope are, and an old lady can understand the grace in an old man's face, and all of us who are part of the human race can touch your hand and know that you took us to a special place, and we look and see that we, too, can be better people, we can reach the mountaintop of hope and dreams that we might not know what we can have, but because of you, you've made it possible within our souls to be better than we are. I thank you for being the angel here on earth, not one to imagine, but one to see and one to touch. I thank you for god almighty and I thank you for letting us see that the mountaintop is reachable. And please continue to soar like an eagle and let us touch the angels on high. I thank you very much.

Katz: Thank you, harold. Thank you for your eloquence. All right, paula. Ok. We need -- we do need to move on. [inaudible]

Item 1477.

Paula Casner: Mayor Katz, good morning. I'm representing east columbia neighborhood association --

Katz: The heck with the rules today, karla. Go ahead.

Casner: I'm here, and my partner paula's following. We want to thank you for all of the attention that you have paid to neighborhoods, and how effective your leadership has been with the neighborhood association. Case in point was the discussion of the skinny lots. You basically stuck up for neighbors to talk in front of council, even when two of your councilmembers vehemently as opposed listening to our concerns. The other thing I want to mention is it always felt like you put Portland first, and that you didn't play the part of a politician. You were the mayor. And you listened and you sought out information and you took it in and you made decisions. And I deeply appreciate that. The other thing I want to make sure that I say, of course, as a neighborhood, we just want you to listen to neighbors, and as a business person, I just want you to listen to business, that may be schizophrenic, but what I want to acknowledge is that in order to have livability, you have to have jobs, and in order to have jobs you have to have livability. And you really demonstrated a way to blend the two. And as a human being I appreciate your attention to business and your attention to neighborhoods, and how well you took care of each during your terms as mayor.

Katz: Thank you.

*******:** Thank you very much.

Katz: Thank you. Thank you, everybody. Thank you, everybody. Please stay if you want to hear the rest of the morning, but I thank you all of you for the honors and of course you've exaggerated a lot, but that's your job. [laughter] and i'll accept it. Last week you honored jim, you honored me. And don't forget, you get on the calendar every week, and next you can honor the rest of the council

December 22, 2004

who will be here voting on a lot of those issues. [laughter] so thank you. I do need to apologize. I remember the first time that we really had a little bit of dissension on the council was in the northwest district plan. And I was the one that introduced it and said "this is my neighborhood and it's the oldest and da-da-da," and it had a long history, and I thought I was helping northwest. And what I did was open the floodgates for tension and discussion and disagreement on parking, on heights of buildings, and to the northwest district association -- I don't see chris here or anybody else -- I apologize. I thought I was helping the cause. Ok? Thank you. All right. Consent calendar. Karla, what do we have?

Moore: 1499 is being pulled.

Katz: Oh, right. All right. 1499.

Moore: Do you want to do roll call on the consent? Any other items to be pulled?

Katz: So much for rules. All right, roll call on consent.

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

Katz: Mayor votes aye. [gavel pounded] thanks, karla. 1499.

Item 1499.

Katz: Before I turn it over to commissioner Sten, this is a big day. This doesn't complete the vision that we've been working on for 12 years. 12 years. But it is an incredible start that we've been working on for the last two years. Meier & frank is critical to the health of the city, in the heart of the retail section of downtown, it is a building that is a historic building that needs to be renovated, and it needs to be the gateway for shopping downtown. And without the partnership with the group you're going to hear from, sage development, the future of meier & frank would really be in question. It's not all done yet, but we're on our way, and because of sage development and the work of sage development meier & frank is really beginning to put all the pieces together. So without resource, none of this could happen. And a big piece of the resource comes from commissioner Sten's office and i'll let him introduce the item.

Sten: Thanks, mayor. I'll describe this at this point. We're applying today -- just an application, although we believe it will be successful -- for a 108 loan from the u.s. Department of housing and urban development. I just want to share briefly, the 108 loan, the way it works, is this, it's actually a very innovative federal program, don't always see those, and essentially allows the city of Portland borrow money at a very competitive interest rate secured by our future block grants. The block grant is one of the consistent programs that the federal government has funded over the years to take on poverty issues, and allows us to essentially borrow money because the federal government knows if it's not paid back they can withhold their block grants. So it's a very low interest rate. From our point of view, obviously we cannot ever take the risk that the block grant is going to be held back, because that funds all of our poverty programs and other important issues. So it's actually a great loan program that we're not able to use quite as often as I would like, because generally things that have low and moderate income benefit don't have secure lines of support to pay it back. We can only use this loan program when we have a third-party guarantee that says this will get paid back, so there's no risk to the homeless programs and other things we fund. So in this case it's one of those nice opportunities. We applied for \$6 million. Essentially would be able to loan sage development \$6 million at a very competitive rate of interest. They would provide us with a third-party guarantee, working with the Portland development commission to make sure that in the unlikely event they were not able to pay us back that the block grant wouldn't be at risk. What we'll still be working on before we finalize the agreement is there's clearly an employment opportunity and a revitalization opportunity through the hotel and meier & frank's. I think we'll get there. What we want to do, once we know we're going to get this loan, is before we make the agreement is have' very specific and binding agreement on both sides to make sure that what we did was make those jobs available to people in our job training programs and other places to make sure that we actually can tie this into some of the existing work force infrastructure. So it's a great

December 22, 2004

opportunity, and I think this is a piece of the puzzle in sending sage a message, a, we'd love to get them here, love to get the project done, and, b, that as we do it, we want to add specific benefit for existing residents who are out of work. I think we can pull that off, and do it in a way that keeps the block grant allocation safe. That's what this is all about. Thank you, mayor Katz.

Katz: All right. Let's open it for public testimony. Ken, you've got to come up and introduce yourself. Is don mazziotti, are you here? Ok. I wanted you to meet this gentleman, because he's one of the interesting breeds of developers that I thought you would enjoy. Ok.

Ken Geist: Well, thank you. My name is ken geist, a partner in a firm out of denver called sage hospitality resources, and we're managers, developers and owners of hotels. We operate in 33 states around the country. And as I said in the press conference this morning, we've been eyeing the state of Oregon and the city of Portland for many years, and just haven't found the right project, but about two years ago we were in town and met with p.e.c. And they introduced us to the meier & frank building. We've been working diligently on that project for two years now. It's finally at a point where it's coming together very well. The architects, contractors, everyone is off and running, and we're finalizing the capitalization structure. The h.u.d. Loan from the city is obviously a very important piece of that. When that all gets finalized, we should be able to start construction this summer. Generally takes us about 24 to 26 months to finish. It generates approximately 300 construction jobs over the two-year period. And then upon opening we'll have about 185 permanent positions at the hotel. The majority of which will be from the local communities. We have a significant outreach program, which we're working with h.u.d. and we'll be sourcing and looking to hire people that are currently not on the payroll.

Katz: Thank you. Questions?

Saltzman: Tell us about the hotel.

Geist: Oh, the hotel. The department store which currently owns the meier & frank occupies 10 of the 14 stories in that building currently. They're going to shrink down to levels one through five, and do a complete remodel of the store and bring it up to the current standards for that brand of department store, similar to your Washington square, I believe.

Katz: We don't discuss it.

Geist: Ok. [laughter] but a much higher level of department store that currently exist now.

Katz: We got in trouble at the press conference.

Geist: Yes, we did. And then we'll have a motor lobby on morrison, about 2,000 square feet, and that's where our guests will be greeted at the curbside, brought into an elevator lobby, and taken up to the eighth floor, and the eighth floor will be where the grand lobby, restaurant, lounge will be. And we'll be cutting a light well in the center of the building, because we have to have guest rooms that look out on to street, as well as guest rooms that look into the interior. We'll be cutting a light well from the eighth floor up to the roof, doming it with a very architecturally significant glass dome on top, and then putting a lounge on the roof, both indoor and outdoor. I think our current name for that lounge, it's called rain. And -- [laughter] and the -- we'll have 335 rooms, and we will be at the -- at the upper end. It's a pretty savvy -- it's a marriott brand called renaissance, and renaissance is a -- an interesting, unique design. It's more of a boutique hotel feel. So it will be --

Katz: It's not the vanilla type.

Geist: Yes, I have to stop saying that. I'll get a call from mr. Marriott tomorrow morning.

Katz: But it is going to be unique.

Geist: It will.

Saltzman: Sounds like it.

Katz: Thank you very much. Thank you for having faith in us and for coming to Portland. I've asked ken to maybe find some time to go peek at the memorial coliseum. [laughter]

Geist: I'm on my way.

Katz: I hope that works out. Thank you, ken, and good luck.

December 22, 2004

Geist: Thank you.

Katz: Anybody else? Any questions by the council? Roll call?

Francesconi: We're glad to have you doing business. You picked one of the most important projects in the whole city, because of the importance of meier & frank. You'll have a revitalized transit mall right there, too, right in the heart of our region as we seek to be competitive with others. So it will be terrific. And be a terrific project. Keep our city moving forward. Aye.

Saltzman: Well, in the last too many years the meier & frank downtown has turned into a tomb when it should be really the central city -- heart of the city that it's been for over a century, and it's great to see this infusion of both federal resources, but more importantly really as a catalytic developer like sage to come along, and the p.d.c. And the mayor's office I know this is a real capstone for the mayor's term here, too, so it's really good to see this project coming together and really revitalizing a centerpiece of our downtown. Aye.

Sten: Again, thanks to mayor Katz. This is a much bigger project. It really does need to have a low-income benefit to be justified. Some cities skirt that a little bit, but we don't. I'm glad to get there and look forward to finishing the agreement. And of course vote aye.

Katz: Thanks, commissioner Sten. Without your approval, we wouldn't be here talking about this issue. So I appreciate it. I'm very pleased to get this project off the ground. 12 years is too long. Aye. [gavel pounded] ok, 1480.

Item 1480.

Katz: All right, folks, remember we voted on this, but you told p.d.c. to go back and do more work. This woman sitting in front of you, she'll never forgive me for appointing her to the commission, because, that's right, she did listen to you. And she's given -- it's been a year.

*****: Not quite a year.

Katz: Not quite, but she's given a big part of her life to -- to explore new possibilities, to listen to the public, and to -- to understand the financing and all the legal intricacies of urban renewal areas, and she's here to report to us. And with her is Keith.

Janice Wilson: So mayor Katz and commissioners, thank you. I'm Janice Wilson, commissioner for the Portland development commission. If we rewind the clock to February 2004 you'll recall after a healthy debate city council approved p.d.c.'s request to extend the downtown waterfront urban renewal area for four more years, through April 2008. At that time council also requested we research and report back on an issue originally raised by the League of Women Voters. The issue was, can p.d.c. And the city implement a boundary change where Old Town/Chinatown could be shifted from the downtown riverfront u.r.a. to the river district u.r.a. P.d.c. Assembled a review committee that included myself, the past president League of Women Voters, John Ball, chief of staff, Multnomah County, the president and c.e.o. of Portland Business Alliance, and Ethan Seltzer, president, Portland Planning Commission. We were assisted by a technical team of city debt experts, external financial and legal experts and p.d.c. staff, and we have a couple of members of that technical team with us here today. Today p.d.c. returns to you after a recent -- recently accepting the recommendations that were unanimously approved by the review committee developed for this effort. These recommendations were also presented on December 14. The committee made two recommendations which were approved by the Portland development commission. Recommendation one, the downtown waterfront urban renewal area shall finance as many needs as possible of the Old Town/Chinatown neighborhood. If there's a change in p.d.c. putting circumstances with the downtown waterfront, and additional resources become available, it is important p.d.c. And the city ensure all interested parties are brought together to take input on these opportunities in order to keep the needs of Old Town/Chinatown as an emphasis for any new resources. The committee reached this conclusion, because after reviewing the work of the technical team it became clear downtown waterfront is a financially powerful district which also happens to be 30 years old and has fewer needs than it did when it was created and can therefore be

December 22, 2004

more surgical with its remaining investments. By keeping the land in downtown waterfront, old town/chinatown projects can be implemented in a more timely manner rather than moving these projects now to the river district. It is in the best -- this is the best way to lift old town/chinatown out of its current blight. Downtown waterfront has up to \$120 million in remaining maximum indebtedness through 2008-2009. \$78 million is committed to projects in old town/chinatown. This leaves about \$6 million in remaining capacity, and this of course is impacted by interest rates and financial factors. We did the analysis assuming we could go to maximum indebtedness, but as you know financial factors in the future will depend on how close we could get to that number. Equally important, downtown waterfront is an option three district, which means it returns property tax revenue to jurisdictions, such as the city of Portland and other tax increment financing partners than it returns to p.d.c. It returns to the taxing partners about 60 cents on the dollar. Conversely, river district operates similar to option one districts and it doesn't return money above the frozen base until all the bonds are paid. Therefore it is in the best interest of taxing jurisdictions and old town/chinatown to leave the projects outlined in the 2004/2005 budget total in downtown waterfront until they're completed. The second recommendation of the review committee balanced how much land could actually be moved at a future date from old town/chinatown to river district. And the recommendation is p.d.c. Should determine whether moving portions of old town/chinatown to the river district will facilitate financing of old town/chinatown urban renewal projects. If it will, p.d.c. Should determine what properties should be moved and when a move should occur. Old town/chinatown is about 132 acres in size and by state statute river district cannot add more than 62 acres, 20% of its original size. River district has resources committed through 2008-2009, and the committee agreed it should keep those commitments for more parks, affordable housing. I think it's really important to point out now a number of times people talk about the river district and where their monies are. Of the \$96 million that is projected to be spent from the 2004-2005 budget through the next five years in the river district, if we look at the breakout, 43% is in senior and affordable housing. 20% is in parks. We've got parking, infrastructure and economic development assistance. I think what's critical to look at here is river district is a young district, only six years old, and based on that when you have a young district you have many infrastructure issues to deal with. And affordable housing is a key. Parks are an infrastructure. 13th avenue from Johnson to Raleigh was not paved. It's in the middle of getting -- started to getting paved now. So we have an inner city street that's not paved. So I felt it was really important for you to see how those monies are being spent in this particular district. However, as district age and uncommitted resources become available, we believe stakeholders may agree the river district could do its part to address remaining blight in some areas currently part of old town/chinatown. And river district will have -- may have as much as \$68 million available after 2009. The review committee believed any evaluation of moving land from old town/chinatown to river district will only occur after a thorough examination of a multitude of issues, including the river district plan, its goals, objectives, future needs, as well as an assessment of the progress p.d.c. Has made on old town/chinatown projects, projects in the 2004/2005 budget. This work will be with significant work from stakeholders. The if, what, when of this question will be bided by a new committee consisting of all of the stakeholders in this issue. The creation of the river district took over five years of very involved community discussions. We believe that it will -- any substantial changes to this plan will require a thoughtful and methodical analysis. We've outlined a plan to begin in the spring of 2005, and that we believe will take probably 18 to 24 months to look at all the issues that needed to be looked at to then determine if there's a recommendation of if any acreage should be moved, if it is moved, what it would be and what the best timing would be. At this time p.d.c. Is requesting city council to accept this report. People put in hundreds of hours to really understand the complexities of urban renewal, and I really appreciate their time and effort and I feel very proud that we come with a unanimous recommendation from the review committee of which

December 22, 2004

the league of women voters was a major team member, and also a unanimous recommendation from the Portland development commission. Thank you.

Katz: Thank you, Janice. Ok. Questions by the council? All right. Let's open it up to public testimony.

Moore: No one signed up.

Katz: No one signed up? All right. Council, do you have any questions?

*****: We worked hard.

Katz: You did. I'll take a motion to accept the report.

Saltzman: So moved.

Sten: Second.

Katz: All right. Roll call.

Francesconi: Thanks for your work on this. You answered all questions that we asked, and also good that you gave us a breakdown of how the money will be spent, and the fact that there was unanimous consensus helps a lot. On a personal note, thanks for all you've done for the city and for me over the years. Aye.

*****: Thank you.

Saltzman: Well, I want to thank Janice for really -- and the p.d.c. -- for taking our request, a look at this issue seriously. I mean, this report demonstrates exactly that, that you really looked at this situation and the soundness of your recommendations are very apparent. And there still is the issue of should some of old town/Chinatown be transferred into River District, but you've also set up I think a very inclusive and thorough process that will involve all stakeholders in those questions. But for now let's keep it where it is. Good work. Aye.

Sten: It was terrific. There's a lot of argument whether, you know, this made sense. In some sense I think the community -- you've done a terrific job of sorting out the fact from fiction, coming up with a great strategy. So thank you. Aye.

Katz: Another job well done. I need to remind the council this is a woman who served on the Oregon State Board of Higher Education. She served on the p.d.c. Commission. Her term will come to an end. And she has taken on the task and has said yes to the governor to be a member of the Oregon State Board of Transportation, Transportation Commission. So thank you for your service, not only to the city of Portland, but to the state of Oregon. Aye. [gavel pounded]

Wilson: Thank you. Can I take just one second and say, Mayor, thank you. It's been a treat and pleasure. While being on the Portland Development Commission, I have really been given the gift and opportunity of seeing your vision and your leadership, and it has been a treat to work with you. And it's also a treat to be your friend. So thank you very much.

Katz: Thank you.

Wilson: And Commissioner Francesconi, I wish you the very best. I know that you have many passions, and we will see you again in the public. Thank you.

Katz: Thanks, Janice. 1481.

Item 1481.

Francesconi: The downtown business, being Pioneer Square, but also the Portland Business Alliance, has been doing a lot to try to activate our downtown during the winter months. And this ice rink was a part of that broader strategy. But then they also took a step back, after listening to some citizens, and reaching out, and then engaging some experts to see about what it would take to do this. So they've actually compiled -- they're terrific stewards of Pioneer Square. They did an audit for projects for public spaces, and they've decided to step back and take a broader look at how to activate the downtown. So in the process of that, they made the wise decision to return some resources to the business community, and that's what this is about, the downtown business community. Kevin?

December 22, 2004

Kevin Montgomery-Smith: Yes, the Portland downtown services, inc., board made a decision two years ago to -- to start this special assessment for two things. I'm sorry, I meant one was the holiday lighting program, which is in full swing right now, and the other was to receive enough funds to contribute to the construction of an ice rink, if it were to be finalized, approved, and implemented. After a feasibility study and after the discussions with the public, we have come to the conclusion that that's not going to happen. And then the Portland downtown services, inc., has decided to ask city council to make a recommendation to city council that we be instructed to refund that money. And on ongoing, going-forward basis, that the assessment only include monies that are dedicated to the holiday lighting program and no longer accept money for the -- for the ice rink. Currently we have a little over \$400,000 in the bank dedicated to the ice rink. And the reduction to the total assessment is about \$6 per 1,000 feet per year. So depending on who we're talking about, it can be substantial, it can be -- it can be minimal, but it's fair and right. And it's the thing to do.

Saltzman: How much was the reduction again?

Montgomery-Smith: The reduction is -- well, it's two cents per square foot right now. The fee going forward would be 1.041 --

Terri Williams: 1.401.

Montgomery-Smith: 1.401, which is about \$6 per 1,000 square feet.

Katz: Ok. Kevin, is it that the board didn't want to proceed? Is it that the financing wasn't there? Is it that the public didn't want it?

Montgomery-Smith: Well, you know, after -- after the -- the proposal was kind of laid out there, and it was voted on, and you all approved the additional assessment, there was a public conversation that led pdsi to believe the ice rink wouldn't be going forward. And there is a broader discussion now on winter programming for pioneer courthouse square, but our participation in this -- is coming to a close.

Katz: Ok. Further questions?

Francesconi: I was a member of the board, and they listened to the public and they took a broader approach. So it's a good thing.

Montgomery-Smith: And everybody gets a refund check.

Francesconi: Right. That's good.

*****: Everybody who paid.

*****: Everybody who paid, that's right.

Katz: All right. Karla, public testimony?

Moore: I didn't have anybody sign up.

Katz: All right. Any further questions?

Harry Auerbach, Office of the City Attorney: Somebody needs to move to substitute.

Katz: Ok. Substitute language to reflect the --

*****: Just a minute. [inaudible]

Katz: Hold on. All the money's refunded, correct, Kevin?

*****: Correct, with interest.

Katz: With interest?

*****: Uh-huh.

Katz: Not much interest.

Montgomery-Smith: Not much.

Katz: All right. The substitute reflects the board's conversation -- do you want to just share with us what the substitute does?

*****: Well --

Katz: No, you don't have it in front of you.

Montgomery-Smith: Well, what I know about the substitute is that it involved attaching the resolution that was passed by the Portland development -- Portland downtown services, inc., board,

December 22, 2004

and basically it is resolved that the city recommend -- the pdsi recommend the city pass an ordinance that gives back the dollars that have been contributed by the paying property owners, plus interest, and is only offset by the 1% collection fee that the city charges us, and also the cost associated with giving the refund back. It's going to be a net win.

Katz: Ok. Do I hear a motion to accept the substitute?

Saltzman: Motion.

Francesconi: Second.

Katz: Any objections? Hearing none, roll call. [gavel pounded]

Francesconi: This is the right thing to do. I also want to thank the bureau of licensing and thomas for being flexible and creative to do it in the first place, and to be creative and flexible to undo it. It will lower the cost of doing business some, but the more important message is it's just the right thing to do. Aye.

Saltzman: This is certainly the right thing to do. I will say that I still like the idea of an ice rink in pioneer square, and absent that something that will provide more of a winter presence that's very much necessary. Finally, kevin, could you check into why there's no holiday lights on the american bank building block? They seem to not be working. They're not on. Aye.

*******:** I'll tell you why.

Sten: Aye.

Katz: I guess i'm a minority. I'm going to vote aye, but I thought the idea was a wonderful idea for the downtown. It would bring people into the downtown area, tied to retail strategy and provide young people and elderly people an opportunity to ice skate and to learn how to ice skate during the winter months when relatively was happening in the downtown area in terms of recreation and entertainment, but I guess I asked -- you, kevin, the questions about what was going on. I know there's a little tension between folks, and there was a decision made. I'm not sure it's the right decision, but i'll abide by it. Aye. [gavel pounded] ok, 1482. All right, where did you get that beautiful jacket?

Item 1482.

*******:** Maybe i'll share it with you.

Katz: Every time patty comes here, I always compliment her on her colors and -- ok. Who wants to start?

Patty Lee: I'm patty lee. Do you want to say something?

Katz: Ok.

Michael Harrison: Sure. My name is michael harrison. I work for commissioner Francesconi. Last year the ash creek neighborhood association became aware that the construction of a single-family home on taylors ferry was going to trigger a requirement for full sidewalks, curbs, and road improvements. And though the ash creek residents long desired improvements to their street, they realized and were able to convince the transportation bureau, that where the sidewalk was going to be required, because of the topography, the sidewalk really wouldn't be a sidewalk that would -- that would connect up with anything continuous. And so after working with the transportation bureau and figuring out that a pedestrian path could be installed in the meantime, they realized that they lacked a broader vision for what the community would want ultimately for their street. And so what you have before you, the report, is really a community effort that was assisted by staff and the transportation bureau, but really it's a -- it's capturing their hopes and dreams, both short term, medium term and long term for taylors ferry road.

Katz: Ok. Patty?

Lee: Well, this was sort of a first, because we did this job ourselves. We started last february, and we're finishing now. And so this is sort of a christmas present. And ash creek felt an approach must be found to encourage pdot to use some flexibility to street design standards in southwest Portland, which has unusual topography. And the goal is to see southwest transportation project

December 22, 2004

money go further in order to link the community and make it more walkable and more livable. And the task force expects that by delivering a Taylors Ferry vision plan it might be a prototype for other neighborhoods in southwest with similar road conditions and a guide for pdot planners. Taylors Ferry is designated as a neighborhood collectors street, a city walkway, city bikeway, and community transit street. These designations by policy would indicate the need for urban standard sidewalks and bike lanes on both sides of the street. Now hear what the conditions are today, so let's take a tour.

Jay Mower: I'm your tour guide. I'm a neighbor of Patty Lee's, and she asked me to help with this document. The study area map shows the area. We didn't look at the eastern parts of Taylors Ferry road. These are the designations of the road in the transportation system plan. Here's our tour. Looking west from Capitol Hill, the feature -- the distance is a land bridge over a deep ravine. This close-up of that shows this bridge is actually quite narrow. It's difficult to accommodate bike lanes and emergency vehicles also have a hard time there. They want it to be wider for their emergency stuff. Further west, up at 48th, conditions there, the little asphalt path there was installed with grant money that the neighborhood went and got back in 1989. An interesting feature about Taylors Ferry road is that the right-of-way varies quite a bit. Right here at 48th, looking west, it's big, narrows up ahead a block or so. One important feature is the view on the right there of all the encroaching hedges and things that make walking on the north side virtually impossible. Further west, hedges are actually planted in the public right-of-way, and then they grow even further, crowding pedestrians. Transit stops are kind of marginal. Muddy and wet. We do have a little corner grocery store that everybody comes to. There's no crosswalks there. It's kind of a dash to get to there. And then looking west we see a good view of the wide right-of-way. There are nice, big stormwater ditches. You can see where people walk along the shoulder. Again, no bike lanes. Further west, that fence on the left is actually built in the right-of-way. We have area photographs showing where the property lines are, and that fence is still in the right-of-way. Just a close-up view, looking west, as we west to further, looking west again from 60th, this view of the -- of the road itself shows that the pavement is getting to be kind of broken up, and need to be resurfaced one of these years. Another view of the pavement. And then here towards the end of our tour on 62nd, there's a big culvert of some kind. Then looking west toward the county line is this street, 62nd, is a cross-street that leads down through a little curving road and over to the Tigard interchange at I-5. So this intersection is quite used. So the summary of the things we saw in our tour, with the committee, was it's not built to current urban standards, no bike lanes, no ped facilities, the right-of-way is encroached by vegetation. There's a lot of speeding. The narrow bridge impedes emergency vehicles. There's a lot of traffic impact from Washington county. And we know that there's no funding to do this project for a long time. So what can we do? The committee went back to the drawing table said "given all this, what can we do in the interim?"

Lee: All right. Then we have project goals to improve the bike and ped access, traffic calming, pedestrian crossings, reduce Washington county traffic impacts and phased implementation. Phase one, the short-term. Cut back overgrown right-of-way segments on nearby local streets and clear plants encroaching Taylors Ferry road right-of-way. Increase speed enforcement and methods. Build traffic calming infrastructure. Install stop signs southwest 55th and 62nd. Phase two, the longer term, moderate, widen the road base to include bike lanes and build simple, separated pedestrian paths that meet A.D.A. requirements with permeable asphalt, and develop green street stormwater management solutions and add left turn lanes at Taylors Ferry road at 48th where they put in a stoplight, and there are a number of accidents at that place. And our cross-section, this is -- you can sort of see what we've done with a -- we have -- we didn't increase the roadway, which is 22 feet wide, but we added 10 feet for five-foot bike lanes going west and east. And bike lanes on pedestrian paths on the north side, from Capitol Highway down to 55th and west on the north side from 55th to 65th. And this was a proposed drawing. We have some traffic calming devices, stop

December 22, 2004

signs, and left turn lanes, and that -- phase three is long-term, more difficult, would be to seek money for engineering a new bridge. Seek money to build a new bridge. And work with odot to consider changing location of the i-5/capitol highway exit to an alternate location on barbur boulevard, and this would help this horrible intersection at capitol highway and taylors ferry that nobody wants to tackle. And seek funding to build complete taylors ferry road improvements. Then the next steps, we're not just stopping with the plan. We'll start implementing phase one and maintain communication with pdot and other partners and stay involved to encourage funding sources and planning. So we have a lot to do. And I want to thank jim Francesconi for helping us get this project started and giving us michael harrison, who has stayed with us, encouraged us every step of the way. And to mayor Katz for her vision and support in backing the southwest community plan. And for all the good things, both of you have done for the city of Portland.

Katz: Thank you. Ok, questions? Public testimony?

Moore: No one signed up.

Katz: No one signed up. All right. Then i'll take a motion to accept the report.

Francesconi: So moved.

Katz: Second?

Saltzman: Second.

Katz: Roll call.

Francesconi: Patty and jay, thanks for all the work you've done for southwest, but thank you for pushing so hard for this arterial in the street that's so important to the city. We can tee it up and get it ready for more funding. There's great people here in don and laurel that will continue to push for this within the bureau, but it takes working with citizens like you to help move it along. Again, michael, thank you for working on this. On a personal note, thank you for all you've done for the city and for me over the past four or five years. Aye.

Saltzman: This is a great plan. Truly a neighborhood-inspired, and executed plan here, so thank you for doing that work. Thanks, michael, for your assistance. And we look forward to slowly but surely making some of these futures realities. Aye.

Sten: Aye.

Katz: Mayor votes aye. [gavel pounded] thank you. All right, 1483.

Item 1483.

Katz: All right, everybody. This is not an emergency ordinance. If it was an emergency ordinance the emergency would have to be removed because you don't have a unanimous vote on the council.

So it will pass on to second. Rather than hear testimony today as we normally would and pass it on to second, after the testimony commissioner Sten and I and others thought that we ought to -- really ought to do is delay it until we have a new council. I don't know whether the new council will support it or not. The council is split on this issue. But at least we ought to give the opportunity for mayor-elect potter and commissioner-elect adams to hear the testimony before they make up their minds. So with that, commissioner Sten, why don't you make a motion to pull it back to the mayor's office.

Sten: I move that we -- I would move that we return the item 1483 to the mayor's office.

Katz: Do I hear a second?

Francesconi: Second.

Katz: All right. Any objections? Hearing none, so ordered. [gavel pounded] all right. 1502.

Item 1502 and 1503.

Katz: Ok.

*******:** Thank you, mayor, and commissioners. We're here today --

Katz: Identify yourself for the record.

Mary Ellen Collentine: I'm mary ellen Collentine with the water bureau. With me today is barb gibson from bureau of purchases. We're here today to ask for council permission to do an

December 22, 2004

alternative contracting process for the mount tabor interim security and deferred maintenance project, and second on the calendar is the Washington park deferred interim security and deferred maintenance project. Projects are very similar. The council may recall that in july of this year a resolution was passed, directing the water bureau to do some interim security and maintenance improvements for both sites, and we are back before you today, requesting your permission to do an alternative contracting method to deliver those improvements.

Katz: All right. Karla, why don't you read 1503.

Collentine: I'd like to turn it over to barb gibson. She'll talk about the process and then i'll talk about specifics to both projects.

Barb Gibson: Mayor Katz, commissioners, good morning. My name is barb gibson, the procurement supervisor for the bureau of purchases. We're here before you today because state law, o.r.s. 279, requires city council's adoption of an ordinance whenever an exemption to a competitive bidding process is considered. In this case we're requesting an alternative contracting process be considered for both the mount tabor interim security and deferred maintenance project and the Washington park interim security and deferred maintenance project. At this juncture, I must indicate that by alternative we're talking about a procurement process other than low bid. And in this case we're asking the council to support an exemption to the competitive bidding process and enable an alternative contracting method using construction manager/general contractor method. This alternative process will be publicly advertised by a request for qualification followed by a request for proposal. This process will not limit competition, but will allow proposals rather than bids be received, and allow an award based upon the valutive criteria rather than low bid.

Collentine: Thank you, barb. As barb mentioned, we're requesting approval of two separate ordinances for two separate projects. One at mount tabor and one at Washington park. Several projects in the Portland area have used this alternative contracting method known as cmgc for short.

These projects have -- have been selected to deliver these -- this type of method because they were -- had high risk or were technically complex or had side issues or could benefit from early contract involvement, and then some examples of these projects include some of the streetcar projects, interstate light rail, and both the west side and east side tunnel projects. In addition the water bureau also used this method a few years ago on the head work intake project. It was a very successful project for us. We were working at the intake to Portland's water supply for over a year.

We had no environmental violations of water quality violations and came in under budget. Mount tabor and Washington park have similar issues, and share some similarities with the head works project, in that we have to continue to deliver water while working at these critical facilities.

Katz: Ok. I think we've heard enough.

*****: Ok.

Katz: Questions? Do we have anybody testifying?

Moore: No one signed up.

Katz: Anybody want to testify on this? All right. Roll call on 1502.

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

Katz: Mayor votes aye. [gavel pounded] 1503.

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

Katz: Mayor votes aye. [gavel pounded] 1504. Thank you.

Item 1504.

Katz: Roll call.

Francesconi: It's a good thing. Aye.

Saltzman: Aye.

Sten: Very excited. We announced the projects this week. They will be under way immediately and I think they'll have a major impact on both helping low-income people in general and getting the chronically homeless off the street and stabilized. Aye.

December 22, 2004

Katz: Mayor votes aye. [gavel pounded] all right. Let's read -- karla, tell me if i'm in error -- let's read 1505 to 1510.

Moore: Correct.

Items 1505, 1506, 1507, 1508, 1509 and 1510.

Katz: That will save us time, people jumping back and forth.

Vicky Diede: Good morning. I'm Vicky Diede from the office of transportation. I'm the city's project manager for the streetcar. The first resolution asks council to adopt the final capital plan for the gibbs extension project. Exhibit a to that resolution will show you both the sources and uses of funds. On the sources side, it shows \$15.8 million coming from three source. One being \$2 million from a local improvement district, and that l.i.d. Was created by council two weeks ago, on december 8. There's also \$3.78 million in tax increment financing from the Portland development commission. Initially we thought we'd only have access to a portion of those funds as we went into the construction side of this project, but heard from them this weekend that the entire \$3.78 million will be available to us. The third source is the \$10 million in regional transportation funds and from tri-met. There's an i.g.a. on the council agenda today to accomplish that. Those funds, won't be available to the city until july 1 of next year, so the folks in the office of management and finance have helped us arrange a short-term loan for some gap financing from the sewer system rate stabilization fund. Again, that is here in front of you. So also on that exhibit a, shows the uses of funds and the actions in front of council today will approve an amendment to the construction contract, an amendment to the contract with to buy three more streetcars, an amendment to the agreement with Portland streetcar inc. For services during construction, and then there will be one action taken in the future, and that will be to the actual construction of the modifications of the facility that we'll need when we get the three streetcars here. I would be happy to answer any questions that the council has about the capital finance plan.

Katz: Questions?

Saltzman: When does the sewer rate stabilization fund get paid back?

Diede: When we receive the money back from tri-met, july 1, 2005. We will, you know, also pay the interest charges.

Saltzman: Ok.

Katz: We're still getting our streetcars from the checks?

Diede: We are.

Katz: Has the cost of those gone up?

Diede: Yes. I'll talk a little bit more about that when we get to the inekon contract, but the currency exchange rates haven't been in our favor. Similar situation with the swiss dollar, but the czech crown has been very, very strong.

Katz: Did you go through each one of those items? Did you want to add anything? You said you wanted to talk about --

Diede: Oh, yeah, when we get to that particular item.

Katz: Why don't you just walk through all of these items.

Diede: Ok, that are on the agenda?

Katz: Correct.

Diede: Ok, all right. So the next one, then, is the resolution that would authorize the temporary loan from the sewer system rate stabilization fund to the transportation operating fund. The reason we need to do this is that this money is the only money that we can buy cars with, both the local improvement district money and tax increment financing, you should not -- and we've gotten legal opinions saying we shouldn't use it for rolling stock. The mtip money will be available july 1 of 2005. By ordering the cars now, it lets us be in a position to open the gibbs extension and have the cars here to do that by july 2006 in line when the first ohsu building will open up and the meriwether will be ready for occupancy. The next ordinance is the ordinance authorizing the

December 22, 2004

intergovernmental agreement with tri-met for the \$10 million in mtip monies. Metro has authorized a multiyear commitment of federal metropolitan transportation improvement dollars or mtip. One projects is \$10 million to the gibbs streetcar project. They will provide the funds to all the projects by issuing bonds in reliance of that multi-year commitment of mtip monies. An additional advantage to the city, it's a pass-through to the city, so we will not need to meet federal requirements or have local match requirements on the money. And I guess revenue neutral to tri-met. The transaction is subject to the city's binding commitment to pay its share of the local match for the i-205 mall light rail project. The documents in the agreements to do that are in place. P.d.c. has entered into an i.g.a. with tri-met for their \$20 million in t.i.f. money, and the city last week amended the i.g.a. with tri-met to recognize the new funding commitment of \$42.33 million project to the mall project and to i-205. The tri-met board on december 15, approved resolution 041282 which authorized the i.g.a. with the city. Then the next ordinance would authorize an amendment to the contract within a inekon to purchase three additional streetcars. This has probably been the most complicated of the contracts or amendments that we've worked on. Since our contract with inekon is in u.s. Dollars, the negotiations on pricing have been a bit complicated by the significant loss in value of the u.s. Dollar relative to the czech crown. When we last ordered cars, which was about 3 1/2 years ago, since then the dollar has dropped 39% in relative value. Over the last couple of months it's dropped 10%. So we looked at some ways to try to protect ourselves or mitigate the currency risk, and one of the things that we looked at was to include paying them 100% of the contract up front. While that would solve the currency fluctuation issues, it doesn't do much to protect the city. I mean, when we -- under our contract terms, we pay 40% of the contract amount at notice to proceed. Then that allows them to go to their subcontractors and order all the stuff they need to start putting these together. And then there are second and third payments tied to specific projects milestones, and the final 10% of the contract is paid at final acceptance of the streetcars. We also would require a letter of credit in the amount of 100% of the contract amount, but we really don't want our money back, we want the three cars. So what inekon has done, is they worked with their bank in the czech republic to purchase a policy that would protect them against currency fluctuations. And that would let us pay in u.s. Dollars. However, inekon can't fix the cost of that policy until we have a contract approved by council. And if it is approved today, they will meet with their bank tomorrow and we will firm up the price. The contract price is predicated on an exchange rate of 23 crowns to the u.s. Dollar, and this morning the rate is 22.836. So it's slightly weaker. The ordinance allows the commissioner of public works and the city auditor to enter into a contract amendment in an amount not to exceed \$8 million. If we find that the change in the amount -- if we find that the change in the amount would increase the cost over \$8 million due to this policy that they will purchase, we would continue to negotiate with inekon, and would bring back an additional amendment to council if that is necessary. But at today's rate, we've calculated we should have a contract amount within that \$8 million limit. So between now and tomorrow, think good thoughts about the strength of the u.s. dollar. Then there's an ordinance authorizing an amendment for construction of the gibbs extension project. Just a reminder that we also went through the process for a construction manager, general contractor, and anticipated that stacey and witbeck would discuss the three phases. We'll be having our opening march 11 of 2005. Riverplace to gibbs, that's what this particular amendment to the stacey witbeck contract is for. The amount of the amendment is a little over \$3.6 million. And that's for all the civil and track work and utility relocations and the -- the stop location. And street work. And we'll reserve approximately 5% of that amount as a contingency to be used for unforeseen conditions, or if we find need to add additional work. And then the last ordinance is an amendment to the Portland streetcar, inc., contract, for services during construction. I mean, this will include management and design services during the construction of the gibbs extension project, preliminary and final design of the modifications to the streetcar maintenance facility necessary to get the additional vehicles,

December 22, 2004

management inspection, administrative services associated with the purchase of the three additional vehicles, and then in addition to that there's a small amount in the contract that pdot would like Portland streetcar, inc., to begin kind of a preliminary analysis related to how we get from gibbs to bancroft. There's a lot of activity going on down there, and we'd like to get our work a little more coordinated with the private development work and with the utility and the street reconstruction work. And we believe that effort, that small effort now, will probably pay us off big time in the future with less disruption and lower cost to the projects. So that's everything.

Katz: Sure is everything.

*******:** Yeah.

Katz: Council, do you have any questions?

Saltzman: How much is that last moment, the pdot to Portland streetcar for the --

Diede: \$50,000.

Saltzman: From gibbs to bancroft?

Diede: Right. We think it's a slightly larger project than that, but we'll look for other funding sources to do that. In the meantime \$50,000 at least will get us on the field and looking at some important stuff.

Sten: One small technical question. Did you say the commissioner of public works or --

Diede: Commissioner of public utilities.

Sten: Ok, good. Small thing.

*******:** I did that one a while back.

Katz: We need to start changing the charter. You ought to eliminate those titles, because they don't make any sense.

Sten: That's fine with me. I just didn't want to be the one to -- [laughter]

Katz: All right. Public testimony now on all of those items? Chris, come on up. Thanks, vicky. Good work.

Diede: Thank you.

Chris Smith: Good morning. Chris smith. I'm here today in my capacity as chair of the citizens advisory committee for the streetcar. And before I begin, on a personal note I had a chance at city club a few days ago to express my appreciation to mayor Katz. Jim, i'd like to express my appreciation to you for all your stewardship of transportation projects, including the streetcar. And even though we had a sharp disagreement over my neighborhood plan, I think any citizen in the city who's spent any time thinking about parks has to be immensely grateful to your passion and energy put into our park system. Thank you. I want to focus on the issue of the three cars and the importance of making that purchase work. And i'm conveying the sense of a resolution from the streetcar citizens advisory committee. At the p.s.i. board we did a lot of sharp pencil work to figure out how to get the construction costs of the gibbs extension down to save enough money to put into the vehicle purchase. The original intent for streetcar was to operate at 10-minute headways. We're gradually working our way towards that. We'll be a better headways when we open riverplace and we have the potential to get to 10 minutes for peak operating periods with gibbs, but we can't do that reliably unless we have three cars, and if we're successful in figuring out how to finance the expansion to bancroft we will not be able to operate at 10-minute headways unless we have those three cars. So it's absolutely vital to meet the commitments to the community that we have all of these vehicles and I urge you to show your support for that. Thank you.

Katz: Thank you. Anybody else? Karla?

Moore: I don't have a sign-up sheet.

Katz: Anybody else want to testify? Council? No more questions, let's take the first one. I'll take a motion to adopt the resolution, 1505.

Saltzman: So moved.

Sten: Second.

December 22, 2004

Katz: Roll call.

Francesconi: I'll just make one comment on all these. There's nothing like transportation infrastructure, especially the right kind of transportation infrastructure, to advance the livability and the vitality of our city. And so it was important that we do this by the end of the year, not only because of the -- the currency issue, but also just to keep this moving for the whole sake of south waterfront and that development. And so that's why we're bringing this package in front of the whole council. We actually need help from the state deposit and federal government to hedge against these currency changes. The city can't really borrow money for the sake of hedging against these changes. So we need some help. And so we're trying to move in that way so people approach randall edwards for help, but it also takes a great group of citizens and people like vicky at the city trying to figure this out. We do need the three cars for the reason chris said, because of the headways, in order to continue the usage. It's going to be a challenge, not only because of the currency issues, but also because of the price of steel with china sucking up this. It's also an issue, frankly, for the tram as well. But if we keep moving ahead, if we act with some speed, but after a proper process with the right talent in place, which we have here, so it's again been a -- you know, I appreciate the acknowledgments on the parks side, but it's also been terrific for me to learn from and to push and to watch these transportation infrastructure projects which have been so important to the future of our city so that my kids can enjoy the city the way it's benefitted me. So again, carter, thank you for all the work that you've done. And you're also saving the taxpayers money, doing it in an efficient way. Vicky in transportation, thank you for pushing the vision with the skills to implement that vision. Aye.

Saltzman: This is great work. And I look forward to seeing this project go further south. Aye.

Sten: I agree. I'd also like to take a second to thank commissioner Francesconi for all his work on transportation. This is a fitting package, and thanks to his leadership we're in very good shape to get the streetcar moving forward to three cars. My sense is that that is really critical. Thanks, commissioner Francesconi. I vote aye.

Katz: I think it was commissioner Francesconi who said "well, where are we going to get the money, how are we going to finance it?" and then commissioner Francesconi during his eight-year tenure figured out that if he -- if this is what we need to do, if this is what you want to do, if this is what we should do, we'll find the money, start planning and start developing the vision, which is exactly what he's done with the help of citizens as he described. And we have a finance plan. And this will continue to happen. We won't know where we'll get the money for the next leg of the streetcar. It's got to go across the river to the east side, into the east side neighborhoods. But I trust that the council will figure it out and the finance plan will be in place at the appropriate time. As far as the headway -- I mean, the goal for all of our transportations should be to -- to stop printing the schedules, which is a very costly and time consuming, and let the public know that a bus or a streetcar or light rail will be at the corner every 10 minutes. So that should be the goal. Aye.
[gavel pounded] 1506.

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

Katz: Mayor votes aye. [gavel pounded] 1507.

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

Katz: Mayor votes aye. [gavel pounded] 1508.

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

Katz: Mayor votes aye. [gavel pounded] 1509.

Francesconi: This is a good contractor as well, who has actually led the way on diversity efforts in breaking up small subcontracts so that contractors can be paid every 30 days, for example, which means it makes a big deal to make it easier for diversity. Aye.

Saltzman: Aye.

December 22, 2004

Sten: I think commissioner Francesconi has done a terrific of pushing this issue for many, many years. Good to see. Aye.

Katz: Mayor votes aye. 1510.

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

Katz: Mayor votes aye. 1511. [gavel pounded]

Item 1511.

Francesconi: This is really a big deal. I wish it was my last vote. Instead it's going to be accepting an offleash dogs report. [laughter] which is probably fitting. Riley, thanks for all your work. This raises \$125 million for another type of infrastructure that's critical to the livability, economic health, vitality of our city, which is our parks, our trails, our natural areas, our neighborhood parks, our community parks. And this is very significant. At the same time it also increases the exemption for affordable housing and it from what would have been \$25 million exemption for affordable housing to \$34.4 million and treats for-profit developers to participate. I made a decision to have this not be effective until July 1 of 2005 for the reason that I didn't think it was fair to developers who had projects to then change the fees. So it's going to take effect in July. I'd like to -- even though we disagreed some on the amount of the fee, I'd like to thank the homebuilders again for their active participation in this. This is -- this is a legacy thing for the whole city, for the parks bureau, for the whole council, for the mayor. It's going to give the resources to allow, not only our kids, but their grandkids to participate and keep this one of the best parks system in the country. It's been my personal privilege to be one of the stewards of this wonderful park system. Aye.

Saltzman: Thank you, commissioner Francesconi. Part of good stewardship is providing for a sound future for our parks, and this is certainly a major legacy step. So thank you. Pleased to vote aye.

Sten: I was thinking about this, and inc. It is the right way to go, and I'm going to vote aye.

Katz: Commissioner Francesconi, you laid the foundation for the future for our parks system. It is a hefty increase, but we all know that if we don't have parks, if we have housing and we don't have places, quiet places, green places for people to go, we don't have a city. So thank you for that legacy. You've done a great job. Aye. [gavel pounded] all right. 1512.

Item 1512.

Roll call.

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

Katz: Mayor votes aye. [gavel pounded] all right, everybody, we stand in recess until 2:00. We'll have two items in front of us. I hope it doesn't take too long. And then we'll say good-bye.

Saltzman: I take it you'll be here?

Katz: I'll be here, you'll be here. Thank you, everybody. We stand adjourned until 2:00.

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

December 22, 2004
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.

DECEMBER 22, 2004 2:00 PM

Katz: Council will please come to order. Karla, please call the roll. [roll call taken]

Katz: You are lucky, you are lucky.

Francesconi: You think i'm going to skip out?

Katz: Thank you, everybody. Commissioner Leonard is out on personal business. Ok, item 1513.

Item 1513.

Katz: Gentlemen, who wants to start?

*******:** I'll start, mayor.

Katz: Ok, jim.

Jim Hayden, Deputy District Attorney: Thank you. Good afternoon, commissioner. My name is jim hayden from northeast Portland and here today to testify on the impact of an alcohol area in the st. Johns area in north Portland. With me is the commander of the north precinct. I've got a powerpoint presentation i'd like to show to the commissioners that I hope will provide a groundwork for what we're trying to do and what we've done so far. First of all, this has been requested by, as noted, neighborhood associations, st. Johns business owners, individuals, and business associations, many of whom are here today. I'm going to run through three slides. This is a letter we received in 2002 from about 30 local business owners, who said "we as st. Johns business owners, encourage you, the north precinct commander at the time, to take aggressive action to curb street drinking in the st. Johns community. Street drinking and the criminal behavior associated with it negatively impact the business environment of st. Johns." the negative effects of street drinking in st. Johns include, but are not limited to, aggressive panhandling of customers, verbal harassment and/or intimidation of customers, alcohol-related street litter, public intoxication and drunken behavior, public urination and defecation. While we have noted some reductions in these behaviors, current activities remain at an unacceptable level. We encourage the north precinct to cooperate with other government agencies to take appropriate steps to further reduce street drinking in st. Johns. And at that request, and I just want to make it clear to the council, again, we're here at the request of citizens, business owners, neighborhood associations, to work with them to reduce street drinking in the st. Johns area. At that request, the Portland police bureau, the office of neighborhood involvement, the d.a.'s office, business owners, neighborhood associations, others work together, and that's why here today to ask all of you to recommend to the olcc to make this an alcohol impact area. And I just want to really point out, and this has been discussed a lot in the city lately, this is community policing. And this is community prosecution. We're working directly with the community to solve a problem in an area that the community has identified and asked us to work with them on to solve. The authority for an alcohol impact area comes from Oregon administrative rule 845-005-0303. These are the proposed restrictions. I'm going to boil them down somewhat because I realize this may be confusing at first blush. One, no single container sales of packaged beer or malt liquor containing 5.8% or more alcohol by volume in amounts less than 16 fluid ounces except in quantities of six or more. Two, no sales of packaged beer or malt liquor containing 5.8% or more alcohol by volume in amounts 16 ounces or more. Third, no sales of packaged fortified wine. This is what that boils down. Six packs of 12-ounce bottles are ok. Regular wine is ok. By regular wine, I mean not fortified, no additional alcohol has been added to

December 22, 2004

boost the alcohol content, however large containers of high alcohol per volume beer/malt liquor are not, and fortified wine, those 16 ounces or greater. Those are the types of alcohol that have caused the greatest problems that we've seen and citizens and business owners have seen in the st. Johns area. The proposed a.i.a. including the st. Johns hot spot. This is the area we're talking about. I want to point out to council that there's an area on the bottom, and to some who have seen early proposals, when this was first talked about to the community, an alcohol impact area, it was the entire north precinct that was discussed. That was then cut back to the area west of the railroad cut. Then an area was added back in, as you can see, to the east of the railroad cut, that solid blue line. The reason for that was because of four additional packaged offpremises stores in that area and the belief that people could easily just move there to buy their alcohol. Recent correspondence, emails, concerns from some in the portsmouth neighborhood, others, are they that we may just move people into their neighborhood, and that is why that last dotted line area has been added for council's review, and that's what I would recommend to council, if council chooses to make it an alcohol impact area, because it takes in the lombard street market. After that last market on lombard, one has to travel 3/4 of a mile to get to the next place to buy offpremises alcohol. So it makes sense to us that these areas would be included or else it's too easy to simply move 32 purchase alcohol. This is an overview of arrests for intoxication and illicit public street drinking. And you can see the concentration, the hot spot in the st. Johns neighborhood. Brief history and some of you obviously will remember this history. In the 1980's, one of the principal problems in old town were winos. The old town community and the Portland police bureau collaborated to work on the problem. In 1986 city council restricted fortified wine sales in old town, and the olcc implemented those restrictions. By 1987 the restrictions -- and the restrictions were principally again of large -- of the -- they're all similar size. Fortified wine is what they were aimed at. By 1987 the restrictions had reduced disorderly conduct, litter, vandalism, other criminal activity in the area. So it was meeting with success. Therefore the city council in 1987 recommended permanent restrictions. Street drinkers switched to other kinds of alcohol, including cheap unfortified wine and 32 and 40-ounce beer and malt liquor. In 1992, six retailers restricted the sales of these in the downtown and central east side areas. Shortly thereafter the liquor industry began marketing 22-ounce malt liquor in the area as a way around that restriction. But those retailers did volunteer to do that noticed a significant improvement around their stores, and were pleased with the results. Less litter, panhandling and disruptive behavior and few customer complaints. By 1993, city council was recommending restrictions on all retailers in the area and 40 retailers voluntarily restricted 16 ounces of beer and malt liquor. Once those volunteer agreements were in place by 1994, it had decreased by an almost reduction in police services and detoxification services in 1995 the olcc adopts this administrative rule that we're discussing today. In 1999, the Washington liquor control board adopted the Portland model a.i.a. Which it noted was somewhat successful in its voluntary approach. In that model, they specifically addressed, and I included the minutes in your binders, was the Portland model in old town, which kind of got all of this kick-started. In 2001, tacoma, Washington, adopts an alcohol impact area. In 2003, seattle, Washington, adopts an alcohol impact area. These are the requirements, generally, for an alcohol impact area per the Oregon administrative rules. The petition for rule-making from the Portland city council is obviously why we're here today. Now others that are going to testify in support of this can expand on the public meetings that were held. I was not involved with all of them in the early stages. There were four principal meetings, however, between liquor retailers, business owners, and the d.a.'s and police and office of neighborhood involvement. They're stated there. September 11, 2001, october 9, 2001, january 10, 2002, february 10, 2002. And mr. Fera who will testify in support has an additional list that he would like to share with you that's much more comprehensive, but there's been significant outreach done. And not the only list that mr. Fera will share with you, but information in community newsletters as well, getting the word out. This was something being proposed. No

December 22, 2004

voluntary plan was reached due to what they called in seattle the level playing field argument. What that means is most of the liquor retailers who were approached responded similarly -- "we don't want to do if the guy across the street doesn't have to." until they were assured everyone had to follow the same rules, none were willing to sign a voluntary agreement to restrict alcohol sales. By expanding the area as noted, everyone will be in a level playing field and it will be 3/4 of a mile away that one will have to go to purchase this kind of alcohol. The problem, as documented, street drinking and detox reports are up in north precinct. Most significant line here is the black one that shows the -- the average, and it's on the rise, north precinct, and it's -- since 2001 -- risen in the nature of 10%. Street drinking and detoxification reports. The rest of the city -- excuse me. And this next slide shows the actual proposed area. So if I go back, and i'll go back and show you again, this is north precinct, all of north precinct, street drinking and detox reports. Since 2003 are on the rise. The next slide is going to show you the green is the proposed area. The proposed area accounts for nearly half of all of the street drinking reports in all of north precinct. It's a much smaller area that accounts for nearly half. And this does not take in the -- the extended nub that I showed you, and so these numbers would rise, probably be certainly more than half if we did take in those areas in the analysis. The rest of the city has been on a downward trend. So while the rest of the city has been generally going down, the st. Johns area has been going up. And street drinking and detoxification reports. Beer and malt liquor is the street drinking alcohol of choice in north precinct. The large greenish color is 87% of the street drinking and detox reports involve beer and malt liquor. So no question, it's the problem drink of choice. Hard liquor is 9%. Wine is 2%. And beer and hard liquor in combination is 2%. In 2004 containers greater than 16 ounces compromised 84% of those attributed to street drinkers in the proposed area, as shown in this graph. As you can see, the 12-ounce containers were 16% of those arrested or detoxed. 84% were a combination of either 16, 20-ounce, 22-ounce, 24-ounce, or 40-ounce containers. 40-ounce container of 8% to 9% malt liquor is roughly equivalent to more than eight beers for probably under \$2 a bottle. It's a pretty good drunk for very cheap. Ergo why the large containers and the high alcohol is the street drinker choice. Simply the known brands. You can see that 211 steel reserve, 50% the reports involve this product. High alcohol content. Cheap product. Large size. This is what they've graph take it toward -- gravitated toward. These are the affected businesses necessary for, if the council recommends the alcohol impact area to the olcc, the list of the affected businesses has to be set forth. These are the affected businesses that are within that area, that have offpremise -- only offpremise licenses. It does not affect restaurants or taverns that do not sell offpremise, only offpremise licensees. Negative effects as required again by the administrative rule, we need to set forth what we anticipate the negative effects are and the positive effects, which i'll get to momentarily. The proposed restrictions might result in immediate lost revenue to some licensed businesses. That's what most, I think, feel. Obviously particularly if the next business isn't regulated. I'm going to get later to the study done in tacoma that did not find this occurred. In fact, as i've already alluded to in the old town area, the retailers that agreed to this felt things had gotten better around their stores. In tacoma that did not equate with a loss in revenues at all. Negative effects, again many people feel there's a possible displacement of chronic public inebriates and street drinkers. In the tacoma study it was believed they went elsewhere to purchase alcohol, although they were not able, as I recall the study, to affirmatively say that was the case, but it was believed they did. And again negative effects in tacoma -- and this was a one-year study in your binder from Washington state university, a p.h.d. conducted the study. Sales for liquor retailers did not show a systemic change as a result of the a.i.a. They did not show a systemic change as a result of the a.i.a. A little data available demonstrated increased revenues for the distributors after implementation of the a.i.a. So frankly that was different than what was being told would happen, did not happen. The area as a whole improved and business as a whole did not decline at all. In Portland, the positive effects, the initial six retailers who voluntarily restricted sales, reported fewer

December 22, 2004

problems with litter, loitering, panhandling, disruptive behavior, fewer customer complaints. In Portland, detox holds declined. And I covered this earlier. 20% the first year and 60% by the third year. Drinking in public declined 40% the first year, and remained at that level through the third year. Disorderly conduct dropped to 25% by the third year after the voluntary implementation of the alcohol restrictions. In Tacoma, after one year, this was the year-long study, emergency medical services decreased 35%. Detox admissions decreased 21%. Liquor in park police calls decreased 61%. Citizens reported fewer chronic public inebriate and problems. Citizens felt better and safer about their neighborhoods. The a.i.a. rules have been effective at achieving most of the goals of dealing with the problem of chronic public inebriation, some results quite strong. The public perceptions of changes and problems associated with chronic public inebriation. Along those lines of the a.i.a. strengthening other community-wide efforts, I wanted to run down some of those efforts being made in the St. Johns area that the working group feels will be aided by an alcohol impact area. P.d.c. storefront improvements program utilized in the St. Johns community. The jazz festival. The Lombard plan. Art in the window. And tree planting, which are aspects of the North Portland business association. The St. Johns neighborhood association community improvements. St. Johns foot patrol. Police enforcement of transient camps. The North Portland trespass agreement and community court, which deals with a lot of these chronic public drunks and tries to help them. Support for alcohol restrictions, neighborhood associations, St. Johns, community association of Portsmouth, Arbor Lodge, Kenton, University Park, Cathedral Park. Others, the North Portland business association, and they're here to testify, but took a recent and rather large poll of their association and they've voted overwhelmingly to endorse the alcohol impact area, the proposed area. Portland public schools prevention office, James John School. Business owners, I'm not going to read them all. You can see before you who they are. We called as recently as yesterday, and these are all ones that said yes, absolutely. These are very close to downtown St. Johns, still fully in support of the alcohol impact area. And then previously a group had supported, in that letter that I read to you, aggressive actions to curb street drinking. These are some of those. Some have since moved. In conclusion, at the time the old town alcohol impact area went into effect, several years later, then sergeant, now commander, Greg Hendricks, instrumental in making that happen, said in a follow-up study -- "retailers had consistently resisted accepting any responsibility on how the sale of alcoholic beverages could negatively impact a neighborhood. Lobbyists from the liquor and retail industry attempted to pressure the city council into not supporting the partnership." but alcohol restrictions were effective in the old town area and a.i.a. Was effective in Tacoma, Washington. St. Johns area citizens have requested an alcohol impact area, and we believe it will enhance their efforts to improve their community. Thank you. That's the end of my presentation.

Katz: Thank you. Cliff?

Cliff Madison: I'm Cliff Madison, commander of North Precinct. I'd like to add the fact that I think it's a proactive move by the community members. They're asking us for help in keeping the livability high in the St. Johns area. I think as changes have occurred, and changes are occurring, it's a real positive action. Any time I can free up my patrol officers to be available for calls other than detox-type calls it's a major plus. St. Johns district is far away from detox and additional cover officers as any in the city. So it would be a real positive for us.

Katz: Thank you. Questions by the council?

Saltzman: I just have a question of semantics, I guess. What is the definition of -- I'm not looking for a legalistic term, but street drinking and public inebriation.

Hayden: Chronic inebriation is a term coined in these studies. Out in the St. Johns area, it's people who are constantly on the street and seem to be constantly intoxicated. Illicit street drinking is -- the officer has two choices. Either he'll see the people, and if they're unable to care for themselves,

December 22, 2004

if they have an open container he can make an arrest for the open container or he can take them into detox.

Saltzman: So having an open container is a crime?

Hayden: A class b misdemeanor. Our office treats them differently. Three and six months, we'll make them come to court. In other words, we'll still reduce it, but if they don't come to court we'll issue a warrant for their arrest. These people are all brought through the community court. I have personal experience with a lot of these people, because they'd come to community court over and over and over. They weren't going to stop.

Saltzman: Ok.

Katz: Further questions? Ok, let's open it up to public testimony.

Ray Piltz: Mayor, councilmember, mine is a personal experience. I live in the st. Johns area. I'm a member of the st. Johns community, and also the -- I have property in the area. I can only give you personal experiences farce the street drinking. I've been out there for 70 years, so I know somewhat what i'm speaking of. And as an example, earlier in the week -- actually it was a sunday -- I own some property alongside fred meyer's by the railroad cut. I ran on to three street drinkers, all of them with their bag, with their bottle in it, and quarts, I think, i'm not an expert on that, but I was coming from a rental of mine in the area, and hadn't turned on to ida street where these drinkers were alongside a lot I own, by the way. And there was two young ladies with groceries, and they looked like students at the university of Portland, because there was a lot of traffic there for going to fred meyer's and back to housing in the university of Portland area, and they were going by. These men -- and they weren't young men by any means -- were making rude remarks obviously, because the girls came back at them pretty hard. So I pulled over and told them to wise up, and luckily I had my youngest son with me, who's bigger than I am, and they said "oh, yeah," he said "yeah," and he chased them over to the bank into the cut area where they live. That's a problem we have in the north end. We're surrounded by water, docks, heavy industry, and it gives them places to live at night. And besides waking me at up at 5:00 in the morning going through my trash to get the cans and bottles to trade in in order to buy more booze to get out in the street and harass people that are going about their daily business. I'm just trying to give you an overall picture of what has happened in the past. And it's stilling happening. And I honestly feel that if we cut down on the size and the fortified stuff it would cut back on this kind of behavior.

Katz: Thank you.

*****: Thank you very much.

Katz: Thank you. Go ahead, sir.

Steve Weir: Thank you. My name is steve weir, president of the north Portland business association. And I want to explain the survey in which we conducted, but I also first want to mention that I think that the time frame and the notification that we had in order to conduct this survey, and the distribution of information, was limited, and that's -- that's strictly in my observation, in the time lines mentioned by mr. Hayden, and the netted work in which it was explained. So with having said that, the north Portland business association, in may of 2002, it was a decision of the members of north Portland business association, to support creating an alcohol impact area in north Portland. And on november 2003, the north Portland business association wrote a letter of support on behalf of mr. Chris gerard, president of plaid pantry stores and concluded that store number 83 in st. Johns had been singled out by the st. Johns neighborhood association and the olcc to seek permanent restrictions on their license of sale of single-alcohol items. The north Portland business association's goals are to create a collaborative effort with all north Portland businesses and business associations as an illustration of unity, and the north Portland business association met with the st. Johns booster board, the district attorney, north Portland precinct commander, on the issue for clarity, and this was only just last week. And during the holidays, what i'm trying to explain, this is very difficult to try to get an accurate number and to

December 22, 2004

get our business members to participate in an actual vote, in understanding the issue. Our board-based information network was distributed throughout 189 business participants in north Portland. 86 of those members have either vested interest or choose to participate in a vote either in support or nonsupport of this proposed alcohol impact area in st. Johns. Within that -- with that participation, we had a total of 47% of those distributed, members had a vested interest, and of that 33% supported the concept of an alcohol impact area based on the proposal that was by jim hayden. And less than 7% voted in nonsupport and less than 7% voted for more information because it was just not out there. And this vote had been conducted, like I said, one week prior to council today. And so with those numbers, in our constituency that reported, our conclusion for the north Portland business association is to support this alcohol impact area in st. Johns.

Katz: Thank you.

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

Katz: Your time is up. Go ahead.

Kevin Jeray: My name is kevin jeray, a resident of st. Johns. Wanted to start off by saying how wonderful it is that every Portlander has gotten to know their mayor on a first name basis. I don't know much about the a.i.a. that's going to be taking effect. I'm speaking more from my personal experiences that i've had with alcohol-related incidents in st. Johns. My general belief is that, a meth junkie is a meth junkie, whether he smokes it, injects it, or eats it, doesn't matter, he's a junkie, he'll get his fix one way or another. I tend to think that applies to alcohol as well. From my experience, living in st. Johns the majority of public intoxication issues occurred on lombard street where most of the alcohol establishments are located. About a year ago, I think the olcc failed on my neighborhood, in particular, by allowing a tavern to enter into our neighborhood, along with the opening of that tavern I have -- I have seen more incidents of overintoxication that i'd be willing to talk about, including public urination, i'm verbally harassed on a regular basis, because I opposed the opening of this tavern. A dead rat was placed on my doorstep by a patron as well. I know that doesn't necessarily apply to this particular regulation that's being passed. But I think most of the responsibility of issues like this falls on the olcc. I think teresa keizer and the olcc needs to bring these outlets under control. I think if we start having more teeth with the olcc or the time, place and manner, we have a better chance of taking care of the street drinking problems in our neighborhoods. It's by the distribution level that it needs to be addressed, not by the people that are using so much. The impact of alcohol has taken such an impact on my life that i've made the decision to move from my house. My first home I owned. I take great pride in it. I hoped that that community would turn around and get better. For me, that's not been the case. There's another neighbor of mine that's moved due to the negative impacts of the liquor establishment next door to us.

Katz: Where did you move to?

Jeray: In st. Johns, on willamette avenue.

Katz: Same neighborhood?

Jeray: Well, I haven't moved -- i'm moving into a friend's house as soon as I can in a couple months once I find suitable renters for my home.

Katz: Go ahead.

Jeray: Olcc's responsibility. They have to step in and start regulating their distribution of their product. Until that happens, it's going to be a problem everywhere, I think, particularly in st. Johns. Olcc allowed a suspected meth dealer and an owner who was arrested on felony charges of domestic violence involving alcohol to be serving beers in my neighborhood.

Katz: Thank you. All right, next. Come on up. Ok. Who wants to start in why don't you start, sir.

Max A. Loucks: Hello, mayor vera Katz and council. I've had the pleasure of meeting vera Katz several times, and at her good-bye party, and asked her if she would work with the governor to get

December 22, 2004

walker siltronics to build a new high-tech plant here in Portland, not in singapore or india. She said "yes, yes, we're on it." and I asked jim Francesconi to run for the chairperson in Multnomah county. Yes, we'd like council, mayor vera Katz, to --

Saltzman: What did they say?

Katz: Sweetie, what's your name? You need to identify yourself.

Loucks: Max a. Loucks, st. Johns, north Portland. I belong to the neighborhood association. Anything the mayor can do to help us, and the council, in slowing down the fortified beer and wine and alcohol is great. Wife and I threw the cigarettes and alcohol away.

Katz: Bless your heart.

Loucks: Thank you for all your years of service, mayor vera Katz.

Katz: Thank you very much.

Chirs Girard: Good afternoon, mayor Katz, commissioners. My name is chris girard, president of plaid pantry stores. I submitted some written testimony a week and a half ago. I don't know if you've had a chance to look at that. I won't spend any time on that. Plaid pantry doesn't think that street drinking should be ignored. In fact, we've cooperated with all the neighborhoods and cities, including Portland, particularly in good neighbor agreements, community policing agreements, several of which include product restrictions, which we vice presidential temporarily agreed to as far back as 1992. We also value our relationship with the Portland police department. I work closely with officer laws and the olcc. So i'm not here saying that there isn't a problem in st. Johns, but I just want to be sure that everybody's aware of what the problem is and what it is not. In my previous written testimony, I have fresh written testimony that I submitted today, which i'm sure you haven't had a chance to look at, but a couple of issues here. One is that very simply the procedures for the o.a.r. weren't followed, and that was the guts of my original testimony. And the facts are different, depending on who you talk to. If you have any questions, i'd be happy to talk to it. The main thing missing from my analysis, from my first testimony, which is the subject of my current testimony, is I got the 2004 statistics, and the actual transient homeless street drinking is down. It's up from 2003, but it's still down from 2001. But realize that we're only talking about a half dozen homeless transient street drinkers who cycle through the system time and time again, creating most of those. From the latest 2004 statistics, officer laws is now including detox information, so it's a much bigger database. The previous studies didn't include that. But the bottom line is if an alcohol impact area is effective, it disperses the transients in smaller groups and -- again, we've been talking about this since 1992, starting at burnside and grand, and then entered southwest Portland -- inner southwest Portland. We have restrictions in the kearns neighborhood. Plaid is voluntarily agreeing to the restrictions we talked to about in the original agreement in st. Johns. The latest database in 2004, only 8% of the incidents are attributable to homeless street drinking. The situation in st. Johns, most people have this picture that it's overrun with homeless street drinkers. It's not. Here's the problem. Most of the street drinking citations and detox are from residents who live in st. Johns. I'm not saying all residents of st. Johns are alcoholics, with you i'm saying there's a fairly large population. And dispersal and alcohol impact areas don't work on that. It's just not the right solution. It's I think it's been misdiagnosed and misprescribed.

Katz: Ok, thank you.

Gary Boehm: Good afternoon, mayor and councilmembers. My name is gary boehm. I reside at 8833 north syracuse, apartment 11, and I grew up in north Portland. I'm a small business owner and president of the st. Johns business boosters since october of 1996. We have a paid memberships for 2005, we've spoken with the community and membership. We have surveyed 55 businesses, including three past boosters presidents whose tenure spans over 40 years. They're still active members of the boosters. The perception is, "here we go again, those people downtown are forcing something negative on us without asking our opinion." the st. Johns boosters do not support the proposed alcohol impact area for st. Johns. I've included a survey results in my written testimony.

December 22, 2004

The a.i.a. will bring with it a stigma, negative publicity, and another bad reputation for st. Johns. In this new century we're just now getting over being the city dump for Portlanders. We don't need another bad perception for people who might want to shop, buy a house, or visit the wealth of natural scenic resources we're blessed with in st. Johns. The perceived chronic alcohol problem in st. Johns -- st. Johns once had has dramatically improved in recent years. Street drinking incidents are down. We know this because we're in the business district every day, and have seen it with our own eyes. A close look at incidents in recent years shows that the problem is really a handful of people that have repeated contact with the police. The alcohol retailers have worked closely with the olcc to solve this problem, and adopt a zero tolerance. The statistics prove their success. The working group has failed to involve the community about the proposed a.i.a. We believe the boosters were excluded from participation deliberately. The neighborhood associations are attempting to impose their will on the business community without involving the business and property owners who will directly be affected. We question their good faith. The police statistics stated in the proposal are inaccurate due to a federal grant that put extra officers on the street during that reporting period. Commander cliff madison stated in our december 3 meeting, arrests are up because of those additional officers. In 1997 the boosters held a forum to address the street drinking issue. We worked with olcc to encourage a voluntary effort by the retailers to remove the 40-ounce malt liquor and fortified wines from shelves. I'm including in my testimony a 1997 "oregonian" article describing our approach. Many retailers still support this effort today. They include safeway, fred meyer and deli express to name a few.

Katz: Finish your sentence.

Boehm: Thank you. Well, that's the end of my sentence. I have two more paragraphs.

Katz: No. That's too long. Thank you.

Boehm: Thank you.

Saltzman: I want to ask chris a question.

Katz: Go ahead.

Saltzman: Did you say that the plaid pantry store, number 83, has already adopted voluntary restrictions similar to the a.i.a --

Girard: Yes. We had an agreement in st. Johns. It was with the then district attorney springer, and the then commander, businesses got together. There were neighbors there. There was nobody that claimed to be the st. Johns neighborhood association. So the very original work group in st. Johns, in 2001, when the problem was identified, is the seven chronic repeat homeless, transient, street alcoholics, there was an agreement done. What happened was, with the meetings they're talking about, they then expanded it to north Portland, and I cautioned them that making it that big they probably wouldn't get the voluntary agreement and it would fail. While they were doing that, the retailers in st. Johns voluntarily took a number of measures. None of them restricted products as much as plaid pantry did, but we made an effort to identify the known street drinkers, and most importantly the third-party providers once the alcoholic couldn't buy it himself.

Saltzman: So your restrictions are more on the person, the individual, as opposed to the types of alcohol you carry?

Girard: Well, it was on the -- speaking for plaid pantry, we don't carry 40-ounce -- you know, the large sizes of malt beverage. The largest we carry is a 22-ounce, which is a popular package among street drinkers, as we all know.

Saltzman: Ok, thank you.

Katz: Thank you. Go ahead, sir.

Joe Adamski: Good afternoon. I'm joe adamski, and live in st. Johns, a new resident of st. Johns. I've been there a little over a year. I had a three-page speech all worked out. I'll cut to the chase. A lot of things have been covered already, but one thing that was not mentioned -- or one thing I would probably like to emphasize, i've lived in many neighborhoods in Portland over the past 30

December 22, 2004

years, and moving into st. Johns the depth of -- the level of involvement in neighborhood planning and neighbors being involved in what's going day to day, I haven't seen it in any other neighborhood. This alcohol impact thing comes from us, it does not from downtown putting it on. This is something the neighbors have talked about and wanted. I did a little looking around on internet, like everyone does, and I came across a study at trinity college back in connecticut where the cost of fortified alcohol, for every dollar you spend translates out to about \$7 and change for social costs, alcohol treatment, legal, everything else. So I kind of have the opinion that we as a city are paying, and subsidizing the sale of a package of alcohol that we have no benefit from, we only pay the freight on it. Second point he wanted to make was -- I wanted to make was, you know, the good neighbor agreements at this point are voluntary. And without a -- the old level playing field, we will never solve this problem. Fortified alcohol was mostly targeted towards urban poor men, and -- you know, this is not done on the level of a retailers locally, this is done on the distributors, the manufacturers nationwide. And it may seem unfair to target small local businesses, but this is a systemic problem and can only be addressed with an alcohol impact zone in our neighborhood. I'm hoping that this translates to an impact area in other neighborhoods throughout Portland. There isn't -- you know, it's crack alcohol for all intents and purposes.

Katz: Thank you.

Adamski: Thank you.

Jim Barnas: I'm jim barnes, I live at 6810 north baltimore. I've lived in st. Johns, owned my home for about 15 years. I guess I have two points that I wanted to address. One is the -- the issue of this being a stigma on st. Johns. I completely disagree with that. I think people already have an image of st. Johns, and I think it would be a positive thing to have a tool like this that we can hold up and point to and say "this is what our community is doing about this problem." and this is something that will attract new residents and new businesses who would feel like they're moving into a community that's moving forward instead of sitting on the sidelines and just griping about the same old thing. Second point i'd like to make is that I think that this is something that -- you know, one thing that we don't think about is -- or, you know, i'm not saying we don't think about it, but I think it's -- I think it's also a tool that maybe in the long run could benefit the alcoholics themselves. You know, living there, i've -- i've known some people -- one individual in particular in st. Johns that had a drinking problem, and i'll never forget the day that I ran into him on the street, when he had just gone back to drinking, and, you know, it not good. So I would like this to be something that -- that we could have for our -- our community to move forward on. Thanks.

Katz: Thank you.

Robert Plance: Good afternoon. I'm robert plants, 9137 north central street. I'm also the current chair of the st. Johns neighborhood association. I'm not going to talk to you as a chair. I think that our position's well known, it's been discussed. I'll try not to reiterate some of the same stories and other innuendos, but what I do want to bring up, we realize that this street drinking problem with the homeless and transients is a tip of the iceberg. Really this a.i.a. is going to make a small dent in a big problem. Hopefully it will put us on the path to solving some of these society ills that we have. Solving homelessness and transiency is a bigger problem than just an a.i.a. to think we'll completely solve with it with this is foolhardy, but having said that part of the reason I support the alcohol impact area is because of my personal experience. I live within a couple blocks of the plaid pantry that you heard chris gerard refer to, and i've witnessed a lot of activity that's gone on first hand. I applaud that chris stepped forward and did a voluntary compliance toward the good neighbor agreement we put forward that they turned down in 2001, and I applaud that he met with these business individuals and the police department back in 2001, yet did not invite the neighborhood association to participate in that talk or discussion. That's why we weren't there. We would have loved to participate. Chris did talk to the neighborhood associations in that same period, and we talked a little bit about the alcohol impact area and our perceived problems with the

December 22, 2004

plaid pantry and the issues they had. So we had addressed -- tried to address this voluntary good neighbor agreement, not just with plaid pantry, but with the other retailers and vendors in the area. You know, it's up to our government to make rules and regulations to help the livability and the way we should conduct ourselves in our communities. If we can't do that ourselves, then we have to have guidance as far as what is socially acceptable. We've come to the conclusion that street drinking is not socially acceptable in our communities and we need guidance on doing that. Realizing that, this ordinance is more to get support as we forward to olcc. Hopefully when we bring this up to olcc, we can get the olcc to put control back into olcc. You'll have a common theme, about people talk about the alcohol issue, and you'll hear a lot of support for it and a lot of different arguments for the alcohol impact area, and very few I think hold water for not to. The idea of saying stigmatism or one or two stores will do voluntary support is not a good, strong argument. Thank you for your time.

Katz: Thank you. Let me just reiterate, this is a recommendation to olcc. Our vote will not impact the situation. It will just be a recommendation.

*******:** Right.

Sten: I know you're not speaking as the president, but do you have any thoughts on -- it's a little troubling that the boosters and the neighborhood association are split. Is there any middle ground or is it just a kind of business approach versus homeowner approach?

Plance: Personally?

Sten: Yeah.

Plance: What I feel it would be nice if we could do an across-the-board voluntary agreement, but that only holds water if a business that sells alcohol feels threatened by having regulations put upon them. I think that the boosters, from what they witnessed, what their group is saying, saying they support the idea as a volunteer and a good neighbor agreement, and they've done a lot of good things for the community. I think that we just -- as two groups, it's hard for us to see eye-to-eye unless we can address this issue in some other format. I don't see another answer at this time, but i'd be opened up to other suggestions. I think a lot of what the -- the discontent with businesses is Steve Weir reiterated it, they didn't feel they were in the loop. We started in 2001 with outreach to Safeway, Fred Meyer's, 7-Eleven's. I was invited to a banquet that Jim also attended, and it was humorous because I got hammered pretty good about the alcohol impact area by their lawyer, also Plaid Pantry's lawyer at that time. And their distributor and -- in the Asian community. It's not six months, we've been talking since 2001 we've been trying to work this out.

Sten: Ok, thanks.

Katz: Thank. Karla? Ok, bill.

Bill Linden: Mayor Katz, members of the council, for the record my name is Bill Linden, my business address is in Salem, Oregon. I live in Northwest Portland. I'm here today representing 7-Eleven. Want to make a few comments about the proposal in front of you. But preface it by saying 7-Eleven has a long history of cooperating with municipalities and with neighborhood associations on common problems. All of our stores in the responsible vendor program. And we have a long history in the city of Portland of working with neighborhood associations and neighborhood activists and neighborhoods generally to solve some problems. In looking at the proposal before you today, I'm sure you're aware that you're breaking new ground. Olcc has never approved an alcohol impact area under the administrative rule under which you're proceeding. And that rule sets up a -- a very understandable but rigorous procedural ladder that has to be adhered to in order for the commission to reach a conclusion that in fact an area is appropriately designated. I think you've got some problems in the first set of steps on that ladder in terms of the requirements under the rule for bona fide, genuine good faith effort to be made to work with the affected entities, to find a solution short of implementing an alcohol impact area under this administrative rule. And so I -- I understand that your legal counsel may tell you differently, but again you're breaking new ground

December 22, 2004

here. You know, you would be -- it would important that you've covered all the steps in taking this forward to the commission. And I think there's some issues about whether or not that has in fact occurred. They certainly could be taken up with the liquor commission if in fact you go in that direction, but it is an issue. I will also ask you to think about the fact, you know, that you've got tremendous successes in this community with voluntary efforts in certain areas in which problems were identified, and that were clearly recognized by your licensees, by your residents, by your businesses, by your law enforcement agencies, and your history of success when you have voluntary compliances is commendable. This is a different approach. This is an awfully wide net that you're throwing here, encompassing many, many licensees with good intentions, good track records, who have been a part of this community for quite some time. So I would ask you to consider whether the approach you're taking is the best way to address a problem with very few individuals who are creating issues for this community. And with that, my name is up.

Katz: Thank you.

John Farra: Hello. My name is John Farra, I didn't think I'd have a chance to speak with you today, but my flight got canceled and I'm able to be here. I have first off a couple things that I'd like to hand you that I think are coming now. First is a set of photographs. I know these vague concepts of livability and impact sometimes aren't real apparent to us, but you can see there some photos, color photos, that I've taken of what street drinking means to St. Johns. It means broken glass, urination on the side of buildings, on the second page we have a gentleman, you can't see him, he was vomiting behind a local retailer's store in an alley. We have a gentleman passed out and a gentleman too drunk to work who stumbled down on the ground. So I think before we get too much into detail about it, it's important to remember that this is what we're seeing. As residents, this is what we're seeing. I'm not saying this happens every day by any stretch, but it doesn't take too many times to see those incidents and not feel good about the livability of your community. The second page I have for you, the two-sided page, is a history of the efforts that the working group made from August of 2001 to June of 2003. I only had enough time to put this together today. You can see, as has been documented in the past, that the process started in August with the neighborhood district attorney Robert Springer inviting all the retailers to enter a voluntary compliance agreement. I'd like to highlight a few things. First off, out of that, I and the working group has approached all neighborhood associations that have been involved in this at one point or another. In the spring of 2002, I approached both business associations, both the North Portland and -- and the boosters association. We also, as has been mentioned earlier by Mr. Hayden, distributed -- or didn't distribute, but collected a business to business petition, asking for aggressive action from the police, and there's also been three newspaper articles in the "The Oregonian", one in the "The Oregonian", one in the "The Tribune" and one in "In and About," a local newspaper. In response to Commissioner Sten's questioning about the apparent divide between -- in this case the boosters and the neighborhood association, I think that the division really comes down to the definition of success. What is success in approaching this issue? There were 174 incidents of public intoxication and public street drinking in the first six months. That to me is not success. If anything, I think it is more of a testimony to the level of the problem that existed before. So I think right there, that is a major difference. I'm sorry, my time's up. Secondly, I think the issue comes to a perception, and as other folks have testified, I believe, and I agree with them, that this will be a positive for the community's perception.

Katz: Thank you.

Kimberly Mark-Villela: Good afternoon, Mayor Katz, Commissioners. My name is Kimberly Mark-Villela, the liquor licensing notification coordinator for the City of Portland. I'm actually representing Eric King, my manager, who's also the manager of crime prevention, who has worked with the community doing public outreach on this process for the last three years. Public outreach actually began in 2001 from our office holding -- well, actually facilitating public meetings in St.

December 22, 2004

Johns, university park, friends of cathedral park and portsmouth neighborhoods. From mid 2002 to 2003, melissa delaney, the crime prevention coordinator for north Portland neighborhoods, officers bryce and coffee from north Portland, and mr. Farra from st. Johns neighborhood association, completed a door-to-door visit to all businesses in the st. Johns area, with a survey. I don't have a copy of the survey, but I believe information from that is included in your binders. They didn't only contact businesses that sold alcohol, but they contacted all businesses in relation to alcohol problems in the area. I'm sorry. I'm nervous. The office of neighborhood involvement has facilitated public awareness process for the alcohol impact area for st. Johns. And our office supports the residents of the st. Johns neighborhood by promoting this process. And that's what I gave to you is a copy of a public announcement in -- about alcohol impact area that has been put five times over the last two years, similar articles, in newsletters going out from crime prevention --

Katz: Got it.

Mark-Villela: So we have done an extensive amount of public awareness in asking for public participation from the residents. And we're here to support the residents of the st. Johns neighborhood today.

Katz: Thank you. Ok. Karen, why don't you start.

Carole Warner: Thank you. Good afternoon. My name is carole warner, I live at 7454 north Mohawk. I live behind the deli express, which has been mentioned earlier today --

Katz: Karen, grab the mike. Grab the mike.

Warner: I live directly behind the deli express, which is located at 7920 lombard street. And at the risk of being redundant, I just would like to tell you what it's like to live in my beautiful little white home behind the deli. Ever since the day i've lived there, i've had to pick up excessive trash, discarded liquor bottles and cans, loitering of drunks, drunken fights, verbal abuse. I've been threatened by drunks. I have drunks passing out on my front yard. Vomiting, urinating quite often that have killed my plants. They've defecated in my yard. They have destroyed landscape and yard ornaments. This is on a continuous basis. I've tried -- never mind. I just would like to say that i'm also a -- a community volunteer. I'm a drug and alcohol counselor. I volunteer at the -- excuse me -- in verness jail on a regular basis. I get very angry when I go to speak to these women. They don't know where I live, only know that i'm a recovered alcoholic. Some of them have great pride in telling me what fun they have in st. Johns, how they can drunk anywhere, the different activities they carry on with in st. Johns as a result of the ease they're obtaining their alcohol and/or drugs. The alcohol is just a step-through to their drug of choice. Anyway, I would appreciate any help and support that you could give us, and also would, again, ask for help with the olcc in this problem. I do not want to leave st. Johns. I love my community. I love the people there. And I want to make it a better place for all of us to live. Thank you.

Katz: Ok.

Susan Pearce: Hi. Good afternoon, mayor Katz and commissioners. I'm susan pearce, and live at 3142 southeast 25th avenue. First let me say that this is really an honor to be -- as it happens -- to be presenting this last council, southern of a poignant moment. I gained much in the presentations i've made over the years to you. As you know, i'm a resident of hosford-abernethy neighborhood in Portland. And a member of that board. We've not discussed this on our board, so I speak as an individual. I'm also a member of the office of neighborhood involvement liquor license advisory group. And I am a former resident of st. Johns and still own the house, it is a rental, the house I once lived in. Like the residents of the st. Johns and other neighborhoods in north Portland, we in hosford-abernethy and in southeast have seen a proliferation of liquor outlets over the years. Currently that seems to be more in the bars, asking for late hours of operation, but in the past it has been stores selling liquor product -- package outlets. A portion of the central east side industrial district has been declared an alcohol impact -- city of Portland alcohol impact area. That seems to

December 22, 2004

be largely ignored by the olcc. Good neighbor agreements and the process of writing good neighbor agreements, I do a lot of those, and I think they're valuable, in that they bring everyone to the table, but they're not legally binding and sometimes are ignored ultimately. We find that efforts to limit sales of alcohol, products or hours of operation, often fall between the cracks in the laws and statutes of the city of Portland and state of Oregon and the philosophy of the interpretation of the olcc. So we, the residents, have -- are often frustrated in our efforts to manage the effects of alcohol on the livability in our neighborhoods. I think it's worth mentioning that it's my understanding that olcc, as was mentioned earlier, has never approved an alcohol impact area, an olcc alcohol impact area, because no other neighborhood has ever made the effort to follow through with the process. The residents of st. Johns have put in hours and hours of volunteer time because they -- and the surrounding neighborhoods -- because they care about the livability in their own neighborhoods. As --

Katz: Finish your thought.

Pearce: As she said, she doesn't want to leave st. Johns. She'd like it to be more livable.

Katz: Thank you. Thanks. Thank you, everybody.

Moore: That was all who signed up.

Katz: All right. Council, do you have any questions?

Saltzman: I have just one.

Katz: All right. Jim, come on up.

Francesconi: How does this end? How do you know you're at the point where it's time to end this alcohol impact and the designation? How do you evaluate this and what's the criteria and when can you say to st. Johns, if such and such happens, then it's over?

Hayden: In tab four of your binder, I have the -- the o.a.r. under sub 11, automatic review of an alcohol impact area, 12 months after an alcohol impact area goes into effect, the commissioners offer a public forum for comment. After considering the comments, the commissioner may decide to initiate rule-making process to consider whether to continue, etc. So they've built in a one-year, kind of like our drug-free zone sunsets almost. We have to come back to you and demonstrate a need, and then you consider whether that need still exists.

Francesconi: Well, does it sunset? I mean --

Hayden: It doesn't appear to sunset. They initiate a forum for public comment to determine whether the problem continues. It sounds like it's up to them at that point to continue.

Francesconi: Well, I know how much staff the olcc has right now. Are we going to help them in terms of this evaluation process at the end of a year period?

Hayden: Well, I certainly would imagine that if it's effective, the residents would want it to continue. So I have to answer in the affirmative, we would want to help them to demonstrate if there's still a problem, that we want it to continue. Or if there's not a problem, that there's no need for it.

Francesconi: Ok, thanks.

Katz: Dan?

Saltzman: That was my question.

Katz: Ok, further questions? Did you hear anything you needed to clarify?

Hayden: I don't think so. I just want -- I want to make the point in particular that -- i'm not sure what businesses were contacted by the -- by the st. Johns boosters. We specifically contacted 16 in the downtown area yesterday, who all affirmatively supported the alcohol impact area. So we obviously are looking at it from two very different points of view, but it seems to me, from the north Portland business association, I know what information they sent out, and it was a three-page information sheet. It was a very informative. I don't know what other information is out there, I don't know what's been talked about, so to simply suggest that there's all these businesses against it we, don't know who they are, what was said, it's difficult to respond to.

December 22, 2004

Katz: Thank you. All right, council, if there are no further questions, then we'll take a vote on 1513.

Francesconi: The second-to-last vote --

Katz: Excuse me. One second. What did you say?

Saltzman: Do we need to amend the attachment area to include this dotted line area?

Hayden: I wanted to include the dotted line area.

Katz: Do we need to amend that map as an exhibit?

Hayden: Yes, please, because your official exhibit wouldn't --

Francesconi: Way to go, mr. President. You're slipping, mayor.

Katz: Yeah, I know. Good for you.

Linly Rees, Office of the City Attorney: Mayor, may I ask for one additional clarification from the district attorney if you're going to amend the map? Does the list of businesses in the petition include the businesses in the dotted area or do we need to amend that?

Katz: Come on up and tell us what you want us to do, because it's not in front of me.

Hayden: In the powerpoint, which of I will leave, the business -- the final business that's not in the list is the market on lombard, that's why that additional area was added, is for that store. I will get a hard copy of the map added for your record.

Katz: Ok. Why don't you make a motion.

Saltzman: I would move to amend exhibit a to include the new map presented by jim hayden and add the lombard street market as one of businesses affected.

Katz: Do I hear a second?

Francesconi: Second.

Katz: Any objections? Hearing none, so ordered. [gavel pounded] all right, roll call.

Francesconi: Well, ironically this is one of the first issues that I got involved in as a private citizen, which i'm about to be with an Portland organizing project, we used to organize around the issue of street drinking and selling fortified wine in some neighborhood grocery stores. We have 99% of our businesses are very responsible, and they actually don't want street drinking on the street, because it interferes with the business environment as well, as the neighborhood livability. So I really don't see a sharp conflict here. So i'm going to vote for this and approve this. I do think it would be great to evaluate this thing in 12 months to see if it's still necessary, because if it's not we should get rid of it. And we shouldn't have it just continue. But I think this is just another tool to help st. Johns, which is a great part of town. My son is looking for a house right now with his partner, and hopefully wife to be, and I suggested st. Johns. It's a great community. It's a very diverse community. It's a very -- there's lots of opportunity here. So let's not let this interfere with it. It's got a very bright future. So to the citizens of st. Johns, who have continued to fight, to the businesses of st. Johns, as income levels rise, it will help support the businesses as well, thank you for all you've done for this part of town for all these years. Aye.

Saltzman: Well, I think this represents a real community effort here, with the assistance of police and the district attorney's office, office of neighborhood involvement, and business and citizens. And i'm not going to second-guess all the tremendous outreach and efforts that have occurred here. And I think this deserves a chance to -- to work as our resolution notes, something between 84% of the containers confiscated by police officers in these types of arrests fall into the category that should be restricted. I think this is something that will not have an undue impact on the businesses affected for these particular types of alcohol and these particular types of containers. So I think this is a good step forward and we'll ask the olcc and hopefully they'll adopt the request. Aye.

Sten: Well, I always actually struggled a little bit more than my colleagues on these issues, because i'm not convinced always that these prohibition measures work, and they push things from one place to another. At the same time I think you get into situations where something is so entrenched that really pushing it and trying to change the behavior, kind of upset the patterns, is really the best

December 22, 2004

community policing strategy. I was undecided to come in to this. I'm convinced from the work of the neighbors that you've been working at this for many years, and, you know, I know and trust all of you enough that after this much work I believe it is the right approach. I am sympathetic to the stigma argument. I think that the stigma as well to have all these problem, so I like the idea of coming back in a year and having an honest discussion of what the results were, and including the boosters in that to see what happens. I'll support this and appreciate the work. Aye.

Katz: When I discovered st. Johns about 12 years ago, and commissioner Francesconi's right, you've got a great community. You've got wonderful neighborhood association, citizens working on behalf of the community, you have business associations working hard to support the businesses in the community. You work with us on your vision plan and the plan to improve your neighborhood. You are going to see a -- the most beautiful bridge refurbished in a short time. We've been working with you on freight movement through st. Johns. You've got a great jazz festival. I can go on and on and on. And so you do need the ability to succeed as a community. And if we can do something to make that easier for you, to add to the notion of livability since without the ability to feel comfortable in your own home and on the street, the livability factor is very low. So I will support it, wish you much luck, and thank all the citizens and the business of st. Johns who are working so hard. Aye. [gavel pounded] all right, 1514. [applause] [gavel pounded] now I do feel sorry for commissioner Francesconi. [laughter] this is not a way, on the next item, to end his political career at the council.

Item 1514.

Francesconi: Let me say something about that.

Katz: Let karla read it.

Francesconi: That was my first reaction.

Katz: You thought about it. Ok. Go ahead, jim.

Francesconi: Let's see who first is coming up here.

Katz: Come on up, the people who are going to present this.

Francesconi: Reverend bethel's coming. That's good.

Katz: Come on up. Let's clear the chambers, please.

Francesconi: It's miraculous to see who's left in the chamber here. This proves that parks and the citizens committee has done terrific work here, when they -- when parks first told me that they wanted to bring this report the last council session, frankly I said "no, are you nuts? Let's do this for the next council." [laughter] but I changed my mind. The reason I changed my mind is for several reasons. One is, first of all, it was the right thing to do, to bring it now. But secondly, there's been the parks employees and the citizens have been working on this for a very long time. So yes, it's an issue that should have been dealt with sooner but you know what, hanging in there and delivering on it that's the mark of a great bureau and great people that didn't give up on this thing. Sometimes frankly on a personal note it was hard to overlook mean things that were said about the bureau and the people over this issue that was unfair and inaccurate, but what's been great is we've continued to work on this. The history of this is in june of 2003 we presented to the city council a joint city council program for offleash enforcement where we had to give some money to the county to help them on enforcement. But we also said that by september we would open up offleash hours and areas. And in august we did that. We provided seven fenced all-hour sites and 27 unfenced limited-hour sites, but I said at that time that it was still a trial and we wanted to evaluate this. We wanted to do it with the help of the citizens. And so in september parks created a 16-member citizen committee representing a cross-section of interest. Actually the second citizens committee to deal with this issue. And they worked really hard on it. They evaluated with specifics all the offleash sites, and they involved people through a series of public hearings. So, you know, it was really hard for me to hear how lack of public involvement parks was having when I knew all these outreach issues were happening, and the truth is it's a very tough issue, because people love their

December 22, 2004

greenspace and they love their pets, and they clash on this issue. It's a difference of -- of priorities. But what has been good is that the sides have come together. There's not unanimous consensus, but it's worked a lot better than I ever expected. And so we've increased the enforcement. We've increased the sites. The dog owners, for the vast majority, have been responsible. We've tailored it around schools, because children are more important than pets, but we try to respect the right of pet owners to use the parks. So we've come up with not a compromise, but a program that will for the first time no longer be called a trial. We're not asking the council to come up with any money to fund this yet, but to do it right there does need to be more fencing and there needs to be more offleash areas completely so that there can be separation. But it's a good product and a very good result. And it's -- so actually it's very fitting to end on this note, because it's the tough problems that we need to together try to solve as a community. So let me take it over to reverend bethel first who chaired the committee, and then robin, and gay gregor, and nobody is better at citizen involvement than gay gregor. Reverend bethel?

Dr. T. Allen Bethel: Thank you. Mayor Katz and commissioners, I reside at 3194 northeast regents drive here in Portland Oregon. I'm a member of the parks board, and for the past 12 months I've served as chair of the offleash advisory committee. I'm here today, along with robin, manager of planning and development, Portland parks, to present the findings and recommendations to the offleash advisory committee. One of the more significant issues that has challenged park agencies in the recent years has been the issue of whether or not dogs should be permitted off-leash within public parks. Portland has been no exception to this. In fact, it has grappled with this issue for nearly a decade. Even though in a recent citywide telephone survey conducted by an independent research company, that support of dog offleash areas is virtually split down the middle, with 41% indicating support of offleash areas, 46% indicating they oppose offleash areas, and 13% undecided. In August of last year, council adopted a pilot program that provided for a network of fenced and unfenced offleash sites within the city. An offleash advisory committee was established to assist parks with its evaluation of the pilot program and to make recommendations as to whether or not any changes would be required. This 16-member committee consisted of a wide cross-section of citizens representing a diversity of expertise and viewpoints. Since November of last year this committee has taken into account an extensive amount of information has been included, public testimony, information from other cities, both nationally and internationally, enforcement data, midpoint evaluations from neighborhood associations, schools, and sport users groups, citizens' comments, register, and the results of observations, web and telephone surveys and public meetings. The program has been evaluated by my committee, using a program evaluation process. This has enabled us to look objectively at this myriad of issues raised by both dog owners and nondog owners alike. In view of the complexity of this issue, the committee organized its findings and recommendations around what the committee considered to be six key components of the program. Namely siting, site design, impacts, programming and rules, information, education, and outreach and enforcement. Our recommendations, which are detailed in a report before you, are designed to establish a network of offleash opportunities that range from all-day use to seasonal hours only within a reasonable distance from one's home. We acknowledge that not everyone will be in full agreement with them, but what they do do is provide a balance between the diverse and competing interests and expectations that people have in our parks system. Mayor, I commend this report to you, the commissioners, and now ask robin to take you through a brief presentation before answering questions you or the commissioners may have.

Katz: Thank you. Brief.

Robin Grimwade: Robin Grimwade, planning and development manager, Portland city parks. Most important thing behind this trial is that parks shares community spaces, and as our population grows, diversifies, we'll face increasing demands and expectations and a lot more conflicts within our parks system. It's also important to note that dogs have always been welcome on leash in our

December 22, 2004

parks, and for several years dog owners have urged the city to provide legal offleash opportunities. As reverend bethel indicated, this issue is split almost down the middle. We've also heard that in 2003, june, we were asked to establish a geographic arrangement of offleash opportunities. We also looked at the formation of an advisory committee to help evaluate the program, and that's the result of some 12 months of extensive work. Our current trial program involved 27 shared sites. They're the purple stars on the plan. And six yes sites, which are the yellow-colored stars on the plan. Our overall goal was to provide a range of offleash and onleash opportunities to accommodate the very needs of dogs and their owners, while not unduly compromising the basic needs of other park uses long established. Basic assumptions -- going forward it was important to acknowledge that recreating with a dog is a legitimate park use. The conflict would be inevitable, that it was the responsibility of park managers to design and manage parks that minimizes conflicts and that park users also had a responsibility to help minimize those conflicts. The evaluation process involved us establishing outcomes, looking at performance indicators, the data we needed, and then we went into a data collection and monitoring process, and there's a vast amount of information that's been collected on this particular issue. I think it is fair to say that we now have more information than probably any other institution on the issue of dogs in public open space. There was rigorous analysis, which led to draft recommendations they were then subsequently discussed and presented at public meetings, which gave rise to olep finalized recommendations and now forwarded to you, the council. As reverend bethel indicated, we arranged our findings around six key areas, siting, site design, impacts, programming and rules, enforcement and information/education, and community outreach. The key findings, we generally found that the distribution of sites was adequate, but the program rules were too inflexible to meet the needs of offleash users. We found that expanded offleash hours in clearly designated offleash areas are a fair solution for all park users. We also found that adequate enforcement and education would be critical elements of the program. The resulting recommendations contained within the report are designed to provide a hierarchy of offleash opportunities, ranging from all-day use to seasonal hours. Its designed to provide options for offleash users within a reasonable distance from their home anytime they want to exercise their dog offleash. We're looking at three offleash opportunities within the recommended system. Fenced sites, unfenced all-hours sites, and seasonal hours sites, which would be shared with other users. We have six fenced sites proposed in the program. Gabriel, brentwood, normandale, cathedral, east delta, east holiday. Eight unfenced all-park hours sites, Alberta, cathedral, fernhill, lents, mt tabor, west delta, Willamette and Wilshire. The 18 shared sites that have been recommended are adjusted individually on the basis of their seasons and traditional use park patterns in the hours of daylight. And everyone of these has been treated individually because of the uniqueness of the characteristics around them. We have two sites recommended for closure, glenfair and ed benedict. Each of the sites we have outlined in the report, very specific findings and recommendations, and we don't propose to go into those in this presentation. Our recommendations are designed to create a system of offleash parks to meet the needs of dog owners and their pets. Over the next month, what we're proposing is Portland parks and rec will complete an analysis of the financial impacts associated with those recommendations and return to council in february with a prioritized implementation plan. That also enables us to pursue discussions with a couple of potential corporate donor/sponsors. We also need to resolve some outstanding site-specific issues, particularly mount tabor. Mount tabor is probably the most difficult and complex site we encountered in the program. The community remains divided on the issue. It's also located in the midst of the most significant concentration of dogs within the population of Portland. The presence of an area in mount tabor is absolutely essential to meet that demand. There's no easy fixed, short-term solution. There's a long-term solution ahead of us, which involves looking at other additional sites and land to make the competing expectations -- meet the competing expectations in that area. What we want to do with mount tabor, because the community is divided, is go through a short site-

December 22, 2004

specific process, which will involve the reconciliation hopefully of the differing views and expectations and develop a good neighbor agreement between the parties which will enable us to move forward one way or the other with mount tabor. The most important things I'd like to just leave with you in relation to this program is that portland's offleash system is part of a wider system. And that involves opportunities provided by other organizations and other cities in our region. That no single park within this city can provide everything for every person. The highlights recommendation are intended to be respectful of all park users, not just dog users. And more importantly its going to take at least five years to realize the full benefit of this program as were dealing with a major paradigm shift. And we will only realize that shift with sustained education and enforcement.

Katz: Thank you. Questions by the Council?

Saltzman: So tell us about this sustained enforcement.

Grimwade: Sustained enforcement - - enforcement on its own cant achieve anything. We've got to mirror this in relation to an education program. So education enforcement got to go hand in hand. We need to target the small minority of people that disregard the dog rules and regulations and we need to focus that enforcement in those troubled spots. We do not need to have enforcement in every dog offleash area antagonizing every dog owner that is doing the right thing. We have certain areas where we have problems we need to target in that area. And it needs to be deal with over a period of time. After a while people will get the message were looking at a code of conduct for dog users as opposed to the heavy handed here's a notice you've been fined we believe that we can bring people through the process. That's going to take years to do - realize. The other thing I would mention on enforcement what became apparent and what became evident in the telephone survey that was conducted earlier this year on park related issues is that the number one issue that we face is the perception of safety within our public parks system and that is not just related to dogs as an issue its related to all factors of park use. And we will come back to council next year in terms of a number of strategies on how we can deal with the perception of safety within our parks.

Saltzman: I appreciate this is a great report. I appreciate what your doing but I think I guess I disagree with you on enforcement. Being the last resort I think its really the primary way to make anything like this work and I realize resources are scarce but unless we - - if you tell us its going to take five years to evolve to an effective enforcement program then your going to loose the confidence of everybody who's skeptical and not supportive of dogs in parks. And I think unfortunately I don't know what the answer is, but I think we have to figure out a more important system of enforcement. Education, people know when they're not doing something right. They don't need to be educated about it. They know. They just don't care. They think it's -- my dog would never hurt anybody.

Grimwade: Five years, i'm not expecting us to wait 4 or five years for the enforcement. What i'm suggesting is in perhaps year one we have an accelerated program, we decrease, we may have to come up on the increase a little bit, but we're only doing it with sites very few sites where we have trouble spots. What was interesting in the trial program, it was only really three sites that stood out time and time again where we had problems in enforcement. Yet we were directing our resources to those sites with low conflict levels and we should have had them back in the other area. We now have the data to focus limited resources more effectively and derive a greater benefit. That's the angle that were taking. But the report that will come back to you will give council a number of options that can it -- that it can look at in terms of the whole enforcement safety issue.

Katz: Further questions? Anybody want to testify? How many people do we have?

Moore: Four people signed up.

Katz: Ok. Just two are here?

December 22, 2004

Karen Mowrey: Hi. I'm karen mowery, and I grew up in the mt. Tabor area, and so I lived there for about 20-something years. And my parents have been living there for about 40-something years, and they currently live there now. First I wish to start by commending the citizens committee that did this report. I think it's excellent, and I believe they made many outstanding recommendations. Specifically I want to make some comments about the southeast mt. Tabor area.

In one of the recommendations by the committee, it's something that with am due respect i'm personally very disturbed by, and that is the recommendation for the southeast mt. Tabor area to extend the off-leash area a further 100 feet. Currently these boundaries are in the current offleash area are too close to the adjacent homes and the playground area, and the offleash laws are not being obeyed. That's no criticism of the park bureau, they're just unable to do it. The particular geography of this area is such that it's a combination, it's a little under five acres, and it's an open area with the playground, and it's also a treed area. In order to -- where the offleash area is right now, it's not being obeyed, and in order to gain access to the park paths or the playground, you can't do it. Because what the dog owners do is they have their dogs offleash, and there's constantly big bands of dogs roaming around. And so just over the last three days, three times I tried to take a walk and it's just not enjoyable. It's a question of dogs barking and running around, but it's also a question of feeling scared and not being comfortable to have your kids in the play area.

Additionally, the noise pollution, since this experiment started 18 months ago, has significantly increased. All the neighboring houses are having problems because there's dogs barking all the time. There also are problems with the wildlife, it's becoming scarcer and scarcer, because the dogs are scaring it. In addition, the parking is extremely limited. Even if you take a look at the park guidelines, I think from 1999, they say that these offleash areas should not be located in a hilly area, they shouldn't be too close to homes or playground area. So there are problems caused by this where the current area is located, so frankly i'm not surprised that with this violation of the criteria, that we're having these problems. And I guess I just say that it's difficult to accommodate I know all these needs to the community, because certainly there should be offleash areas, and i'm a dog lover, but i'd say for this particular terrain and this geography, it's way too close to homes, the other needs of the park users are being ignored, and so i'd very respectfully ask the mayor and council that you'd seriously take a look another this existing area before considering adding 100 feet.

Katz: Thank you. Go ahead. Grab the mike.

Mary Mowrey: I submitted some testimony to all of your offices the other day, and we have attended meetings since I believe 1997 concerning this area of the park. It's not a very large area, and in any case, it's completely surrounded by homes. In a very open part. Warner pacific college is on the side, and the dogs were i'm sure if anybody looked at what I left off at your offices, you will see that the prior history has been that initially when they did the vision plan, the citizens advisory plan and so forth, they all agreed that it was a totally inappropriate area, not just our area, but mt. Tabor park. The water department weighed in on that several times with other areas in the park that were unsuitable because of the fact that they impacted the reservoirs and also when they were moved away from there, that they impacted the storm drains. Isn't that correct? In any case, that's -- they were impacting the storm drains because it was rolling down onto the road. Well, with all due respect, we're at the bottom on the hill. There are houses all along here, all these dead-end streets. So there's no buffer on any side at all. All of this waste material is coming down. The major issue with us at the moment, and I know i'm digressing, i'm very emotional about this, in any case, we watch every day 20 and 30 dogs coming down. Who throws their dog toys down into the playground? It's just common sense that you don't award a vocal group simply because -- and no one is denying there is a need for offleash areas -- but it doesn't make it right to place 90 a totally unsuitable site right by people's houses in a playground. I watch them while children are in the playground walking through with three or four dogs offleash, and I will bet you this morning that I saw at least, i'm not exaggerating, try any more than, any afternoon and in the summertime, all day

December 22, 2004

long, you will see hoards of dogs, and they come careening down the hill. If you don't think that doesn't frighten off the rest of us from walking up into that area to get to the trail, you can't do it without encountering all of these offleash dogs. The noise is incredible in the morning and at night, and I know it seems that i'm exaggerating, but trust me, i'm not. All you have to do is look at it once and you can see the amphitheater effect that it has as far as the noise is concerned.

Katz: Thank you. Your time is up.

*******:** I'm sorry.

Katz: The bell rang.

M. Mowrey: May I say one more sentence? And that is instead of asking for an additional 100 feet, has it ever occurred to anyone to make it incumbent upon the users of the offleash dog area to be contained in their own area and because now they're not supposed to be down there, they're coming am the way down the hill and right by our houses, within feet. So why isn't -- why are you suggesting to give them additional space when you have absolutely there's -- no enforcement, and the business about educating this group has been going on since 1995. I think we all know they know exactly what they're supposed to be doing.

Allen Field: Good afternoon, mayor Katz and commissioners. I want too thank you for allowing us the opportunity to comment on the dog park plan. My name is allen field, i'm one of the members of the offleash advisory committee as a representative of southeast uplift. I'm also the cochair of the site steward group for a small park in southeast Portland. A year ago I have to admit I was very skeptical that this program was going to work. I assumed it was going to be a failure. But after a year I think this is a real success story for the city on how it's been able to deal with a very contentious, very heart felt issue. I think people at parks should be commended for doing an excellent job in designing and implementing this program and for making its recommendations, and I think it really showed at the public meetings that happened a few weeks ago. People were impressed with the city, with parks how you went about doing this. I think mt. Tabor is a specific problem area which needs to be addressed later. For dog owners, I think this is a success because it recognizes recreating dogs offleash is a legitimate use of the parks, and it also recognizes that each park is different and the rules should be changed to comply with how each park is different. I think for people who don't like dogs offleash, I think this program is also successful, because for the most part what i've seen and heard on the committee is most people, majority, do channel their offleash use to the recommended hours and boundaries. There are exceptions. The two areas I specifically want to raids with the council, and I ask that they consider is going forward, is to direct parks an implementation plan to provide some way for more sites to feel involved and feel like their voices are being heard. And second is to ensure that there are daylight hours provided for the evening offleash hours. I provided some written statement and an example of a comprehensive site steward study conducted by the sillcrest site group. Our group was formed about a year ago composed of committed neighbors who want to make the park a very safe, clean area. So we started a year ago a monthly clean-up program to clean the park, clean around the school. We installed boxes for poop bags, we've talked with the city -- with the principal for the school and sports users, and we conducted surveys. We surveyed 1300 homes around the neighborhood to see how is the park used, what are the problems. And that's an example of how these site steward groups can really help the city and the parks make this program work. These people are the local experts on these parks, and they should be listened to. And I think if these site steward groups are made a partner in this process, you'll have more groups stepping forward to help out the city with this program. I think education, coop amongst dog owners is what's key to making this program work. The other testimony in my testimony, i'll let you look at that, is specifically in sill crest, and some other parks, there needs to be an adjustment of one or two hours just so there's daylight during the evening hours.

Katz: Thank you. Somebody start.

December 22, 2004

Hal Mowery: I'm hal, I live on mt. Tabor, i've been there 42 years. You heard from my wife and my daughter. I'm not going to add too much to what was said, but it's such a fragile area, an area that i'm talking about on the southeast side of mt. Tabor. It's wide open, there's no cover, there's no trees in this area which is being considered right now. It's very fragile, and when it's a 40 to 45-degree angle in some areas, and it stays at an angle all the way down, so when the rains come and the snows come and I go out and sled and we ski and we do everything on that side of the mountain, I group up there, and when it melts, it runs down, it's like a little stream going all the way down to where it goes into the ground. I really feel if it -- the way I feel, a year or two, that mountain will be broke. It will be broken down, turn into dust, and it will happen, because of the pressure being put on it. Thank you very much.

Katz: Thank you.

Scott Jensen: Mayor Katz, members of the council. My name is scott jensen. I live in north Portland's portsmouth neighborhood. I'd like to thank mayor Katz for your many years of service to this community. To this day we remain a blue state. I'm the board chair of the community association of portsmouth. However, today I do not represent any organization, and provide this testimony only as a concerned hyper involved citizen and a north Portland neighborhood services rep to the olac. For over a year the olac has volunteered their time to draft these recommendations, develop mets doll gist, and herd considerable testimony each month. The process was educational, exhausting and many times emotional. Serving on the committee clarified my position that I never want to hold an elected office. [laughter] I believe it's important for the council and residents of Portland to know that recreating with dogs is a legitimate park use. During winter months, those of us who exercise our dogs may be the most consistent park users. I know i'm part after team of eyes and ears on two parks in my neighborhood between 5:30 and 7:30 a.m. every day of the year. It is also about equity of use. More parks should have available areas for both onleash and offleash use. As density increases and population trends change in Portland, we need to look at the demographic and psycho graphics of those currently moving into our city. It appears as if we have a higher percent of households with dogs than household was school age children. Our recommendations are strong that would represent a fair and equitable plan for all users, though there will always be some people who don't follow the rules. I ask you not to shy away from this issue. I ask you today to please accept these recommendations and hope that we will find funding strategies in the short term.

Marychris Mass: My name is marychris mass, and i'm president of c spot. I live in sellwood, and if any of that money from columbia sportswear wants to trickle down to the offleash program, we'll take it. If 18 years ago you told me when I first got my first dog a presentation would parks would talk, offleash activity is a legitimate use of park space, I would have fainted. I would like to thank the founder of the committee, robin, and my fellow committee members. I'd like to thank my dogs for forcing me to use the park almost daily, and I brought a visual aid to show you how happy they are about this. And now i'd just like to say as a funding measure, we hope that Portland parks would consider on the last day when the swimming pools are open, letting the dogs in like they do at north clackamas aquatic park before they clean the pool, and they raise a good amount of money there for that. Now there's two pay sons on the street looking for gain until employment.

Katz: Thank you.

Michael Kinney: Good afternoon. My name is michael kinny, i'm a board member of both the grant park neighborhood association, the northeast coalition of neighborhoods, i'm also vice-president of c spot. And a member of the offleash advisory committee. I'm here representing all those entities and myself today to ask for your endorsement of the offleash report that was just made. Sufficient funding to allow for appropriate implementation this coming spring is crucial. Close to one-third of at Portland households have a dog. Offleash recreation in our parks has an important role by providing an environment for socialization, both for dogs and their owners. Just

December 22, 2004

one element of the program is to provide sufficient trash receptacles for the areas. Lack of trash cans was a common complaint made by park users. Would I like the council to keep in mind an increase in the number of trash cans in the parks will benefit all users. The offleash advisory committee has concluded that this plan is a good compromise and should keep the inevitable conflict to a minimum. But we aren't just making our report and walking away, we need to review during and after implementation, plus establish an appropriate review process to accommodate requests for change and additions. I urge each of you to vote to approve this plan to allow parks to proceed with implementation as soon as possible. Thank you.

Katz: Thank you. Council, do you have questions? Good job, everybody. I'll accept a motion to accept the report.

Francesconi: So moved.

Saltzman: Second.

Katz: Roll call.

Francesconi: Actually, this is all great issue to show why it's great to be a city commissioner. Because people care about the city, and they care about their neighborhoods, and we need to do a little better job about caring for each other, but we're moving in that direction. And so it's getting -- it's my pleasure to accept this report. I also want to -- we have to -- we have issues to continue to work through on this, including mt. Tabor, and it's very serious for those homeowners that feel threatened by this, and are threatened by it to some degree. And we also want to leave something for the next parks commissioner, because he wouldn't feel like the parks commissioner unless he had this issue to deal with, so that was important. Bear with me and i'll be very brief to a couple thank yous. I want to start with thank you thanking my wife. We have a golden retriever, and i've reconciled to the fact she'll always love the golden retriever more than me. But when the beagle gets ahead of me, i'm in trouble. Hopefully in private life it will be easier for me to stay ahead of the beagle. Soy want to thank you, shelly. I want to thank you mayor for all you've done for me and for parks and our city over the years. And you'll continue to contribute, but I want to thank you. And I want to thank my colleagues on the council, both here and those before here, for all they've done for parks, for all they've done for the city. It been -- it's been a privilege of my life to be with the men and women of Portland parks, Portland transportation and fire as well. I wish the citizens of Portland understood better what I did not understand about the hearts and minds of our working people who whether the issue is dogs, traffic calming, whether -- it's the little things that make our neighborhoods so great, and it's these people of parks and transportation, fire, the other bureaus in the city that do so much for our community. And we also have great citizens. They care about things. We have to do a little bit better job of trying to understand the other person's perspective, and we have to do a better job of including people. We're not -- who are not included in the specialness of the city. But it's been the privilege of my life to have the privilege of being one of your commissioners. Thank you. Aye.

Saltzman: This is a great report, and it is a great way to go out, commissioner Francesconi, because this is an issue that has beleaguered the city for some time and will continue to for some time, but there's been solid progress, and I want to thank the committee, the parks bureau, for doing good work, and many concerned citizens. I'd still like -- I think mr. Fields' comments about daylight hours are really important. Women just do not feel comfortable taking their dogs to parks at night. It's as simple as that, and we've got to realize that. But overall this, is a great effort, and I just want to -- I will certainly support this report, but I also want to take this opportunity with the microphone to thank the two people on my right here, commissioner Francesconi and mayor vera Katz, this has been the only city council i've served with for six years with the exception of charlie Hales and randy leonard switching, and I wanted to you know i've learned a lot about being an elected official by serving with both of you, and i've appreciated your leadership on a variety of

December 22, 2004

issues that are important to the city and the citizens of Portland. You've made this a better place, both of you, and thank you.

Katz: Thank you, dan.

Saltzman: Aye.

Sten: I'm going to support this as well, of course, and I want to thank reverend and all the folks who have worked on this. This is a tough, tough, issue, and we're in much, much better shape than we were before all of you got started. So it's going to keep going, and it's going to have to keep compromising, but we have to be a city that can live with dogs, because the dogs are here. We all have dogs, not all of us, but a lot of us. Whether -- I think it's -- a couple personal thoughts. I think jim's hard work on this is emblematic of how he's not been afraid to jump in and solve problems. He was doing that before city council, and will be doing that in one way or another in the future. And not just the easy issues. This is one any commissioner would have ducked. I also want to -- I talked about his work on transportation, but didn't want to thank just personally thank jim for all his hard work, and it's been an honor to work with jim Francesconi in other forms had a chance to thank mayor vera Katz directly, and will just stop here I think by saying that I think her -- everybody recognized the distinguished career she's had, and i've learned so much from you, mayor. Thank you. I vote aye.

Katz: I'm going to vote aye because if I don't do it now, i'll probably forget. Let me say that I think i've told "the Oregonian" that 14 years ago somebody suggested I run for mayor, and I said oh, my, you know what issues we would have to deal with? Dog poop. [laughter] I said, you know, the legislature at least deals with issues that are much higher policy level. And so I keep saying the world comes around in circles. And the last vote is dog poop. And by golly, I deserve it, because I shouldn't have made that statement 14 years ago. This is a true story. Jim, i've mentioned all of the work that you've done for this community, and I don't want to repeat myself, but I do wish you much luck. I know that you will find something that will make you very happy that shelly will allow to you do, and that you will provide even more contribution to the community because you'll have more time to do that. I wish that you find employment that pays you a decent wage, and that gives you time to serve this community. Thank you. I know this is a sad few minutes for all of us, at least for the two of us. I look out in the audience and I know that I will never bang the gavel again, at least not this gavel, maybe no gavel, and all the wonderful people in this community that have come to testify, to educate us, and as jim says, it's been an honor, and a privilege for me to be your mayor. As i've also said, you will see me, I will probably haunt this chamber. I'll hide behind those posts so you don't see me, but I will be here. And i'll be watching channel 30. So I vote aye. Thank you. [gavel pounded]

Zari Santner: Mayor Katz, member of council, would you please indulge me for a few minutes?

Katz: Absolutely.

Santner: As you complete this last hearing, as a member of the council, mayor Katz, commissioner Francesconi, I just wanted to have the opportunity to remind you and the citizens of Portland of the -- your contribution towards making our city beautiful, a most agreeable place to live, work, play, and visit. Through your support of Portland parks system. And as you know, our park system was based on the recommendation of john charles homestead in his report to the parks commission in 1903. I hold the recommendations of that report still in highest regard, but there was one statement in that report that homestead made that -- and it was about his view about politicians that I differ with. And as it relates to your tenure, i'd like to read you that quote. He wrote, quote -- parks should not be brought into politics for the important reason that the essential requirements of par_□+\$ is that they should be naturally and artistically beautiful and because politicians as a class give small consideration to matters of art, beauty, natural scenery, and care even less whenever they conflict with their business interest, end of quote. I'm very, very, very pleased and proud that you two have proven john charles homestead wrong on both accounts. I want to extend the heart felt

December 22, 2004

thanks from Portland parks staff to the work that you've done to make our city a great place to live, work, and play by keeping our park system healthy and we would like you to take a little bit of that beauty home with you. Thank you very, very much, and god bless you.

Katz: Thank you, zari.

Moore: Mayor Katz, we have one more item. Auditor blackmer and I have a few words to say in recognition of the thousands of hours you have sat in this important public forum and pursued the common interests. Please accept your name plaques as a reminder of the time you devoted to all of Portland's citizens. [applause]

Katz: Ok, you two. We leave the work for you. You are our sitting members of the council. You need to teach the two junior members a thing or two every once in a while, and the third one almost all the time. [laughter] thank you, everybody. We stand adjourned. [gavel pounded] [applause]

At 4:04 p.m., Council adjourned.