



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **16TH DAY OF FEBRUARY, 2005** AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Potter, Presiding; Commissioners Adams, Leonard, Saltzman and Sten, 5.

Commissioner Adams left at 11:00 a.m. and returned at 11:01 a.m. missing the vote on Agenda Item 117.

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

Motion to accept the Consent Agenda: Moved by Commissioner Leonard and seconded by Commissioner Adams. On a Y-5 roll call, the Consent Agenda was adopted.

COMMUNICATIONS		Disposition:
84	Request of Larry Norton to address Council regarding community policing resources (Communication)	PLACED ON FILE
85	Request of Thomas E. Mullen to address Council regarding testimony update (Communication)	PLACED ON FILE
86	Request of Harrison Pettit to address Council regarding Sullivan's Gulch Neighborhood Association objection to permit issued at 2416 NE Halsey (Communication)	PLACED ON FILE
87	Request of David Bernhard to address Council regarding objection to proposed construction at 2416 NE Halsey (Communication)	PLACED ON FILE
88	Request of Dave Nadal to address Council regarding housing and land use, open public process and PGE acquisition (Communication)	PLACED ON FILE
TIME CERTAINS		

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89	TIME CERTAIN: 9:30 AM – Update on Willamette River Combined Sewer Overflow Program (Presentation introduced by Mayor Potter)	PLACED ON FILE
90	TIME CERTAIN: 10:20 AM – Accept the February 2005 Status Report on the Implementation of the Customer Information System (Report introduced by Mayor Potter) (Y-5)	ACCEPTED
*91	Amend contract with Cayenta Canada for replacement of the water and sewer utility customer information and billing system (Ordinance introduced by Mayor Potter; amend Contract No. 35151) (Y-5)	179070
*92	Amend contract with Pacific Consulting Group for quality assurance services for replacement of the water and sewer utility customer information and billing system (Ordinance introduced by Mayor Potter; amend Contract No. 35166) (Y-5)	179071
*93	Amend contract with Management Systems Utility Group for project management services for replacement of the water and sewer utility customer information and billing system (Ordinance introduced by Mayor Potter; amend Contract No. 34809)	REFERRED TO COMMISSIONER OF FINANCE AND ADMINISTRATION
CONSENT AGENDA – NO DISCUSSION		
Mayor Tom Potter		
Bureau of Environmental Services		
94	Establish an agreement and policy between the Bureau of Environmental Services and the Portland Office of Transportation to govern management and cost sharing for future sewer maintenance under streetcar tracks in SW Moody Ave between SW Gibbs Street and the Ross Island Bridge (Resolution) (Y-5)	36292
*95	Authorize a contract and provide for payment for the construction of the Lambert Trunk Relief and Reconstruction, Project No. 6674 (Ordinance) (Y-5)	179051
*96	Accept easements and agreement granted for the South Airport Basin Sanitary Trunk Sewer Project and authorize payment (Ordinance) (Y-5)	179052

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<p>*97 Authorize a permit and right-of-way Agreement with Union Pacific Railroad Company to provide access to the property near milepost 2.850 to construct, maintain and operate the Peninsular Force Main for the West Side Combined Sewer Overflow Program (Ordinance)</p> <p>(Y-5)</p>	<p align="center">179053</p>
<p align="center">Bureau of Housing and Community Development</p> <p>*98 Increase contract with Carlson Communications in the amount of \$5,000 for event planning and media publicity for the Portland/Multnomah County 10 year plan to end homelessness (Ordinance; amend Contract No. 35595)</p> <p>(Y-5)</p>	<p align="center">179054</p>
<p align="center">City Attorney</p> <p>*99 Amend contract with Williams Zografos & Peck for outside counsel assistance (Ordinance; amend Contract No. 34973)</p> <p>(Y-5)</p>	<p align="center">179055</p>
<p align="center">Fire, Rescue and Emergency Services</p> <p>*100 Accept donation from Dan Evans of one Long Arm RI2400 waterproof flashlight to Portland Fire & Rescue (Ordinance)</p> <p>(Y-5)</p>	<p align="center">179056</p>
<p align="center">Office of Cable Communications & Franchise Management</p> <p>*101 Consent to transfer of revocable permit for public telephones from Qwest Corporation, formerly U.S. West Communications, to FSH Communications, LLC (Ordinance)</p> <p>(Y-5)</p>	<p align="center">179057</p>
<p>*102 Transfer agreement for selection of long distance services at public pay telephones from Qwest Corporation to FSH Communications, LLC and terminate agreement with Qwest Corporation (Ordinance)</p> <p>(Y-5)</p>	<p align="center">179058</p>
<p align="center">Office of Sustainable Development</p> <p>*103 Authorize an Intergovernmental Agreement with Portland Public Schools Multnomah County School District #1J to fund pilot program for food waste collection (Ordinance)</p> <p>(Y-5)</p>	<p align="center">179059</p>
<p align="center">Office of Management and Finance – Bond Counsel</p>	

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<p>*104 Authorize Gas Tax Revenue Refunding Bonds to refund outstanding bonds issued to finance transportation capital projects (Ordinance)</p> <p>(Y-5)</p>	<p>179060</p>
<p align="center">Office of Management and Finance – Bureau of Purchases</p>	
<p>105 Accept bid of Robison Construction Inc., for NW 3rd Avenue & NW 4th Avenue Street Improvements for \$3,939,893 (Purchasing Agent Report– Bid No. 103538)</p> <p>(Y-5)</p>	<p>ACCEPTED PREPARE CONTRACT</p>
<p align="center">Office of Management and Finance – Bureau of General Services</p>	
<p>*106 Authorize acquisition of vehicles for use by City bureaus (Ordinance)</p> <p>(Y-5)</p>	<p>179061</p>
<p align="center">Office of Management and Finance – Risk Management Division</p>	
<p>*107 Pay Claim of Patricia Luckenbach (Ordinance)</p> <p>(Y-5)</p>	<p>179062</p>
<p align="center">Office of Transportation</p>	
<p>*108 Authorize contract with the Oregon Department of Environmental Quality for consultation work related to the Portland Streetcar Gibbs Extension Project (Ordinance)</p> <p>(Y-5)</p>	<p>179063</p>
<p>*109 Authorize contract with Portland General Electric Company for unmetered service for Portland Streetcar Arrival Time reader boards (Ordinance)</p> <p>(Y-5)</p>	<p>179064</p>
<p align="center">Parks and Recreation</p>	
<p>*110 Authorize acceptance of Pedestrian Easement from Portland Development Commission across McCormick Pier property to assure public access (Ordinance)</p> <p>(Y-5)</p>	<p>179065</p>
<p>*111 Accept the Intergovernmental Agreement with Multnomah Department of Human Services Area Agency on Aging, for the period July 1, 2004 through June 30, 2005 (Ordinance; amend Ordinance No.178916)</p> <p>(Y-5)</p>	<p>179066</p>
<p>*112 Accept a grant from Multnomah County in the amount of \$135,610 for operation of an integration program for senior citizens who have mental retardation/developmental disabilities (Ordinance)</p> <p>(Y-5)</p>	<p>179067</p>

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<p>*113 Authorize three party agreement with Multnomah County Office of School and Community Partnerships and the Centennial School District No. 28J for the SUN Community Schools initiative (Ordinance)</p> <p>(Y-5)</p>	<p>179068</p>
<p>City Auditor Gary Blackmer</p>	
<p>*114 Assess property for system development charge contracts and private plumbing loan contracts (Ordinance; Z0751, K0072, K0073, T0086, P0068)</p> <p>(Y-5)</p>	<p>179069</p>
<p>REGULAR AGENDA</p>	
<p>Mayor Tom Potter</p> <p>Bureau of Environmental Services</p>	
<p>*115 Authorize conveyance of one property in the Johnson Creek floodplain from the Fannie Mae Company to the Bureau of Environmental Services (Ordinance)</p> <p>(Y-5)</p>	<p>179072</p>
<p>116 Authorize Intergovernmental Agreement with Multnomah County to provide access and identify work protocols during construction activities performed around County bridges for the West Side Willamette Combined Sewer Overflow Project (Second Reading Agenda 80)</p> <p>(Y-5)</p>	<p>179073</p>
<p>Office of Management and Finance – Human Resources</p>	
<p>*117 Authorize a Memorandum of Agreement between the City and the District Council of Trade Unions for terms and conditions of employment of represented employees having the classification of Storekeeper/Acquisitions Specialist III in addition to the classifications of Storekeeper/Acquisitions Specialist I, Storekeeper/Acquisitions Specialist II, and Storekeeper/Acquisitions Specialist II-Auto Parts Specialist (Ordinance)</p> <p>(Y-4)</p>	<p>179074</p>
<p>City Auditor Gary Blackmer</p>	
<p>118 Assess property for sidewalk repair by the Bureau of Maintenance (Second Reading Agenda 81; Y1053)</p> <p>(Y-5)</p>	<p>179075</p>

At 11:02 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS **16TH DAY OF FEBRUARY, 2005** AT 6:00 P.M.

THOSE PRESENT WERE: Mayor Potter, Presiding; Commissioners Adams, Leonard,
Saltzman and Sten, 5.

Commissioner Saltzman arrived at 6:04 p.m.

Commissioner Leonard arrived at 6:05 p.m.

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

	Disposition:
<p>119 TIME CERTAIN: 6:00 PM – Accept the Report of the Noise Review Board on Reducing Nighttime Noise from Garbage and Recycling Collection (Report introduced by Mayor Potter)</p> <p>Motion to accept the report and direct staff to prepare study on Commercial Franchising and regulation of hours of operation to be presented back within 60 days: Moved by Commissioner Leonard and seconded by Commissioner Adams.</p> <p>(Y-5)</p>	<p>ACCEPTED</p>

At 8:17 p.m., Council recessed.

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A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS **17TH DAY OF FEBRUARY, 2005** AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Potter, Presiding; Commissioners Adams and
Leonard, 3.

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

<p>120 TIME CERTAIN: 2:00 PM –Appeal of Pleasant Valley Neighborhood Association against Hearings Officer’s decision to approve the application of Riverside Homes, Inc., applicant, and Roy and Wanda Michael and Alfred J. Obrist, property owners, for the Waterleaf 65 lot subdivision with a planned development review, environmental review and adjustment located near the intersection of SE 162nd and Foster Road and 6729 SE 162nd Avenue (Previous Agenda 63; LU 03-174778 LDS PD EN AD)</p> <p>Motion to continue to March 9, 2005 at 2:00 p.m. Time Certain: Gaveled down by Mayor Potter after no objections. (Y-3)</p>	<p>Disposition:</p> <p>CONTINUED TO MARCH 9, 2005 AT 2:00 PM TIME CERTAIN</p>
<p>REGULAR AGENDA</p> <p>Mayor Tom Potter</p> <p>121 Adopt amendments to the Cascade Station/Portland International Center Plan District and related amendments to the Comprehensive Plan and Zoning Map (Second Reading 83; amend Code Section 33.508; add Code Section 33.807; add Comprehensive Plan Policy 5.13) (Y-3)</p>	<p>179076</p>

At 2:06 p.m., Council recessed.

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A RECESSED SPECIAL MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **17TH DAY OF FEBRUARY, 2005** AT 6:00 P.M.

THOSE PRESENT WERE: Mayor Potter, Presiding; Commissioners Adams, Leonard, Saltzman and Sten, 5.

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

SPECIAL COUNCIL MEETING		Disposition:
122	TIME CERTAIN: 6:00 PM - Amend Title 33, Portland Zoning Code to allow modifications through design review to development standards in South Waterfront height opportunity area and amend specific procedural elements of subject regulations (Previous Agenda 76; Ordinance introduced by Mayor Potter; amend Code Section 33.510.205.G) Motion to accept the amended Ordinance: Moved by Commissioner Leonard and seconded by Commissioner Adams. (Y-5)	PASSED TO SECOND READING AS AMENDED FEBRUARY 24, 2005 AT 2:00 PM
122-1	Direct the Bureau of Planning and affected City Bureaus to facilitate the development of an expanded urban design context for the South Waterfront subdistrict that reflects the goals of the South Waterfront landowners and developers, the City and the community (Resolution introduced by Mayor Potter) Motion to suspend the Rules to hear the Resolution: Hearing no objections gavelled down by Mayor Potter. (Y-5)	36293

At 8:15 p.m., Council adjourned.

GARY BLACKMER
Auditor of the City of Portland

By Karla Moore-Love
Clerk of the Council

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

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

FEBRUARY 16, 2005 9:30 AM

Sten: I asked them on behalf of the city council, because commissioner Leonard has been working on new designs for housing, I thought we need some new housing designs in this city. So I asked the Woodstock class to see if they could do a planning project on behalf of the city council and figure out what new ideas would be. I met with the class last November, and I want to tell you they were very focused on this. Their issues were very much around how to make the housing both beautiful and affordable. I said that's our goal -- beautiful and affordable. I asked them if they would come today and present their work to the council. We have a panel of students who are going to tell us about the project. So if the three of us could come on up. There's three chairs here.

So please go ahead and take a seat. And my understanding, if I'm right, is Andre you were going to tell us about the project in general and then the three of you would share your models. Tell us what you did and thank you so much for being here. This is commissioner Saltzman, who's just come in.

We're having a presentation on new housing design by the Woodstock elementary school working on assignment for to us figure this out. Introduce yourself and say your name and where you're from and you can say Woodstock elementary for that. So Andres, it's all yours.

Andreas Maldonado: I'm from -- I go to Woodstock elementary school. And I'm in the immersion program. I'd like to talk about how we came up with our ideas of how to build our houses. At the beginning of the year, we decided to build a new neighborhood in Woodstock. We wanted to build houses for our neighborhood, so we split up into six table groups, each building their own house. We all had ideas about how to build our houses, but they didn't just pop up into our minds. We had to think what would make the owners happy. And we all knew that our houses would be close to Woodstock park, so we -- most of us decided to build porches. We wanted our houses to be efficient, so one of our houses was built with solar panels.

Sten: All right.

Maldonado: And all we had to do was think what type of houses people would like, and then we came up with the ideas and used them to build our houses.

Sten: Thank you very much. Taylor, did you want to share? Tell us about your model.

Taylor: Well, our model is -- is like we tried to make it so it would be an average house and it would look like most other houses. So it has an average amount of rooms, three rooms, and it has a normal amount of bathrooms, two bathrooms, and we just tried to put ourselves in the owner's shoes.

Sten: And which one of these is your house?

Taylor: That would be that one.

Sten: Ok, perfect. And Caitlin?

Caitlin: Our house we decided to have four bedrooms in the upstairs with -- then one bathroom in the master bedroom. And then we have two bedrooms that could be for kids, and then one, the master bedroom, of course, and then we had one guest bedroom that could also be used as a den. And then downstairs we had a supply room, a living room, a family room, a kitchen and bathroom. And we put the living room so you would just walk in and you're in the living room. And the supply room is really close to the doors, so that if you're bringing supplies home then you can just kind of walk over and put them in instead of having to walk all the way to the back of the house.

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Sten: Oh, very good. Well, they're very beautiful homes. And I think they would fit very well in the woodstock neighborhood, as I expected. I would just like to ask if the council has questions for our panel.

Leonard: I think they fit together in the neighborhood, except for the hummer in the driveway. We need to find a hybrid, right, mayor?

Potter: That is very nice. Who actually did the building of these houses? Did each of you build your own?

Maldonado: Yes. We each built our own houses, because we were each divided into table groups and we each built our own houses.

Potter: Very good.

Saltzman: Good job.

Sten: I just had a quick question for each of you to share with the council and then we'll let you get back to your studies. Andres, did you have any thoughts on what the council can do to make affordable housing easier to build?

Maldonado: Well, I think that the city council could build some houses with better -- that are small, but with simple designs. Like a house with a few bedrooms, maybe one or two floors, a bathroom or two, a living room, and a -- a kitchen with a table inside to be used as a dining room.

Sten: Very good.

*******:** Or small, but tall houses, like condos.

Sten: Very good.

*******:** And that's it.

Sten: Thank you. Those are excellent ideas. Taylor, I just wanted to check if you liked this project and if you thought the council should do projects with other classes like this.

Taylor: Well, I loved doing this project. I learned a lot. Not just about actually building the houses, but about teamwork.

Sten: Oh, good.

*******:** And I definitely think you guys should do it with other classes.

Sten: Thank you. And caitlin, I was just curious, did you have any last thoughts on what you think the mayor and council should know about your school and woodstock neighborhood?

Caitlin: Our school is really great. All the teachers are really supportive and really nice and the neighborhood is -- is really good, and a lot of people come and volunteer for different reasons. And people are just really nice.

Sten: Great. Well, thank you, everyone. Thanks to mrs. Yost for running a terrific class.

Obviously this shows what a great teacher can do with great students. We greatly appreciate it.

We'll try to put your ideas to work here and see if we can't build some of the homes. We'll start now with the regular city council agenda and you're welcome to stay as long as you'd like and see how the regular city council works. [applause]

Potter: Maybe we should stop while we're ahead. Council will come to order. Karla, please read the roll call. [roll call taken] [gavel pounded] we'll now hear communications. Karla, please read item number 84. Please state your name. You have three minutes, sir.

Item 84.

Larry Norton: Larry norton. I'm from the old town old town/chinatown neighborhood. The request was edited slightly, so but I wanted to permanently reduce the number of drug dealers in old town/chinatown. You usually ask where are the children, and one of the things -- these are great kids we see here, and it's really brings a lot of -- restores a lot of faith. One of the things I think we have 32 at is to make sure that we don't see these kids anywhere on the website of the sheriff's department. If you go there you see really tragic stories. Yesterday's news, 14-year-old stole a car to buy meth. One of the things I want to talk again -- i'll be here again and again. The situation in old town, as I indicated, is that there's a high concentration in the small area. The escalation now is

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intimidation. These guys will walk with you, talk to you, won't let you go. I mean, I walked with a guy for a block before I finally got rid of him. The drug cases in old town, the highest count for -- for last year, 719, just old town. Downtown was second at 539. The source of this was the police bureau. And you got to keep in mind, i'm talking really about a one square block in old town. That's a small area. There is no partnership with the police, regardless of how you say it's community policing, "you" being in a rhetorical sense. The residents are more than willing to partner with the police, but it doesn't seem to be a palatable concept with them. There's a great effect from the county jails early release, so-called matrix releases. Basically that just returns to the streets of our neighborhoods and other neighborhoods, the drug dealers. In december of 2004, using the sheriff's statistics, there was 260 early releases and approximately 100 of these were related to drug crimes. That would be p.c.s., d.c.s., about 38%. If you look at all their crimes for -- as of february 15, for the last 60 days, you have a february 15 back -- it's 570. For the last six months, 1898. Some of these people, the website is really good, you can go through and look at the people, individuals. One of these people, i'll pick out, has been arrested the last three years five times. These are all drug violations. The last two times he spent -- he was out one day and back in the same day. Two of those five incidents were for violation of the drug-free zone. There is a connection between drugs and other types of crime. Hopefully that's obvious. No research shows otherwise. If you look at the individual charges in the matrix release program, you'll see that drug is only one of the things these people are in there for. Police bureau, we need your -- leadership from the council, we need to have -- or at least I think you should do policy-setting for the police bureau, get them to come back to the neighborhoods, get out of the cars, roll down the windows, talk to us. You can't talk to a policeman. I mean, i'm a retired attorney, well educated, I don't think I look -- I have a beard, I don't think I look too intimidating. It's hard to get these people to talk to you. It's sort of an us and them. When you do get to talk to them, i've talked to officer meyers, great, works out quite well.

Leonard: I'm glad you mentioned that. I was waiting for you to be done, to recommend that you contact officer meyer, because there's probably no more proactive Portland police officer on the ground doing work and with the issues you're talking about officer jeff meyer and the program he's developed in old town.

Norton: Ok. I'll use the rest might have time to talk about that.

Leonard: You've already used your time.

Norton: I'm sorry. I'd like to respond, if I could.

Leonard: I was just going to say he works closely with the community, more closely than I think of any other officer i'm aware of, and with the business association, the neighborhoods, and i'd urge you to talk to him about his -- he's developed a specific program for old town.

Norton: Can I just briefly respond?

Potter: 30 seconds.

Norton: Ok, sure. Then just tell me when 30 seconds is up. For some reason I couldn't see that. I talked with jeff meyers, walked the beat with him once, pressed with him. I'm an active in the neighborhood association and been active in the neighborhood association. To some people may be dismayed, because i'm very outspoken. Jeff meyers tries to do a good job, but frankly he doesn't get the support out from the other people.

Leonard: But that's different from him not working with the community. That's another issue. He's out of his car working hard in old town to address the very issues you're talking about. And your point's well taken. I understand.

Norton: Not to be argumentative, and, yes, i'm being one, i'm there. I'm retired. I spend my time there. I talk to jeff meyers there. I go to the meetings. I don't see him there much. I don't see community policing in our neighborhood. I see constant drug dealers at the tri-met stops. If you come to our neighborhood associations you'll hear the same story over and over again.

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Leonard: Yeah, I know.

Norton: Recently did a survey, the number one issue, drug dealers in old town.

Potter: Thank you, mr. Norton. Thank you for your very well prepared testimony. Appreciate that.

Norton: Thank you.

Potter: Karla, item number 85.

Item 85.

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

Potter: Good morning please state your name and you have three minutes.

Thomas Mullen: My name is thomas mullen. Southwest third avenue, p.o. Box 1160, Portland, Oregon. Zip code 97204. I've come here for an update from you, sir. I was here last week. You weren't here last week. You supposed to be giving me an update on what you found. I left information for you. You're on.

Potter: Actually it's your turn to testify, sir. You have two minutes and 30 seconds left.

Mullen: Ok, yes, sir. They said I should ask you to assign someone to address my problems that I addressed to the board at the -- last wednesday, when you wasn't here. I haven't got no feedback from that or -- so therefore could you appoint someone to address my problems or assign someone so we can get to the end of this? This is about the housing and the homeless program that I was working with out on st. John project where the city city came out and made me put all the houses back and now the houses, all demolished and everything, and they're still building on new st. Johns right now. So i'm losing money as we speak. So every week you put me off, i'm lose are more and more money. So we need to address this problem now.

Potter: Is someone from our office -- rochelle, could you get this gentleman's name and phone number so we can contact him later? Could you go see rachelle over there? Thank you, sir. Item number 86.

Item 86.

*******:** I brought some friends with me.

Potter: Please state your name. You each have three minutes.

Harrison Pettit: Harrison pettit, clackamas street, cochair of the sullivan's gulch neighborhood association. With me is lynn coward. She's the land use committee chair. And the neighborhood board has been following a project in our neighborhood for some time, and has voted unanimously to send us here to represent them in this matter. Both the immediate neighbors, the coffees, and the burnhardts support our position. The coffees would be here today, but they're out of the state, but dave bernhard is here and will speak next. Before I tell you what this is about explicitly, let me tell you what this is not about. This is not about resisting accessory dwelling units. We've encouraged these units in the past five years. This is not a stand against increased density or infill. We love the dense and dynamic character of sullivan's gulch, already quite a high density neighborhood. This is not a rant against gentrification or the inevitable changes in demographics occurring in sullivan's gulch. These have been typically very good for sullivan's gulch. This is not about offleash dogs in park, same-sex marriage or critical mass bike rides. [laughter] but in all seriousness, what this really is about is the credibility of our zoning and neighborhood development process. I'm sorry, the woodstock kids are not here, that to maybe add their voice to this. What this really is about is an administrative tool used to circumvent the underlying zoning regulations, specifically this is about a building permit that's been issued by the bureau of development services for a so-called addition to 2416 northeast halsey. The plans for the development clearly show a new dwelling unit as defined in the codes as being added. Two stories tall, one bedroom, 1 1/2 baths, kitchen, living room, deck and garage. This area is zoned r-2.5, single family and duplexes are allowed. There's an existing duplex on this property. The digs, built 13 feet away, makes for three units on the property. You'll note the copy is -- copies of the plans, there's a comparative computer rendering of

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the project on the site. The applicant signed a second covenant promising not to use the dwelling unit as a third unit, and thus was allowed a building permit. We've met with bureau personnel who have promised enforcement action should it be used as a third unit, but its use requires for interior or exterior change to become a third unit, rendering the covenant effectively unenforceable. What's been permitted is lot-by-lot zoning, not legal. We have asked action as a result. We're asking for two definitive actions by the council today. First, please make a commitment to address the administrative process that's allowed this development to get a permit. And second, we'd really appreciate the city admit a mistake has been made and suspend or revoke the building permit issued for 2416 northeast halsey as soon as possible. Time is of the essence before work starts and greater financial liability has incurred.

Potter: Thank you, sir.

Adams: Did you get out your two things?

Pettit: Yes, two points. Thanks.

Adams: You did. Ok.

Potter: Who's next?

*******:** You.

Potter: Are you going to speak?

*******:** I'm only if you have questions. You're next.

Item 87.

David Bernhard: Ok. Mayor Potter and honorable members of the city council, my name is david bernhard. My wife mariel was here and we've owned our home at 2426 northeast halsey street in the sullivan's gulch neighborhood for 35 years. I was born only a block away in 1943. I used to play as a child in everyone's backyard around the area. My grandmother started a bakery only seven blocks away in 1924 and it is still running today. I've seen many changes in our city and in our neighborhoods. I can remember going over to omsi every saturday when it was in an old house like mine by holladay park across the site of the lloyd center. Our concern today is a change we're seeing in the way the city of Portland is responding to the challenges of planning and zoning that only posterior tends confusion and inequities. We see the slogan "Portland, the city that works" on city vehicles. That claim may be threatened by a trend that's surfaced as close to home as the property next to our house. Currently there's a home of similar construction to mine that's been split up into a duplex rental. We believe the current owner has been wrongfully issued a permit to build a new two-story building in the backyard of his house because all of the proposed new features in the new building allow for a habitable living unit. The new building plans show living room, kitchen, half bath and garage in the lower level and a bedroom with walk-in closet, full bath, laundry and outside deck on the upper story. This constitutes a complete service living unit, only tied to the existing duplex house by a 13-foot enclosed passageway that doesn't need to be accessed for use of either building. This new building creates an annex of the existing duplex only in the sense that maybe two amtrak cars can be called one because they have a passageway in between them. This zone in effect demonstrates we've done an end run around the standards upon which our neighborhoods bass the benefits of association and community livability. Our neighborhoods count on the straightforwardness of our zoning laws the same way that the ships in the columbia river count on the buoys floating at anchor along the river channel to keep from going aground or colliding from each other. When we cut loose the zoning designations from the spirit and intent of their establishment it's like severing the anchor cables from the buoy signals and let them adrift. If zoning is adrift, no one will know how to navigate through the channels of development that are part of the neighborhood life. If the zone variance or change was required in the particular development next to me I would voice my concerns and would gladly abide by a decision of the proper authority. As it is, this three minutes out of your busy schedule is the only venue I could

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identify to point out the pitfalls that I see looming for your neighborhood, as well as mine in the current environment. I thank you for your attention and consideration.

Potter: Thank you, sir.

Adams: Can I ask a question?

Potter: Yes.

Adams: So the disagreement here is that -- is that you -- the owner says -- has been made aware of your concerns and says that the -- it is a building expansion. Your concern is you don't believe that, and that you believe it's the creation of a new building unit.

Bernhard: Correct.

Adams: And until he -- I mean I just want to -- my sense is, until he actually violates the rules and uses it as a -- as a separate building unit, do you agree that there is little that the city can do or do you disagree with that sort of basis of fact?

Lynn Coward: That's a hard issue, because it would mean admitting a mistake in this case.

Adams: Who admitting a mistake?

Coward: I think the city would have to admit a mistake in issuing the permit. I'm not an attorney on this, so I don't know how to navigate this. We're aware of individuals having misrepresented himself to other people, and --

Adams: On other projects or on this project?

Coward: I'm talking about to the tenant who lives on the first floor. It's a very complicated thing that I don't want to be alleging things. It would have to be the testimony of the first floor tenant.

Adams: Ok. Well, personally I want to be responsive any time there's a violation of the city code having to do with the underlying zoning, but in this case I struggle with how could -- how could I seek to get the bureaucracy to enforce something that I can't tell yet has been violated because it isn't occupied.

Pettit: Let me answer this. Let me give you a little bit of ground on the project. This individual who we're not seeking to demonize at all, he's an investor, a member of our neighborhood.

Adams: Right.

*****: He originally had plans to build an accessory dwelling unit. He brought those plans to the bureau and they said, "sorry, this is a -- this is already a duplex, you can't build accessory dwelling unit."

Adams: Right.

*****: He alleges that they basically helped him through a process by which he could build a very, very similar structure under current administrative rules by the use of this covenant. I think you have a property owner who's pursuing his self-interest, as one would expect, but you have an administrative process that really is allowing what we feel like is an under -- you know, compromising of what the zoning is really intending for this neighborhood.

Adams: Because you believe that he will go ahead and rent it as a separate unit?

Coward: Yes. We have evidence of what he's told other people about how he plans to do this.

Pettit: This is obviously hypothetical, because the building isn't built yet, but he's expressed intent to do that. He's investor-owned property, and I think that it's -- it's just putting all the players in a compromising position to allow -- I think even the bureau staff have to -- I mean, they can't call this guy a liar, but he's -- there's no doubt in our minds that we feel the potential for gaming the system is absolutely there.

Adams: But do you agree that until -- until he actually -- he rents it and treats it as a separate unit, that until he violates that code provision, there's nothing that -- what is you think we can do? Until he violates the code, how can we pursue a transgression of the code? I'm struggling here and asking you you to help me here.

Pettit: Sure. I think there needs to be a recognition that this is dynamic and the use of the covenant is --

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Adams: Ok.

Pettit: There may be opportunity -- there may be instances where its use is not flawed, but there's a flaw there which will allow some compromises in the zoning intention to occur. We would like this project to be halted, if only temporarily, so that that could be reviewed, but, you know, I guess I feel like -- I understand the position the city may be in, having issued a legal permit, but I feel like in a sense the liability of this situation will fall on the neighborhood once this project is constructed and we'll have to live with that and the neighbors and everyone else. And so we feel like it's our civic duty to point this out to the council and to ask some action. I'm afraid neither one of -- this project doesn't look like either one of these in front of us.

Coward: The ones next door do. We were told that the enforcement here is almost impossible. How are you going to go inside and enforce? We did hire an expert on zoning to see how you could enforce this. And you really can't go into another person's house and ask how they're there. I'm not sure how you're going to do that. So I think this thing is an untenable use that -- while the city has sent a letter, a strong letter to the owner, we don't know how that can be enforced. And I think that the person has let us know that you don't -- that we as a city don't have a way of enforcing it. So the more this gets built, the more we have a problem.

Sten: Can I just ask a quick question? The thing you said that gave me the most concern -- you know, maybe they're trying to be helpful, i'm not trying to demonize them either, was that essentially you believe -- I guess do you have any kind of more sort of sense that he came in and proposed to do something that you're not allowed to do, because you only get two units on the lot, whether it's a duplex or -- I worked word to liberalize the a.d.u. Laws a few years ago, and it was a tough argument to what should be allowed. I respect that a lot. I'm kind of interested in the sense that he said "no, you can't have an a.d.u., but if you build it this way, you can." that's not something our city should not be doing. That being said, I don't see any argument that's pretty strong that you can't put a 1200-square-foot addition on your house. That's the tricky part to this.

Pettit: Living next door, i'm seeing the function of this duplex. And the laundries in the basement of the old house, and the two that rent up and down have to use that laundry in the basement. This new addition, whether you call it an annex or remodel, it has all the features of an independent unit. If the old house burned down, this could be a stand alone unit. It has a washer/dryer. It's not an annex. They don't have to take a step into the old house to function. It's stand-alone.

Sten: There's the issue -- i'm interested -- it seems to me the policy issue is whether or not there needs to be more tight definitions on what is an actual addition to a house as opposed to a stand-alone unit.

Pettit: That's the crux of it. He's found essentially a loophole to tie these things together and make his project work from a financial standpoint. And I agree with you. If this were a single-family dwelling, he'd have every right under the intent and letter of the code to build this unit. It's the fact that it's already a duplex. It's a third unit on a property zoned for two. And that's really where we, as a neighborhood association, feels like they have to make a stand and bring this to your attention, because it's just -- it's lot-by-lot zoning, and we don't think that's the intent of the city.

Potter: Any other questions?

Adams: I haven't actually heard a direct answer from our -- to my two requests. I understand I might not, but --

Coward: I would like to make one quick statement. I've been land use chairman since 2000. We've been able to work with everyone, find accommodation. This is the first time. I know these people are going through permitting fees and everything else. This person, first of all, was discovered doing it without a permit. So this is encouraging potentially, enabling people who are not going to be following the city's rules. I'm concerned about the message that sends to those who are trying to do the right thing.

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Saltzman: I know that the bureau of development services has sent a pretty strict warning to this individual, that they'll be watching.

*******:** Uh-huh.

Saltzman: I realize there are complications to the enforcement of it, but --

Pettit: We appreciate their responsiveness to us and to sending the letter, but -- unfortunately I think that will be very difficult, in fact, to enforce. By then of course the structure's built and we're -- the city then -- I mean the neighborhood then has to bear the brunt of this. And I guess we would like this project stopped, of course. We certainly would like others to be prevented from being built in our neighborhood and others around the city in this manner.

Potter: This is a communications section, where you come in and make a statement, and then that's it.

*******:** Yes, sir.

Potter: I assume that b.d.s. has responded to you as a group.

Pettit: They've been very attentive, yes.

Potter: And I understand there are legal issues with enacting your request. So I don't think that any of us are lawyers up here to make that kind of determination. I'm perplexed, though, how to refer it to either b.d.s. Or city attorney's office for review. Sounds like there's two issues. One has to do with the code itself in terms of how it can be used, and then the second is the more immediate thing is -- is the building going up in your neighborhood.

*******:** Correct. Yes, sir.

*******:** So former commissioner of b.d.s., what do you think we should do?

Leonard: I thought i'd get drug into this. I tried to maintain my counsel.

Potter: That's unusual.

Leonard: I have reviewed this case closely. And it would appear that the code has been followed. I don't know about -- there are different views on the conversations you alleged occurred between b.d.s. Staff --

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

Leonard: -- and this person. So I want to make that clear for the record. That's not a given, that they facilitated doing something to skirt the code. And on my recommendation the letter that you saw from the acting director was sent.

*******:** You are you.

Leonard: I'm not one known for not following up on letters like that if i'm in the position to do that. We will take the most aggressive action available to us. And it may be beyond even what the code lays out, but we will not tolerate him circumventing the code, I can assure you that. There will be no tolerance for him to rent that out as a third unit, to be very clear.

Potter: I think what we have to do is at least -- i've seen a -- I think a legal opinion expressing that if we take any action against this, that it could have an impact on the city. I don't think that we can make a decision right now. I would, however, like to talk with b.d.s. And the city attorney's office at a subsequent conversation to find out first what -- are there changes that need to occur to the code? I mean, i've heard your statement. And then secondly we will get back to you as to what we will do with the other issue. That's all I can tell you right now.

Leonard: Maybe I can help a little bit by giving an example. If somebody were to come and get a permit at the bureau of development services to build a house in a residential area, but had told the neighbors they're going to use that house for a restaurant, we couldn't deny them the right to build the house. But having that information we would make it clear to the person building the house that if they opened a restaurant, not only when the restaurant -- not only would the restaurant be closed, they would be facing fines far and above what would make it worthwhile. This situation is analogous to that.

Coward: Yes. It's almost been a year we've been working on this with b.d.s.

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Leonard: I think what you've heard from the council is that we do understand your concern. We share your concern. And if anybody takes our code or our processes and misrepresents what they're doing to circumvent them, we will look on them very unkindly and they will be the focus of a lot of attention.

Potter: And I will talk with the folks at b.d.s. Thank you very much.

*****: Thank you.

Sten: I would be interested and will request that planning does an annual kind of -- I forget what we call it. Sam started this when he was in the mayor's office. Looking at small things and bringing them to us in a package once a year. I think the issue of should an addition have more characteristics than just some very small attachment to the house I think would be something we can take a quick and easy look at. I hear your argument, that a sensible person says an addition wouldn't be put on like that.

Leonard: That could be true, but we need to be mindful of the fact we can't write regulations to anticipate somebody abusing our code. There are enforcement sections for people that do that.

Coward: How enforcement will be accomplished, that's our problem here.

Leonard: We're allowed civilly to get search warrants, to get records, to take statements, to do interviews. And all of that will be done if we have some reason to believe that the -- that this is not being used properly.

*****: Thank you.

Sten: You might want to share a tape of commissioner Leonard with --

Coward: That would be really helpful.

Sten: Just share your comments with the owner, so he's aware.

Coward: I think if the owner heard what you just said, that might cause them to rethink their project.

Leonard: Good.

Potter: Thank you, folks, very much. Appreciate it.

*****: Thank you.

Potter: Got some young citizens up there. Where are you from?

*****: Catlin Gable, second grade.

Potter: Thank you for being here, Catlin Gable. We appreciate it. Please read item 88.

Item 88.

Moore: He called and said he wouldn't be able to make it.

Potter: We'll now take a vote on the consent agenda. Any items to pull off the consent agenda?

Adams: There's some tempting ones, but --

Potter: Other than the tempting ones. Is there anyone in the audience who wishes to pull any items off the consent agenda? Ok.

Leonard: I would move acceptance of the consent agenda.

Potter: Second?

Saltzman: Second.

Potter: Karla, please call the roll.

Adams: Yes. **Leonard:** Aye. **Saltzman:** Aye. **Sten:** Aye.

Potter: Aye. [gavel pounded]

Adams: Aye. I always forget aye.

Item 84.

Potter: Now to time certain. Staff, could you come up, please?

Dean Marriott: Good morning, Mayor Potter, members of the council. I'm Dean Marriott, environmental services director for Portland. With me on my right is Paul Gribbon, our chief engineer for tunnels, both the east side big pipe and west side big pipe. On my left is Dick Tracy, formerly the city auditor's office. I'll explain in just a moment why Dick has joined us. This is our

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opportunity to present you our semiannual report to council and the public on the status of our c.s.o. program, c.s.o. being combined sewer overflow program. It is a very significant program under way for a number of years and when we pledged when we started that we would come back to council and report regularly on just how we're doing the good, the bad and ugly about this program.

We're going to talk briefly about the overall status of the program, where we stand with the construction of the west side tunnel. Dick will talk a little bit about the audits that we had completed just recently, because he helped us select the auditors and review their work. And then we'll finish up with where we look to be going with the east side tunnel. Just quickly starting in on the -- on the slide show, this is -- this may be a challenge for your -- the ability of your eyes to distinguish shades of yellow, but this shows you the combined sewer area. It's the heart of the city, the older part of the city in the darker yellow. Covers about 42 square miles and about 270,000 people live in this area. Just to refresh your memory about the program milestones, we began -- the city began in 1991 by negotiating an agreement with the state of Oregon to embark on a 20-year program for controlling combined sewer overflows. We completed our facilities plan. We focused on the willamette. We cleaned up the columbia slough outfalls in 2000 and 2001. The next intermediate time hurdle is 2006 when we need to have the west side outfalls completed and controlled. And we're going to be talking to you about that. And of course the finish line is 2011 when we're supposed to be finished with the entire program. And we will, just to refresh your memory, we'll go from essentially having a combined sewer overflow virtually every time it rains in the city to when we're finished we will have -- we will be allowed to have four events in the winter and one every three summers. So it will be about a 96% reduction in the value. Just to give you a status report on where we stand with the cornerstone promises. These include things you may have seen in your neighborhood or you may have actually participated in downspout disconnection program. We've disconnected downspouts from about 45,000 properties. We've done sewer separations in certain neighborhoods. We've done what we can, and continue to do what we can to get stormwater out of the sewer system. It is after all what causes us to have combined sewer overflows. That is too much stormwater entering the collections. I mentioned we're finished with the columbia slough projects. We're under construction now on the willamette river projects. This next chart you'll see is a progress chart. Back in the 1970's of the sewer system, was basically dumping about 10 billion gallons a year of combined sewage into the willamette and columbia slough. Follow the line down, with certain improvements the city made in the early 1990's, we were approximately 6 billion gallons a year. That's when the city signed the agreement to start the cleanup in earnest, and you can follow us down where we are now. We're about 54% of the value controlled from the 1991 date, and we're on our way down to 2011. You can see the next two big increments. The west side tunnel and then the east side tunnel are the next two steps down. I mentioned already the 13 outfalls on the slough are completed and controlled. The seven, we have taken steps to control seven outfalls on the willamette. The 16 -- next 16 outfalls will be controlled by the west side tunnel and the southwest parallel interceptor. That leaves about 20 outfalls to be controlled on the east side, which will be finished in 2011. I'm now going to ask paul gribbon to give you an update with where we stand with the west side big pipe.

Paul Gribbon: Briefly, to go over the main pieces of what the west side big pipe consists of, it's 3 1/2 miles long, 120 feet deep. Goes from southwest clay street and naito parkway north through northwest nicolai to the swan island pump station. Two boring machines, we call them lewis and clark, carrying the overflow to swan island, to the swan island pump station. This is a section view of the swan island pump station. This is basically pumping out the east side and west side big pipes when they're done and delivering the flow to the columbia boulevard treatment plant. It's capable of pumping 220 million gallons a day, 137 feet across, 150 feet deep, and two forced mains that come from this pump station that pump to existing tunnels to take the flow to the treatment plant. There will be four shafts along the west side. One more over on the east side called the confluent shaft.

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But the shafts are at northwest nicolai street, northwest upshire street, southwest ankeny, and southwest clay streets. They convey flow from the surface conversions down into the tunnel and consolidate our existing outflows, also providing access to the tunnel. Then upstream of the tunnel is the southwest parallel interceptor. We're doing segment three as part of this project. Segments one and two are complete. There's just work going on on the shafts themselves, but this goes -- this segment three goes from southwest bancroft to southwest clay street. Current status of the project, as you all know, the tunnelling on the north drive is complete. Most of you have had a chance to see that. So lewis is finished. It's been crated up and shipped out. Clark, as you see on the bottom, is 600 feet north of the steel brindle, and is continuing five days a week. The next milestone will be its arrival at the ankeny shaft. Tunnelling is 60% complete overall right now. Swan island pump station, excavation is complete. The wet wall concrete is complete. That's a shot of the pump station as the wet well as being put in place. Nicolai shaft over on the west side is where all the soil is removed for the southbound tunnel and it's where all the concrete segments are delivered. Once the tunnelling is done, the shaft -- the interior of the shaft will be built out. Upshire shaft further down, clark has already passed through the shaft, and now the finish work will begin. This is a shot of the shaft, preparing for the receipt of clark sometime in april of this year. Then fourth down, the last shaft on the west side will be clay street. The interior walls are being done, also preparing for the receipt of clark, and clark should be there by december of this year. And in segment three, as I said, all the pipe installation is now done, finishing the interior work on the manholes. Contract itself, right now we're slightly ahead of the contract completion date. We were -- I think in past reports, we'd slipped a little bit behind schedule. That time has been made up now. The swan island pump station excavation and the interior liner has proceeded faster than expected. They're beating the deadlines. North drive is complete and the south drive right now is on schedule and they're getting very good production right now. So we're making up time on the south drive. There's a cash flow chart. The dashed line shows what our original cash flow projection was when the project started. The actual cost up through december 31 of 2004 shows you where it is compared to what we originally projected. The yellow line shows what the projected cash flow is. Right now we're projecting to be slightly over what the original estimate was. Most of that is due to escalation. We did have some trouble with steel costs. Steel costs have skyrocketed since the job started, but overall we're looking to be right where we projected. Cost of schedule oversight. There was an outside audit completed in january. We also have a contract with jacobs associates, tunnelling firm, and they blend with our existing b.e.s. Staff. We have four full-time cost and schedule control staff. We do parallel cost projections and estimates. We continue to look at ways where we can either save time or money on the job. As far as local business participation and minority women and emerging small businesses, out of a total of 135 subcontract and purchase orders to date, 97 have been with minority women or emerging small businesses. Our original projection was to get \$13 million in identified opportunities right now we're at \$17 million. We've utilized over 300 local businesses and currently we're 450 construction jobs on site. We've also been audited. I'll turn that over to --

Marriott: I asked dick to come along, because when we embarked on these -- on this audit, we sought the assistance of the city auditor to help us, not only frame the scope of the audit, you to help us with the selection and work with the auditor. And dick was the person who graciously agreed to do that. And so he's here today to give you some -- a capsule summary of the results of those audits.

Dick Tracy: Just a preference, what my role was, what the city auditor's role was in this, initially we were asked to be the project manager for the audit work on the west side. We just had too many -- on -- too much on our agenda at that time to fill that role, but I agreed to act as an independent oversight in terms of the proposal and the request for proposal that was developed. The actual review of proposals from the auditors, to provide some oversight in terms of allowing the auditors

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to talk to me independently as a representative of the city auditor and review final reports in exit conferences. So my role really was to provide some objective independent oversight of the process, but not conduct the work. There were really two phases of this audit. One was to look at cost accounting. Are we actually paying for what we're getting? And the other was to look at management controls. Are the controls in place to ensure that this particular project, this size, had to make sure it was planned and managed and there was sufficient oversight. We essentially selected two firms to do this in joint partnership. And they -- the results of the audit essentially were -- in terms of the financial part, which is the cost accounting part, was that the -- the consultant, the auditor, found that the cost records were accurate and complete. And that the -- again, the management firm, was very cooperative in providing information to them. There was a quote. I'm going to quote this. You can see it open your screen. On a project of this magnitude, we would categorize the ihjv cost accounting as outstanding. This particular firm, pacific construction consultants, their job is to --

Saltzman: Dick, do you want to say what ihjv is?

Gribbon: Impregilio Healy Joint Venture, it's the construction contractor.

Tracy: The firm that's supposed to do this financial cost accounting, really they get really paid for finding problems. They get paid for finding costs. And for something this large, they found they little, which I think is testimony to the management of this particular project. On the project management side, there are another couple quotes that were in the report. Overall the owner's project management process is in comparison with industry standards is extremely good. The working relationship between b.e.s. and the joint partnership is excellent. We found that project reporting systems and techniques among the best in the industry. And I assure you from being an auditor, these kinds of compliments don't come easy. And so this is -- is actually a compliment to the management of the particular project.

Marriott: Thanks, dick. When we're done in just a moment, we'll be glad to any questions you have. Paul, do you want to talk about the east side?

Gribbon: Yeah. We have an extensive public involvement campaign, including the east side and west side both, but businesses who are associated with the project in one way or another, are impacted, we have a roundtable discussion periodically to go over the issues and updates of where we are. The project website, we have regular traffic advisories. We make regular presentations. There's an exhibit at omsi. A lot of interpretive signs. We do a fair amount of advertising. We try to get as much information out as we can. East side briefly, east side pipe will be six miles long, 22 feet in diameter. About the same depth. 85 to 175 feet deep along the route. It will extend from southeast mcloughlin boulevard and 17th along the east side to end at swan island. At the swan island pump station. We'll have five large shafts. Each piece called reach one, two, and three. I'll go over each one briefly. Reach one starts at 17th and mcloughlin and witnesses to water avenue near omsi. It follows the greenway most of the way. Then reach two goes basically from omsi up southeast third avenue through the east side industrial area. Under the burnside bridge, and then crosses -- this is going to be very difficult crossing, but underneath i-84. It's probably one of the key pieces of the alignment. And then further on reach three goes along the railway corridor to swan island. Right now we're at the 60% design phase. We have a technical review process under way right now. We've also gone through the construction contractor procurement process. That's been done. We're currently negotiating preconstruction services agreement with the selected joint venture. If everything goes according to schedule, we would expect requests for council approval by late march. And we hope to be coming back for approval to begin construction phase in december of this year. We will also have a request for approval of construction -- supplementary construction management services similar to what we had on the west side. Some of the lessons learned from the west side originally we didn't have the preconstruction planning phase as long as it should have been. We had to extend it. We're going to have a much longer planning phase on the

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east side. We've learned a lot about the experience of the tunnel boring machines. And outreach and continuing to create local and minority women/emerging small business contracting opportunities wherever we can. As one of the challenges on the east side. Actually east side is a larger tunnel, a longer tunnel. It's more money-involved, but the opportunities aren't quite as many as there were on the west side. So it's going to be a challenge. We want to work with as many people as possible to create every opportunity that we can and make sure we get them all out there and get as much participation as we can get.

Marriott: Just want to close out our presentation with just this final slide here on the program costs. We've spent approximately \$500 million of ratepayer money so far. The estimated cost upon completion in 2011 is \$1.4 billion. I know from talking with members of the council in the past that there's been a lot of discussion about finding other sources of money. We'd be able to talk about that with you at any time. We've been diligent about that, and would welcome suggestions you have about opportunities to help the ratepayers in that regard. Let me just close by saying, I hope the message you take away from this is that the west side tunnel project is on schedule and on budget and we are projecting it to be completed that way. We are on schedule with the planning and design for the east side tunnel. And we will complete the design work this year and we will, of course, establish a budget for the east side tunnel before we start construction of it. And we hope that -- in our plan and expectation is -- that we will track that budget as closely as we have on the west side, and that we can bring that project in just as well as we're bringing the west side project in. With that, we'd be happy to answer any questions you might have.

Potter: Questions from the council?

Leonard: I would follow up on the last point that you made about the \$1.4 billion and what we've tried to do to get federal funds. Do we have a point person that works for you or the city that is focused on that subject or is it more generally on the -- you know, governmental relations list of agenda items?

Marriott: Commissioner, we've been working all along, of course, with the -- our own government relations office here.

Leonard: I know that. I'm just asking, do you have a person whose function it is to try to figure out how to possibly get some federal dollars or is that a more jen approach?

Marriott: We've been working closely with marge kafoury on this. She's made trips to d.c. With me to work the delegation, work the hill. I think --

Leonard: Why haven't we been able to get on a final appropriations bill, on a markup? What is the reason we hear back from our delegation?

Marriott: I hate to speak for the delegation, but essentially what we're told is there's -- there's no money, that it is not a federal priority. It has not been in any president's budget since 1980 to spend federal money this way. There have been a few cities that have gotten some earmarks over the last 25 or 30 years, but that list of cities is very short. Most -- unfortunately, most urban areas of this country are on their own when it comes to addressing this kind of significant problem. And we look at our friends in astoria who are wrestling with this. I mean, they're looking at a multimillion dollar project for a small city like that. And there's no federal assistance for them either. It's big cities like us all the way down to small towns that are wrestling with this problem. I wish they were federal money -- monies available.

Leonard: I guess i'm just thinking, if we had a person -- i'm not criticizing your effort. I'm just wondering if we as a council haven't thought about this enough to like designate, create a position, to focus on this \$1.4 billion cost and think of ways that we might lobby to help defray the cost. I mean, I have a strong belief in the power of the lobby, having been the subject of their focus once or twice. And I just don't know if we've thought about that.

Marriott: I'm happy to talk to you about it. We have thought about it, but I haven't necessarily thought of every idea.

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Leonard: If we had a person hired that haunted the hallowed halls of congress, and that was their job in life, is to figure out how to defray this \$1.4 billion, that might be money well spent. There are many strategies that i'm not -- and none of us here are familiar with -- that it may be worth our while to focus on to reduce those costs. I'm just feeling like -- I mean, didn't this somehow originate as some kind of an mandate through the e.p.a., or d.e.q. working as their agent? How did that occur?

Adams: We lost a lawsuit.

Leonard: But it was based on an e.p.a. requirement.

Adams: Right.

Marriott: The foundation for why cities are doing this everywhere is the federal clean water act. You're not allowed to dump sewage into the river.

Leonard: Right. I'm thinking outside of the box, there must be nexus there between asking for --

Marriott: Frankly, the -- back in the 1970's, when the -- congress passed the clean water act, they also appropriated money to assist communities, realizing this was quite a burden on communities. That money dried up in the 1980's and there's been no money appropriated since. So the -- congress has authority. There is -- there's authorization for a federal wet weather grant and loan program, but they've never put one dime into the program.

Leonard: Maybe I need to know more from the prior commissioners, the efforts to better appreciate it, but it just feels to me like there might be an opportunity here that we haven't thought of.

Marriott: I think both commissioner Saltzman and Sten have worn out some shoe leather working this issue.

Adams: Could I get a -- could you email me a more detailed breakout of your awards and actual payments to mw/esb's?

Gribbon: Yes, I can do that. Thank you.

Saltzman: I wanted to ask a question. You're asking for the east side c.s.o., the greater cost, but possibly less minority women/emerging small business opportunities, could you --

Marriott: The big difference there -- and paul can talk about this -- is the extensive work going on at swan island with the pump station has provided a lot of opportunity. And quite a few of the companies you'll see listed, when he sends that list around of the minority women/emerging small businesses, that have gotten contracts from this job are associated with that work at swan island. That work essentially will be done in order to accommodate the west side flow. The east side job will basically be connecting -- starting a tunnel and connecting it up to the existing pump station. There will be opportunity --

Saltzman: I guess i'm curious, because the apparent winner of the construction contract, although it certainly is by no means final at this point, but I did observe their presentation at the Oregon association of minority entrepreneurs, and they set a high bar of 35%.

Marriott: We're encouraged by that.

Saltzman: How are they going to do that? Were they not being sincere?

Gribbon: We'll find that out during our discussions with them. We're very serious about that. For looking at where the money's going, the tunnel is bigger, it's much longer than the west side. We don't have a pump station, so the challenge is greater. Don't say it can't be done. It will be done.

Saltzman: Uh-huh.

Gribbon: But the challenge is greater.

Saltzman: I guess i'd like to -- i'd like to know their answer to that question before I would vote on awarding them a contract. So is that a discussion you'll have before?

Gribbon: Yes.

Saltzman: Something comes to us?

Marriott: Right.

*******:** Oh, yeah.

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Marriott: We will not bring you the big construction contract right away. We'll bring you phase one, the first phase --

Saltzman: Phase one, when they get their foot in the door, that's the time to ask the question and know the answer.

Marriott: Ok. We will work with them. I don't know how much detail will be known by the end of next month, but --

Saltzman: You know, it's disingenuous if they're making bold statements in front of minority entrepreneurs and we're not going to hold them to those statements.

Marriott: Well, you've got my commitment to work this issue as hard as possible. And just as we did with the west side, we set an aspirational goal that we thought was a challenge, and so far we've -- we've actually surpassed it. That's our intent.

Saltzman: No, i'm not faulting us or the current contractor.

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

Saltzman: You know, I do want to make sure that if a contractor says something, and they set the bar that high, we make sure they have a plan to meet that bar.

*******:** Part of phase one preconstruction is to work through all those, flush it out, and come up with a real number.

Saltzman: Ok.

Gibbon: I do also want to mention that most of you had the opportunity to take a tour in december. And commissioner leonard, we'll be having another tour this coming summer. We'll work with your schedule.

Leonard: I have a fear of being in a long, dark hole with you alone.

Marriott: Ok. I promise to stay on the surface, if you want to --

Leonard: I may need a bodyguard.

Marriott: I notice ed wilson even went to -- even left the city.

Leonard: I heard about that.

Potter: Any other questions? Thank you.

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

Potter: Karla, is there anyone here to testify?

Moore: We have a kent craford.

Potter: Thank you. You have three minutes. Please state your name.

Kent Craford, Director, Portland Water Users Coalition: Good morning. My name is kent craford. I'm here today to applaud b.e.s. for the work it's done on the west side c.s.o. I think the audit they put forward this morning speaks for itself. I think there's a very well-managed project. And on behalf of some of Portland's largest customers, I want to let you know that we feel very confident that our dollars are being well spent. That said, and there's always a but. We remain very concerned about the affordability of this project. \$1.4 billion is a lot of money, especially to shoulder entirely on our own without any state and federal assistance. And if you look at sewer rates, which are projected to grow at 5.9% this year and indefinitely into the future, Portland sewer rates are simply not sustainable. We've talked about a lot of different options for reducing that rate burden on Portland ratepayers, one of which is getting some outside assistance. We've also -- are very realistic, that is a very slim possibility. And so we encourage the council to start thinking about other options. You know, this is a -- a large project. We have no doubt that it will be well managed again when it goes to the second phase. That portion of the project will be on budget. The question is can we sustain that budget? And are there not other, you know, option we can look at for the -- options we can look at for the east side c.s.o. of less cost or over a longer period of time or with cheaper financing, or what have you. We're not prescribing any solutions at this point. But we encourage you to look into possibly solutions and we commit to work with you to do that.

Potter: Thank you, sir.

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

Potter: Is that it, Karla?

Moore: I didn't have a signup sheet. He was the only one.

Potter: Ok. Thank you. Karla, let's hear item number 90. Staff, could you please come up? Are you it today, tim?

Item 90, 91, 92 and 93.

*******:** Pardon me?

Potter: Are you it today for this presentation?

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

Adams: You have four items. Did you want to read them all?

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

Potter: The last item, Karla, o.m.f. would like to hold on to item number three until next week. So we'll pull that item.

Tim Grewe: Tim grewe, chief administrative officer for the city of Portland. Clear back when we started this project we informed council that we would be periodically coming before them to give them a status report on how this significant technology project was faring. That's what i'm here to do for you today and I will do it very briefly. First a little background for the public listening. Clear back in 2001 the council requested that o.m.f. complete an independent assessment of the water bureau open vision utility billing system. That assessment recommended to the council that we move forward as quickly as possible to replace the open vision system. In 2002, the water bureau was able to reach a basic level of stability for the open vision system, and at that time o.m.f. began the process of initiating a bidding process to replace that system. To assist us with that, we secured the assistance of an outside project manager, management services utility group, and a quality assurance team to act at making sure we identified issues promptly and resolved those issues, pacific consulting group. We entered into a very extensive selection process. In january 2004 awarded the bid to cayenta of canada to bring their system in as a replacement to the city. Today we're approximately 1/2 complete with the project. New computer hardware has been purchased and is being installed. The cayenta software has been installed. We're 1/2 complete with functional testing. We are creating interfaces between cayenta and other city systems, such as ibis. We have five minor modifications to the system that have been successfully completed and are presently undergoing testing. And by modifications, we're talking about things such as very minor modifications to meet some of the city's business needs. We have 88 custom reports being created, which includes 22 new reports. An example of those are -- of the 22 new reports is report on accounts assigned to collection agencies. Another example is consumption by meter. Management information that we need to have in order to operate successfully in our billing system. The report - the project remains within the original budget authorized by council of \$11.5 million. The project go live date is now march 13 of 2006. A delay of three months from our original work plan. The original date for the completion was december 15, 2005. The primary reason for the delay was to accommodate the extensive staff training that is going to be required prior to going live. We need to take approximately 60 people and simultaneously train them under the original plan, the training would have been done through the holiday satisfy, when employees want to take time off. Because of that we decided to delay the training till after december so that we could make sure that all staff would be present. We have four actions before you today pertaining to this project. First is the acceptance of the status report. Second is an amendment to cayenta -- to the cayenta contract to change the go live date for three months as a result of that training requirement. The third action is to extend the contract with management services utility group, and although i've asked the mayor to refer that back to his office i'd like to briefly tell you today about the amendment, and that will be available when it comes back to you next week to do that as well. That contract amendment and the reason I want to highlight it, amends the contract by \$496,000 and extends the contract term from

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june 30, 2005, to june 30, 2006. Under the original contract we assume procurement would take six months with installation take 11 months. However after we received the bids it was decided that we needed to go through much more extensive review of the bids to ensure that we were getting what we thought we were getting once we awarded the bid. That led to the -- as a result, instead of six months for procurement, it actually took 11 months. Additionally, the contract was ultimately negotiated with cayenta specified an implementation period of 23 months, or seven months longer than we had originally anticipated. The combination of the extended selection process, a longer implementation schedule, and the extension of the go live date combined to require this contract amendment. The final action extends the contract termination date for a quality assurance team, pacific consulting group, by an additional three months and an additional cost of \$36,600. However, in spite of these contract amendments from a financial perspective, we remain very well in budget in terms of the \$11.5 million that council authorized. Goes without saying that this project continues to be a high priority for those managers involved on your behalf. That's both in terms of keeping the existing system stable. The open vision system. Keeping it stable and functioning, as well as making sure we have a successful installation of the new system. And at this point I think the entire management team is very confident that we will have a successful implementation and consistent with the new schedule. I'll stop there and answer any questions, mr. Mayor.

Potter: Any questions from the council?

Leonard: Have we seen this system operate anywhere else?

Grewe: Yes, commissioner. That was part of that added due diligence that we did at the beginning. Let me clarify that a little bit. We ended up with two successful bidders that survived the process. One was a very large contractor that had done many, many installations. The other was cayenta, a small canadian firm that had mostly done installations in midsize cities. We didn't know much about them, but the difference in cost was very substantial. So we elected to take a second round look at both of those companies. With the real objective of seeing if the lower cost company really could meet our needs. Members of the selection committee traveled to four or five cities, talked to numerous cities, where both systems were up and operating. We required them to come to the city and actually show us, on a computer, the things working, that they claimed were working -- would work. We subjected them to answering 300 critical questions to our system in terms of how that would operate. That's what took all that extra time. At the conclusion of that, we saw absolutely no reason not to select the lower cost system, the cayenta system. It was the right decision for the ratepayers and we were fully convinced they'd be able to meet our needs. Thus far, that's proven to be true.

Leonard: Will this new system support online payments and those kinds of things that we don't currently do?

Grewe: Yes.

Leonard: So as soon as this is -- those kind of features will be there?

Grewe: The issue with online payments is more of an issue with our enterprise system, our financial system, which we're in the process of replacing as well. It's also an issue of cost, because every time we do an internet transaction, as you know, because we're doing this in b.d.s., we pay a transaction cost.

Leonard: Right.

Grewe: We'll be bringing those types of decisions back to council, but this system will be fully capable of doing that, as long as -- it will be fully capable of doing that at the time we're able to replace our financial system. We may be able to figure out a work-around on that.

Leonard: My last question is, have you got built in the 30% discount rate for stormwater discount into the program?

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Grewe: Yes. That was one of the things we assured council, is that this system would be capable of doing. That will not occur until after the go live date.

Leonard: But it's -- the system, as I understand it, that was one of the issues with the prior system that caused it to crash.

Grewe: Yes -- well, i'd have to get the details on that, commissioner.

Leonard: That's not true?

Grewe: I don't think that's correct. No.

Leonard: Somebody at b.d.s. told me that.

Sten: That's why I reacted so strongly. That's not true.

Leonard: Ok, good.

Saltzman: It's not true.

Grewe: To your point, we told the council we'd make sure the system was designed to handle that and monthly billing.

Leonard: Excellent. Thank you.

Adams: So you're simply requesting a three-month extension of the contract within budget? That's the only change?

Grewe: Yes. Both the outside contract cases that's true.

Adams: And why are you pulling the one contract back?

Grewe: Well, we found out late in the process that there was an issue with the payment of their business license. That's not acceptable to me. I didn't want council to be in a position of enacting a contract when we had an outstanding issue in business license.

Leonard: Is that a result of our new and improved enforcement actions at the bureau of licenses?

Grewe: Yes.

Adams: What a self-serving question.

Grewe: We believe -- we believe payment has been made. I don't have all the details as to why the payment wasn't made previously. I want to know those details.

Potter: Questions? Karla, is there anyone here to testify on this?

Moore: We have a dave lister.

Potter: State your name. You have three minutes.

Dave Lister: Dave lister, coowner of a software company here in Portland and a member of your small business advisory council. Good morning, mayor. Good morning, gentlemen.

Saltzman: Good morning.

Lister: I've followed this c.i.s. System with particular interest in that i'm a Portland business owner, a water utility ratepayer, and i've been writing software systems for the last 25 years. It's not unusual in our industry for deadlines to need to be extend. That is the norm. In fact, I think collectively the only time the software industry met a deadline was for the y2k rollover, and that was only because we couldn't put it off. And it's gratifying to hear that this project is still under budget. In the spring of 2003, commissioner Saltzman invited me to do an independent review of the r.f.p. which resulted in the selection of this cayenta system. And that was a voluntary effort on my part to look for potential pitfalls to see if we might have another issue like we had. In that review I identified an issue which was pertinent at that time, and I think it's still pertinent for this new council to being cognizant of. If you'll recall, when the other system was unable to deliver on the promises of their design, a problem which cost the Portland ratepayers upwards of \$20 million, the city had to continue to deal with them for three years to the tune of \$1 million because they had control and ownership of the system source code. I think it's vitally important that this council understand whether they're buying a program or whether they're buying a license to use a program that's a difference between having control and ownership of the system source code and not having it. If heaven forbid, the business relationship between Portland and cayenta canada should go sour, and what we actually have is a license to use their product rather than access to be able to maintain

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and modify the product with either city staff or other companies, then once again we're going to be joined at the hip with a hostile vendor and in the same situation as we were with them potentially having to deal with an unhealthy vendor relationship and ultimately replace that system again. I just want to bring that up. I've been kind of a voice in the wilderness on this issue. I just want to bring that up to this council. We all want to plan for this thing to work. But we want to prepare for problems. What I'm trying to point out to you today is that if the city does not have access to the source code for the new system, then if there are problems you'll be replacing it again.

Leonard: So what is the answer to that? Can somebody tell us?

Potter: Staff here, does anybody have the answer? Staff? Tim? Thank you, mr. Lister.

Grew: Dick, why don't you come up. We're well aware of this risk. We were aware of it right from the beginning. That was a problem with the old system in terms of not having access to the code to fix it. The provisions of this contract have the code in what we call an escrow account. Under certain conditions, such as going bankrupt, we're able to access that code legally. The reason the companies are concerned about open access to the code is because it's a competitive matter for them. They don't want the code to become available to their competitors. It's a proprietary type of situation, but we think we're adequately protected in the event something happens business-wise to cayenta that we can get access to that code.

Potter: Anything to add?

Dick Hofland, Office of Management and Finance: We have in fact in escrow right now the test version of the software, the cayenta software, that we're using. We required them not only to put the code into escrow once the system was completed and accepted, which had been the strategy with s.c.s. We required any version that is installed, even at this stage for configuration and testing. We have that, I have confirmation from the escrow that we do have that now.

Leonard: What are the conditions under which you can gain access to that?

Hofland: If we terminate or cayenta were to terminate our maintenance agreement for any purpose there, I believe we can also get it if there's some kind of material dispute that we have with them, etc. There is some level of risk in gaining access to the code, because at that point, then the company has no obligation to to continue to maintain or to continue to certify the accuracy of their system, because after all we've got maintenance -- access to it and we may have done something to foul up the works. By retaining the company in the loop with the ownership of that license or the code that goes with it, as tim says, is a proprietary matter for that them. If the company has that, they have the obligation to continue to guarantee and certify their product.

Leonard: I'm assuming, and I think tim has spoke to this, that we have researched the company to the extent, so that we're comfortable with the kinds of issues we had with the other company.

Grew: We checked them out every which way, financially in terms of their technical abilities, their project installation, their parent companies, financial condition. In fact, at the time we were awarding the contract, their company was selling cayenta to -- who was it? Harris?

*****: Yeah.

Grew: To a larger computer outfit, harris computers. And we in fact did due diligence on them as well and required them to legally enter into the same guarantees that the other parent company had been offering us.

Hofland: At the time we did enter into the contract, cayenta was a wholly-owned company of titan corporation, and the -- what was going on was titan was -- lockheed was trying to buy titan. Cayenta has subsequently been sold to a different company, away from titan, but titan corporation, very large company, remains a corporate guarantor of the cayenta work, as well as their -- you know, software, even though they no longer own cayenta. Ok? We allowed that corporate guarantee to flow through and remain in place with titan.

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Grewe: So we think we're well positioned in the event that -- in the unlikely event i'm going to say that we have any kind of a system failure or downstream something happens to the company, we need to look at other options.

Potter: Any other questions? Ok. We're going to take a vote on items 90, 91, and 92. Karla, please call the roll.

Adams: I just want to thank dave for raising this issue with me when I was chief of staff about two years ago. It was a great suggestion and i'm glad that we were -- we accommodated that in terms of the contract negotiations. This delay, but staying within budget, sounds very prudent in being able to adequately train staff. So congratulate staff for taking on budget and the additional time for training sounds very prudent. So i'm happy to vote aye.

Leonard: Aye.

Saltzman: Good work by everybody. Keep it up. Aye.

Sten: Well, i've lived this and am looking forward to living with one that works, and very much appreciate the work done today, also to the citizens, dave, and others who are helping us get this right this time. I actually have a lot of background and opinions on source code and things that -- which we ought to do in those cases, and I think we do have a solid strategy this time around. I'm glad to vote aye.

Potter: Aye. [gavel pounded]

*****: You need to do 91 and then 92.

Moore: 91.

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

Potter: Aye. [gavel pounded]

Moore: 92.

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

Potter: Aye. [gavel pounded] now to the regular agenda. Karla, could you please read item 115.

Moore: Yes.

Item 115.

Potter: Staff? Is anyone signed up to testify, Karla?

Moore: They had a powerpoint presentation.

Saltzman: I wasn't aware they were going to make a presentation.

Potter: Maybe it got to lunchtime sooner than they expected.

Leonard: I'm fully in support of this, mayor, if you want to vote on it.

Potter: Yeah. Council ready to take a vote?

Adams: I'm ready.

Potter: Ok. Karla, please call the roll.

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

Sten: I would say the work at johnson's creek is exemplary. Aye.

Potter: Aye. [gavel pounded] item 116 is a second reading. Karla, please read 116.

Item 116.

Potter: Second reading. Let's take a vote.

Adams: This is otherwise known as what happens if the bridges fall down. I vote aye.

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

Potter: Aye. [gavel pounded] Karla, please read item 117.

Item 117.

Ed Ruttledge: I'm the employee relations manager. This was the result of some special negotiations with detu last fall for store keepers. There was a ratification vote by council in november, however I -- I erred. I failed to include storekeeper acquisition specialist three classification with the other classifications, one and two. So this ordinance fixes that.

Potter: Any questions from council? Thank you.

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*******:** All right.

Potter: Karla, please call the roll.

Moore: Did you want to ask for testimony or --

Potter: Oh, excuse me. Is there any public testimony?

Moore: We didn't have a sign-up sheet.

Potter: Ok. Council ready to take the vote? Karla?

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

Potter: Aye. [gavel pounded] do we need to have commissioner adams vote on that as well for an emergency?

Moore: No. I'll just note him as being out of the room at the time.

Adams: Aye. Or you can say he voted aye.

Potter: Karla, please read item 118. This is the second reading. Let's take a vote.

Item 118.

Adams: Thought it was fascinating that the city of Portland has items on this list and the Portland development commission. I vote aye.

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

Potter: Aye. [gavel pounded] this is our last item for the morning. Let's recess.

At 11:02 a.m., Council recessed.

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FEBRUARY 16, 2005 6:00 PM

[roll]

Item 119.

Potter: Staff, please state your name for the record.

Paul VanOrden, Noise Control Officer: Mayor Potter and Commissioners, my office responds to a myriad of noise complaints ranging from excessively loud clubs to mechanical equipment. We also process noise variances. Our staff acts as the city technical experts on noise pollution issues and works at every city bureau, especially the portland police bureau and city planners to ensure that citizens' concerns are not forgotten about in the work that each bureau plays to create a health and liveable community. With me tonight is Bruce Walker of Office of Sustainable Development. Bruce and I will be here tonight to act as staff to present an overview and history of the project that is before Council tonight. I'll be focusing on the noise elements and Bruce will be focusing on the work that the office of sustainable development does. Tonight in the audience we have in the audience we have a number of important members of the community who are involved in this process. Of special note are the members of the noise review board, the garbage nighttime subcommittee which was part of the noise control task force and the noise review board. They are present if any of the members of Council have direct questions in regards to their work. I'm going to jump right into the history of this project. In September of 2000 city council identified the need to take a broader look at the way the city addresses noise pollution and its impacts on the community. Council established a noise control task force to look at emerging noise issues and to help the city's existing noise review board to develop a set of recommendations for council to address the emerging issues of noise pollution and the existing concerns on the city's plate. It's important that council has the perspective that night garbage and recycling collection concerns was not the only issue the noise control task force was addressing. However one of the issues the task force heard about early on in their year long work was the issue of nighttime garbage collection. In October of 2000 there was a series of public meetings in the city where garbage collection came out as one of the issues the citizens wanted the task force to address. As the task force addressed the issue city staff also started its work. At that point Lee Barrett who is in the audience tonight, was with the office of sustainable development. Today he is with Metro. Lee and I went out in the field with the garbage industry and actually followed trucks around at night to get better handle on what the sources of noise were that were disturbing the community. We quickly learned by looking at the series of complaints that the city receives that the primary complaints were related to front loaded garbage trucks, not side loaded or rear loaded garbage trucks. So we began to analyze front loading trucks and to figure out if there were specific elements that could be dealt with from a technological perspective. We did learn very early on there were two primary sources you will hear about tonight from the noise review board that were of concern. First was related to the banging and clanging of the dumpster itself. Both materials in the dumpster banging on the faces of the dumpster, and also the lids and metal props that are used to prop up the lid banging around in the dumpster. A side concern was the utilization of metal lids as opposed to using plastic lids. We quickly learned that fire marshall's office had regulations related to utilization of metal dumpsters in areas that are close to residences or are in dense urban environments. So there wasn't an easy solution to requiring plastic lids. The second noise that we learned about as a primary concern in terms of decibel level is noise related of metal contact of the forks on the front of the dumpster going into the pockets of the dumpster with a 2 or 3 yard dumpster with metal to metal contact. As the dumpster is picked up over the top of the dumpster this particular source was creating peak levels of sound all the way into the 90, sometimes above 100 decibels. Which is clearly enough to wake someone from a sound sleep. Those particular issues were further studied during this process and will be discussed by Cary Stanley who is one of the members of the noise review board. As the

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noise review task force quickly drew to a close, a little less than a year later in May 2001, they developed a set of initial recommendations for Council. They did determine at that point with less than a year's worth of time and all the other issues on their plate that this concern and a number of other concerns would need more study. Council approved the recommendations from the task force and made some changes to the part on garbage trucks. Council forwarded this work at that time back to the City Noise Review Board which is the city's entity to deal with noise issues. The noise review board had direction from Council to focus specifically on finding technological solutions to the issue. Council had clarified that the concept of looking at an all out nighttime ban or the concept of franchising was not an issue they should be exploring. Council approved that document in August of 2001. The noise review board geared up to study the issue. Fortunately the subcommittee that worked with the noise control task force continued its work with the noise review board. As the study went forward one of the concepts that came back to the table was that driver training should be explored. When staff was out in the field at night, we quickly learned that a driver who was operating the truck in what I would characterize as a careful manner, could create 2-4 times less noise than an operator who was rushing through his route. It's important to note when we studied the issue we noted that the savings of going fast on the route, primarily in terms of dumping the load quickly, did not significantly save time or create financial savings for the haulers. The subcommittee members from the hauling industry agreed with us. As work continued, the other element that came to the table was the concept of how do we explore these two issues of fork noise and dumpster noise. And the noise review board worked with o.s.d. and at that point, with the bureau of development services to put together funds to study the issues further, and we put some small amount of money together and hired an acoustical firm to study the dumpster issue and how to quiet the dumpsters and to study the fork issue. Both those will be further described by, by the noise review board. I am just going to, to pop this behind on this. I want to take a moment and just show council a few photos very quickly, just so we have an idea of what we are talking about. I have three photos of, of a, a front-loaded garbage truck. The container you see in front of the truck is, is more or less a four-yard dumpster. The issue we focused on was 2 and 3 yards down the street. There is not a radical difference but we talked about the 3--yard dumpster. This is, this is, this, this is the key source of complaints when we look at the complaints that the city actually receives. This is, this is -- the description we get from the service issues on this type of situation. As the noise review board continued its work, o.s.d. began to explore immediate resolutions for the public. Two items in particular to mention, that they implemented in 2002 were, were a requirement that all haulers who operate at night utilize smart alarms. The smart alarm is a device that allows the truck to back up and emanate a safety alarm that, that, actually, is appropriate for, for the ambient level in the background, so the smart alarm will sense how quiet the background is and will lower the alarm. The smart alarms were immediately implemented by o.s.d. when that became an apparent solution to some of the complaints that the city received. The second concern, which we heard about and all members of the subcommittee agreed was that problem with night-time glass collection. Glass collection is something that we talked to the acoustical engineering community. There's not an affordable and quick fix for quieting the concept of the dumpster full of glass dumping in the middle of the night so o.s.d. implemented the regulation that glass collection at night upon complaints would be something, something that would not be permitted by the city. The subcommittee finished its work in April of 2004. And at that point, the city review board held a public hearing and invited the business community, the haulers and the citizens who had concerns to, to testify on the work of the subcommittee. The noise review board took the feedback from the community, took the work from the subcommittee, and, and tonight, before us we have, we have the body of recommendations from the noise review board. As a note to council, from, from the feedback that staff is receiving at our offices, we do anticipate tonight in the noise review board has mentioned it in their document that, that the business community will find the particular element of

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franchising to be a real challenge. I don't think that that's a surprise. We do also expect you will have neighbors who, who are in support of the work and who, who are at the opposite end of the spectrum, who will say that it's not enough. You need an all-out ban. And we do also expect to hear from a number of haulers tonight. At this point, I'm going to, to, to pass the mike over to, to Bruce Walker so he can describe some of the particular elements that, that are related to the sustainable development.

Bruce Walker, Office of Sustainable Development: Thank you, Paul. Mayor Potter, commissioners, I am Bruce Walker -- I am from the office of sustainable development. I am from the recycling program. O.S.D. works on the sustainable technology, green building, energy conservation, and, and, and salt waste and recycling issues. What our program -- what I manage as we oversee the recycling collection program, there are basically two different systems in place in Portland. One is for, for residential. There's a franchise system where, where there's, there's 32 haulers who provide service in geographic areas, where they are the only hauler providing that service. That's, that's from single family through a four-plex. Above that, larger apartments, as well as all the businesses in Portland are served by, by commercial permit systems where, where there are not geographic boundaries, nor are there rates set. City council sets rates annually for the geographic area under the franchise system, but, but the commercial sector businesses choose their haulers, negotiate their rates, and as you can imagine, there's more overlap of the trucks on the street. Overall, the system performs well. There's a 55% recycling rate, and, and we sent the, the power point photos of the, of the front-end loader. That was a cardboard cage. There is more recycling in Portland. A 55% recycling rate means more is recycled than is thrown away as garbage, so what he showed you, it was, actually, a recycling truck being picked up, very similar to the garbage dumpster, but that's, that's just a sideline of saying our system is working well. We received high marks on the auditor's s.e.a. report. We're proud of that. But that doesn't mean that there aren't questions and concerns. We get, we get, in our office, over 21,000 calls a year about, about our programs. Now, most of those, over half of them are, are people who, who are relocated and are saying, who is my hauler? They are trying to find out information of how to get signed up for service. We also receive recycling preparations, questions, and, and yard debris, scheduling questions, we also received some complaints. But to put it in context on a residential program, what the haulers -- the services provided in the franchise system, there's over a million collections picked up every month. So, that means the garbage, the recycling, the yard debris, they are making over a million collections a month, and we received 108 residential complaints last year. I think that that's a pretty good mark. It's, it's things on billing, missed collections, other issues like that. That's to put it into the overall context. When you switched to the commercial sector we, we, virtually all the complaints that we received in the 55 forward police department to us from, from the office of neighborhood involvement, relate to, what we're talking about tonight. The night-time collection of garbage in recycling. So, how does all this work through? How did we get there? In order to gain access to many businesses, night-time collection is needed. Many locations are difficult to service, and, and the businesses need to have the haulers providing the service at night. There are parking spaces are full during the day. There's, there's access issues, there's, there's the streets are busy in front of their places of business that, that having a garbage truck should, should show up there in the middle of the day, simply will not work. And of course, these night-time collections is what has raised this whole issue, the noise factor is, what's generated the, the citizen concerns. Now, I do need to clarify in both the residential franchise system and other residences, your apartment dwellings or condos, there's, there's collection is not allowed before 6:00 a.m. So, it's collection and other businesses that, that join businesses or nearby businesses that, that is generating the noise causing the problem for the residents. There are 74 -- we have done a survey of the haulers. There is 74 garbage trucks that collect at night, not necessarily every night, but sometime during the week. There are, there are over 11,000 dumpsters in Portland that are

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collected at night. So, that's at least on a weekly basis. That's both garbage and recycling. Some of those dumpsters are, are collected more frequently than, than, than once a week. So, we're seeing approximately, or slightly over 40% of all the dumpsters that are collected from Portland positions are collected in the night. As Paul already mentioned, we have adopted rules on the back-up beepers and the night-time recycling glass collection. We have limited that. But, there are other steps that are identified in the report, treatment of the dumpsters, some, some sound deadening devices that, that if that was applied to all, to all those dumpsters, it would cost over \$2 million. So you can see the concern, how can we move ahead in a cost effective manner. I want to, to assure you that, that part of our job is to, is to work to make this system work and to improve its performance. We have, we have participated with the noise review board on this issue, and McLaughlin for my staff who, who can't be here tonight, has spent many hours on this issue. We'll continue to work with the noise review board, and any training issues that could come up to, along with the haulers to further develop this program and we want to let you know that we support the board's efforts, and its recommendations. Thank you.

Potter: At this point, we want to hand the mike over to the noise review board. It's important to note that the staff has been an integral part of helping them with their work. We realize what you have before you tonight is a set of recommendations. We will probably require some, some direction back to staff on how we move forward, so at this point, in order to present the actual report, we would ask that, that three of the members of the five-number noise review board come forward to present the report. Thank you.

Jocelyn Cox, Chair, Noise Review Board: I am Jocelyn Cox. I am the, I serve as chair of the noise review board, one of five members, three of us are here this evening. The other two, I believe, were planning to come but may not be here yet. The other two are Donna Steger and Jeff Wilcox. If I may take one minute, I would like to, to express the board's appreciation to all those who participated in this process. Not, not only the members of the committee and the taskforce, but also the haulers who, who helped us, maybe most of all, the citizens of our city who, who spent a lot of time coming into our hearings and giving us their opinions and possible solutions. It's been wonderful. Thank you. The report we bring to you this evening is, is the distillation of all the studies, reports, and public testimony collected during this very long but productive process. About two years ago, the city council charged the board and its subcommittee with investigating and developing technology logical solutions to, to the problem of noise, and, and for night-time garbage collection. This, we have done, and we have several sensible and workable proposals for, for council's consideration. However, we begin our report by pointing out that council may soon need to consider the option of franchising. Or, or even instituting a ban on night-time collection and mixed use neighborhoods. If council should find, as our board has done, that noise of multiple collection operations is, is causing, causing sleep deprivation among our citizens, that, that quickly becomes a health issue, of pretty serious proportions. The board, in fact, now does endorse the franchise system. It is defective. It is efficient. It is widely used throughout our state and indeed throughout the nation, and, and it seems to be accessible to most of the city haulers. While the issue of franchising is being debated, there are, indeed, trimming procedures and technological solutions that could be adopted now to gain immediate relief. To present those options to you, I'd like to call on our other two members of the board here who have actively, each of them, participated in both the taskforce and the subcommittee meetings. Susan Pearce, Abernathy neighborhood, and Kerrie Standlee, who is our expert in acoustical sciences.

Susan Pearce, Noise Review Board: Good evening, gentlemen. It's good to be here. My name is Susan Pearce, and my address is Portland. I'm a member of the noise review board, as you just heard, and was a member of the noise review taskforce that, that, that convened from, from 2000 to sometime in 2002, if I am not mistaken. And have basketball a member of [inaudible]. As you have heard, we heard from citizens on, on the noise review taskforce since appearing in front of the

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noise review board from citizens, from haulers and other immense members of the, of the garbage industry, garbage and recycling industry, and, and the business representatives that, that prescribed to the haulers. Additionally, I -- as a member of the neighborhood, i, I sat on the noise review board as a citizen, and as a member of the abernathy neighborhood, the neighborhood agreement committee, I also hear both from businesspeople and from citizens about the same issue so I have some of my background comes from there. Jocelyn has just told you that the noise review board and it's the recommendation, two of the recommendations are that there may at some point need to be a ban, at least in some instances on night-time hauling, and that the franchise system may be the most effective system of managing this. One of the things that, that we have heard multiple times from residents in the city is the problem of living near a cluster of businesses and having multiple callers arrive at various times during the night at various nights over the course of the week, they are awakened repeatedly on some nights, and sometimes more than one night a week, which as jocelyn described, creates the problem. The problem of sleep deprivation, which can be a health hazard anyway. She didn't go into all of the details of sleep deprivation. Other recommendations that we have, in the meantime, are, are the following. The first four are, are things that could be instituted or, or in some instances, already have been instituted. Best practices training for the drivers who collect the vehicles at night, as paul and arden described to you, that the effect of driver practices in terms of not revving up their motors and to bring a bang -- to bring the dumpsters up, to do it quietly or not quite at full speed, it makes a big difference in the noise, and a minimal amount of difference in the time to process, the process takes. We have, we have been, working on that, and I know that, that o.s.d. has been working on that so, so the consultants put together the best practices training plan. That's still out there. The backup alarms on a collection, on vehicles which operate at night, are, are already in place. The promotion of the city of a complaint process, I think that would go a long ways to provide citizens with a sense of having some, some way of responding and dealing with the problems. The complaint process is in place but not everyone knows about it, and I know this, this from, from -- although you have heard that I think that there were 55 complaints regarding night-time noise to the o.s.d. and to the noise review office. I almost get 355 as a neighborhood board member, but I get a fair amount of those myself, and, and I think that people, even after I walked through on the complaint and the noise review board and into o.s.b., they are not always clear on that, so just having a better way of letting the citizens know how to voice a complaint would be, would be useful. The bureau of development services should take night-time noise generation into account when reviewing pick-up locations and a site development plan. That also goes, I would think, to, to the planning department, that if they can, if they can plan developments, plan neighborhoods so, so that, that the, that the dumpsters are on the side of the development where, where there are businesses, as opposed to the side of the building where there are residents, that makes a big difference. Just, just where the dumpster is placed makes a big difference. In the amount of noise that it gets to the residents. The following suggestions for various reasons are more long-term. Already, we have adopted restricting the glass collection by the office. That already has been adopted. That occurred on, on september of 2002. That makes a big difference. Treating the supports with sound coating, which has already been adopted by the office of sustain development in september of 2002 is, is, is also recommended. Containers or dumpsters [inaudible] treating the forks on the trucks with sounding material -- I am going to let stanley explain to you how all of this works because that's a technical piece that he can, he can do better than I can. Even plastic even if the lids were allowed, it's very helpful as paul told you, there are, there are lots of places where they are not allowed because of the, they are a fire hazard. In some cases, individual case review may, may, may -- if, if everything else fails, it may require sitting down with the individuals, doing some mediation, and, and then, then dealing with, with the situation on a case-by-case approach may, may be one of the answers. Some, something that may happen -- that may be one of those cases where, where an all-out ban on an area might, might be the

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final result. Changing collection hours and locations of garbage [inaudible] additionally we are on the lookout for new technologies that, that may, may, um, may apply in the future. I am going to let Kerrie standlee take over and talk about some of the more technological aspects of this.

Kerrie Standlee: Thank you, susan. Good evening, mayor Potter and commissioners, I am kerrie standlee, i'm a member of the noise review board, as you have heard, and, and i'm the technical representative to the board from, from the acoustical field, and, and i'm a registered acoustical engineer in Oregon, and, and I have been on the board. I don't know how long. It's been so long that I have forgotten now but I think it's over 20 years.

Potter: You have gotten our attention.

Standlee: Well, what I want what I wanted to speak to you about is the technical aspects of reducing noise from garbage truck -- from garbage collection at night. And as you have heard, mr. Van orden and mr. Barrett went out chasing trucks, trying to, to come up with some ideas of their own, on what could be done, and at that time, they established the fact that two large sources of noise were in one, the dumpster, itself, acting like a drum, radiating sound generated by material falling in the dumpster or by the dumpster's impact, being impacted by, by another object such as the fork. The fork being a metal object, the way it's, it's actually -- I don't know if you looked at the full packet or not but it's in attachment d, page 11, there's a photo of a side view of the dumpster fork, and you can see that it's tapered. It's what I call the butt end, the part that attaches to the truck, itself, that's the thickest part, and it goes out to a slender part out to, to the tip, and that's so that when, when they come in and train this pocket, it's on the dumpster, they don't have a problem with hitting the, the fork on there. What happens is when the dumpster is going up, that fork -- it's not in contact with all surfaces of the pocket, so it goes over a certain point, the equilibrium point the dumpster moves, and on the tip, it's like a hammer. It hits that pocket. So, that was the reason that the fork was looked at, as well. Now, now, um, the, the city, the city sent out an rfp -- my firm, daily standlee associates, submitted a proposal and we, we were selected to do the work, and, and, and, um, so, so we, we began looking at, at the, the dumpster first, reducing the noise from that, and, and we instrumented a dumpster at strategic points to measure the vibration levels radiating from the surfaces with, with a hammer tapping on the dumpster to assimilate the impact of the port.

We determined that we really didn't have to treat the whole dumpster to get a signature reduction. If you will go through, through the attachment c, page 28, of the report, we'll see that, that we identified the, the positions on the dumpster on the three-yard dumpster at least, like the ordinance said. There is three, four, sixes, I think that there is some ones, but this was, this was considered to be, to be a representative of what you can look at. For, for determining treatments. And you can see from, from the hatched area on the dumpster there. It's very minimal amount of material that's being used to, to treat the dumpster, and we, we -- although we measured approximately a 5 dba reduction in the level generated when we had people from the noise review board, of people from the taskforce go and actually listen to it, their response was, it sounded much, much more of a signature reduction than that. And when I say that, a 5 level reduction is notice building, but most are saying it's equivalent to half as loud. So we considered that was a viable way of reducing the noise. Now, it, alone, won't solve the problem. They are still going to need to be these other, other approaches, such as the train of the drivers. Those in combination with treating the dumpster because the dumpster, sometimes, the material in the dumpster will create noise. This can treat that kind of noise, but if the driver is accelerating and trying to shake the thing to cause more, more noise, that's not to cause it but it does cause more noise, that, that's adding to the noise that you are not going to be able to go below a certain level. When we look at the fork treatment, we found that, that there wasn't -- if you looked at the driver just trying to, to generate the most noise, we didn't see a signature reduction in the amount of noise generated with, with or without the fork treatment, i'll just give you -- this was the prototype that we used on that fork that, that I pointed to you. This was, this would flip over, what we call this, the fork sleeve, and, and bolted on, because this was the

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area where the impact was occurring. Once it was seated onto the fork, that, that reduced the impact on, on the dumpster, itself. One side point is after we did this, we were told well, that size won't fit all of the dumpsters so we had another prototype that was never tested but this was, this was, this was determined to be adequate for the different-sized dumpsters because of the edge of that pocket, where the edge of the pocket would fall, and this would cover all of them. What we found, though, is that the effectiveness of the fork treatment was related more to, to how it reduced the potential for loud bangs rather than, than providing a signature reduction of the absolute maximum that could be generated. Now, when I say could be, if a person was trying to, to really knock some things out, and they wanted to really slam it, you would probably get about a two d.b.d. reduction, for what it would be without the treatment. That's not signature. But, what we found during the, during the testing was, was that the number of times that the impact occurred, was physically reduced, so we, we think that this, in conjunction with other, other measures is, is a viable mitigation. You will notice what we proposed is that, is that this is a mitigation, along with the dumpster treatment that, that comes into play when, when there's a complaint. And I think that, that that's one of the keys to this, what, what we determined is that, is that there has to be a mechanism for, for a complaint to be lodged, the, the offices of sustainable development would take that complaint, review it with, with the, the company that, that serves the area, or serves this customer, the complaint is generated, and then, and then they would go over the list of things that can be tried. This would, this would -- these two items would be, would be two of the possible solutions, or, or, or efforts that could be used. As, as was said earlier, we are also recommending that, that, that more, more review of technology will be considered. It may require that, that the city, again, do some, some funding of, of investigation because, because what we are finding is that, is that, is that the -- there really aren't many cities in the country that are looking at, at garbage noise reduction, and, and we seem to be one of the leading ones doing that. So, with that, I think that, that I will, I will, I will open it for questions if you have any questions.

Potter: Any questions?

Adams: I have a couple of questions. Are you asking if a complaint is given that o.s.d. would seek to treat those, those commercial dumpster locations, or complaints have occurred, as opposed to seeking to treat all dumpster locations, did the committee look at the notion of banning collections at those individual dumpster locations where -- that are the focus of repeated complaints? Was that an option that you looked at, as opposed to, to banning all night-time or franchise commercial collections?

Pearce: Are you asking if there's, there's a complaint is given that one of the possible solutions might be a ban at that site?

Adams: During that time.

Pearce: And that was discussed? And the, the -- the -- in addition to, to, to treating the dumpsters. That would, that would go under -- I hope that I am not misstating here. The number of the committee members in the audience, that, that it's -- with those -- the complaints would be looked at on, on a repeated complaints, where it wasn't resolved, we looked at it on a case-by-case basis, and any of the, of the suggestions that, that we have put forth might.

Adams: I don't see in the report. I don't see where the individual commercial dumpsters, locations could or recommended that work, they are the subject of repeated complaints, that night-time collection at those specific dumpsters is, is a tool, and the tool kit for o.s.d. or for, for the noise review board or, or for the opposite noise abatement.

Standlee: I believe that's correct, and I think that the reason is, is being that we were, we were -- we were instructed by the council to not consider banning. However, we did discuss it in the beginning of our discussions.

Adams: Recommended it anyway.

Standlee: We didn't recommend it. We said don't take it off the table.

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Adams: Right.

Standlee: Keep it as an option for the future consideration.

Adams: But the way that, that --

Standlee: We didn't present it in our report as a recommendation at this time.

Adams: Right, and, and the way that you put it on the table just so that i'm understanding it is, is you put it on a ban on thorough evaluation on a ban of night-time collection if the time arises and the implication when I read it was that it was system-wide as opposed to a ban on collection on those commercial dumpsters, that that was a source of complaints. I am just wondering if you can, if you discussed the latter --

Standlee: No. I don't think that we actually looked at that as a specific option for osd to consider in their review of mitigation measures.

Adams: Thanks.

Pearce: Although, I would say in writing the good neighbor agreements, and I am speaking from my experience as a neighborhood board member that one of the things that we included in the neighborhood agreements often is asking the businessman to avoid collection in certain hours at night-time. We have just finished one, and that's included in that neighborhood agreement.

Adams: But in terms of your discussion of the commercial franchise for a ban is that, is that commercial franchise to get more control over, over night-time collections or a ban on night-time collections, either -- do you have a preference between the two? Are you, are you recommending the committee recommend a preference for, for consideration between the two?

Pearce: Between a ban or a franchising?

Adams: Yes. System-wide?

Pearce: Um, once again, I am hoping other people will chime in, and correct me if, if I am wrong but I am looking at our notes here. I think, um, either one, we would support either one. I think -- yeah, I think that we would go with the franchise first. Our recommendation would be franchise first, and then, and then the all-out ban. At least with the franchising, for those neighborhoods where they are having multiple pick-ups, multiple finals at night by different collectors, it would narrow it down to one series of pick-ups all at the same time, and that may solve some of the problems.

Cox: If I may, I think that that was the point here was that the idea of looking at franchising would at least give the city control over the number of trips down any given street. It would take place at night. You could say, ok, xyz company can do this, and therefore, there will be one trip per night, and people may get accustomed to that and be able to get through that whereas now they may be awakened. I have heard four times a night. That's not, that's not --

Adams: Thanks for your work on this.

Potter: Thank you. Any other questions? Are there other people from the noise review board who wish to speak? Carla? Public testimony, please.

Sandy Diedrich, NW District Association: Mayor Potter, commissioner, I am sandy diedrich, currently serving as the president of the northwest district association board of directors. And i've been involved in our neighborhood association, since the early 1990's, and, and the one constant issue always before our neighborhood association is the issue of noise from the garbage collection at late night and early morning. Over the years, members of our neighborhood association and neighbors have worked to, to, to bring the issue forward, to document the problems, to participate in the public process, and to work with, with the city and to develop an alternative for consideration. I am pleased to tell you that, that our board of directors whole-heartedly supports the excellent work done by the staff and the noise control board, and we urge you to favorably consider the recommendations that are before you, page stockwell who serves our safety committee will share with you our board's position. We know that, that this may bring some, some adjustments and changes and some accommodations on the part of, of businesses and other interests in our

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neighborhood, but we urge you to give favorable consideration because, because this is truly an opportunity to, to show how well the public involvement process in our city can work. Because this has been a very, very involved process with, with the citizens, and, and this also is an opportunity for you to make sure that, that the people in our neighborhood rest easier every night. Thank you.

Kerry Hampton, Portland Public Schools: Thank you. Mayor, commissioners, I am Kerry Hampton. I am representing Portland public schools. I am the district's property manager. We do have a concern about some of the proposals before you. The franchising of the commercial garbage collection, under the current system we have a competitive process, which is very advantageous to the school district, and we have over 100 schools, close to 100 schools scattered across the entire city. We contract with a single hauler to service all these schools. Because it's a competitive process, we are able to negotiate successfully with that single hauler to reduce our costs significantly. The annual cost, it's probably a savings of close to \$300,000 a year to the school district. Our contracts run three to five years and that's been the case in the last successful negotiations. We're able to specify pick-up times outside of our school operating hours for the obvious safety reasons. Not to have trucks with their kids present on the site or on the playground. We are able to minimize our management cost by dealing with a single, a single contractor for over 100 sites. And we would like to retain this ability to control and reduce our costs under the current system, or any other system that we care to adopt, we would like to insure that we still have that ability reduce and contain our costs from through the school district. We do have the ability to work on some of the recommendations presented before you. We can work with our contracts to, to insure that they follow best practices, that they take adequate noise mitigations for our pick-up times, and other technological things. I was delighted by the prototypes of the noise reducers for the forklifts on the pick-up trucks. Thank you, I would be happy to answer any questions you might have.

Leonard: Could I ask a question?

Potter: Go ahead.

Leonard: If you are able to negotiate hours differently than, than early morning, late at night, does that address some of the, some of the concerns of the neighborhood? I guess I may not be asking you that, I may be asking you that. If they came, if they came on the working hours to dump the dumpsters, does it make any sense to have an exclusion from the schools on the condition that they do that?

Pearce: I think that the framework of the recommendation provides for, for the city staff to be, to be able to make the accommodations that are appropriate. I think that the framework -- there is flexibility. I am reluctant to speak on, on a specific case basis, but I think that the framework provides for, for the flexibility to provide for equity.

Leonard: I would be interested finding out if we can have our cake and eat it too, have you not disrupt the neighbors, on the one hand but still be able to have, have --

Hampton: We do specify currently that they not pick up before 6:00 the way we like them to finish pick-up before the schools start.

Leonard: I would be upset at 6:15.

Hampton: It's a limited window with 100 schools. We try not to pick it up.

Leonard: I am trying to help you.

Hampton: Thank you.

Page Stockwell, NW District Association: Mayor Potter, council members, my name is Page Stockwell, I'm with the northwest district association board, as Sandy said, chair of the public safety and livability committee. I was also a member of the noise review board subcommittee on garbage collection. And I've been asked by the northwest district association board to present formerly our position on these issues. We have reviewed the September 8, 2004 report and recommendation under the noise review board and reducing night-time noise from garbage and recycling collection.

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We would like to register our support to the measures, for the measures related to driver training and noise dampening. We would also like to, to register our support for, for the establishment of a franchise system for the collection of all garbage in the city, with said system to include collection from all commercial businesses and multifamily dwellings, in addition to that, which currently applies only to single family homes and mostly family residences with fewer than five unions.

Issues related to garbage collection go far beyond the, beyond the suppression of night-time noise. Each customer on a given city street is more often than not served by two or more different haulers.

With different companies providing both refuse collection and recycling services for each commercial customer, this often means more than 10 different haulers for both sides of any given one-block section of a city street. This not only produces noise throughout the day and night in the form of crashing dumpsters, but back-up diesel engines, screeching brakes, but also significantly raises the level of air pollution. Particularly, air pollution from diesel fumes. Many other cities, which are less than environmentally concerned than ours have established franchise systems. The lack of one important is really indefensible. Along with the franchise system, we would like to see the institution of a ban on refuse collection between the hours of 10:00 p.m. And 7:00 a.m. Now please note that we consider night-time to extend to 7:00 a.m. -- [laughter]

Stockwell: Along with your point, and, and not 6:00 a.m. Is currently defined. This ban need not be city-wide. There is some flexibility, but should apply to neighborhoods such as the northwest district, which have a high percentage of residential structures. On most streets and such neighborhoods, there's little traffic congestion between the hours of 7:00 a.m. And 12:00 noon. Most of the establishments are open around 10:00. And with proper planning there should be ample time to affect all pick-ups without encountering traffic problems. The implementation of a commercial franchise system in itself, in fact, should further ease whatsoever congestion there might be by reducing the number of vehicles following the same collection roots. You won't have three different garbage trucks parked in the street at the same time. We hope that you will take our thoughts into consideration during your deliberations on this issue, and look forward to improvement in a situation which becomes more insufferable with each passing year. I'd like to, to include with a few personal remarks, um, the garbage collection noise day and night is, perhaps, one of the greatest challenges to neighborhood livability. It's bad enough a number of establishments stay open until 2:30 in the morning which means that car door slamming and loud conversations persist in some neighborhoods until 3:00 a.m. Or later. To have the garbage trucks begin their noise at about the same time is really quite unbearable. We are really truly grateful in our, in the northwest district that, that the noise review board are addressing the issues and providing concrete recommendation. And I would like to, to express our appreciation for all of their efforts. Thank you very much.

Lee Stapleton: Lee stapleton. I am, I live in northwest Portland, and i'm appearing personally, although I am on the neighborhood board. And I want to relate a particular scenario that happened to me when, when I was unfortunately out of my condo for about two months. I had, I had the pleasure, or displeasure of staying in temporary housing since the 22nd, or 21st, and northrop, and approximately at 3:30 every morning, and that was five days a week, or actually, six, six or seven days a week, there was a garbage truck picking up for the particular motel facility, as well as, as well as to restaurants in the neighborhood, and it wasn't, wasn't after 6:00 a.m., it was well before 6:00 a.m. And a real concern in addition to the fact that, that the people living in temporary accommodations like that were, were affected by it. There is also the marshal union manner across the street, which is a senior housing project. I think that when you look at a plan like this, you need to take into account hours for, for the commercial, as well as the residential, and i'd like to see -- I support the ban of any pick-ups before 7:00 a.m. I think that, that it would be very workable, and, and one of the things that, that -- one of the haulers that came to our neighborhood association meeting the other night said, there is no, no problems on, on making the pick-ups and the drop-offs

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of the garbage at the transfer stations throughout the daytime, so it's not related to, to that particular need as far as, as far as making the garbage drop-off, so, so I think that, that's one thing you need to consider. There are zones in the area that might be appropriate for, for different hours. There is some industrial zones, probably, probably in an industrial area but one of the things we find out there, and I am sure that you probably can relate to this, is that, is that when you have particular, particular quiet zones and you have a pick-up, you are going to hear that sound for, for quite a bit longer distance than, than you might, if you have the ambient noise in the neighborhood already. So, I really support most of the program on this particular matter. And I think one thing i'm not going to talk directly about the franchise but I think if we look at a franchising system, I think we need to look at it not necessarily from one commercial hauler in the neighborhood but maybe four or five appropriate haulers for a particular zone to, to, to -- so they can work out the routes and everything and cut down the amount of traffic, and, and maybe there is another option that, that, that it should be put back on the table, and that's municipal hauling. Maybe the city needs to take over the municipal garbage services for the entire city, and that's the way -- that's not going to be very popular but if it's more cost effective, maybe that's something that we ought to look at. The other thing that i'd --

Adams: The girl behind you just started to sweat.

Stapleton: I know that. [laughter] But the other thing to think about very seriously about that is, is that, that they talk about, about costing and you are able to have lower costs, but maybe even commercial hollers need minimum -- commercial haulers need minimum rates to make sure that everybody has a level playing field.

Vance Yoakum: Good evening, I am vance yoakum. I am here to request a ban on night-time garbage and recycling collection. I am asking for, for protection from the adverse health effects of being awakened by this noise. People who live in neighborhoods zoned residential already enjoy relief from such noise between 5:00 p.m. and 6:00 a.m. I would like all residents of the city of Portland to have a similar level of protection. People who live near the garbage and recycling collection site of a nonmultifamily commercial entity, have virtually no protection today. Any other noise mitigation measures, besides the ban, would fall short of providing reasonable protection and would perpetuate the density penalty that currently exists in regards to this type of noise. If franchising is the only way to ban night-time garbage and recycling collection, please institute some form of franchising. By reducing the number of trucks that operate in a given area would reduce noise and pollution, regardless of the time of operation. If daytime collection were the rule, fewer trucks would also mean less traffic. Local business owners may oppose commercial franchising but it works throughout Oregon and across the country. It has been said a night-time ban would be an extreme measure. A traffic, traffic and parking would be disrupted, pedestrian safety would be significantly reduced, hauling rates would rise considerably, and, and dumpsters would be, would be reeled past people eating at outdoor restaurant tables. Please do not accept these concerns without evidence. I would suggest a brief study with the cities that have some form of franchising and a ban on night-time collection. \$3 if you do decide that night-time collections will continue, please create a robust and fully funded complaint resolution system. Such a system would be widely advertised, with periodic mailings to all areas where night-time collections are allowed. Staffing levels should be, should be flexible and adequate to handle complaints within a reasonable time. A maximum noise level should be established. And when a complaint has been made, on-site noise level readings of garbage or recycling collections should be taken without the knowledge of the hauler. In addition, any resolution of a complaint should be well documented and enforceable. Please imagine receiving hundreds or thousands of noise complaints, imagine the number of city employees necessary to, to resolve the situations. I respectfully suggest a ban on night-time garbage and recycling collection is, is the only reasonable and cost effective method of, of

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providing meaningful relief to citizens who, who are repeatedly awakened by these garbage and recycling trucks. Thank you.

Terrell Garrett: My wife Chris and I own the Washington County Garbage franchise, the Portland Dropbox Company and a recycling company in nw Portland. There will be some people here to night who will purport to represent all of us. There are, in fact, a number of us haulers that do not think that the franchising is the solution to the noise issue. Different businesses have different service requirements causing a need for multiple trucks in an area. Due to the design of our city, homogenation of garbage is not possible as it was with residential service and franchising would only result in a very slight reduction in the number of trucks on the street. The true issue here is, is noise. Whether it is five trucks or 10 doesn't really matter. The first one is the one that wakes you up. There are many solutions that have been presented earlier. And franchising is not one of them.

In Washington county the hauler fee for a 40-yard drop box averages \$192. In Portland, for the exact same level of service, the customer pays \$75. A one-yard weekly dumpster in Portland is \$50. \$80 in beaverton under franchising. \$292 for a 3-yard twice a week in aloha. \$175 in Portland. Clackamas county, under franchising rates are similar. Portland businesses really don't need to pay a 50 to 150% premium for service. Also, under franchising the hauler no longer has to go the extra mile to get and retain your business. Just ask most roofers, contractors and apartment owners in the franchised areas. If commercial waste is franchised, within five years, 80% of the city will be controlled by three national companies. Phones will be answered in nashville by somebody who doesn't know, really care that the garbage has to be constantly picked up at the rose festival, and they don't understand that you have to get that drop box out of your driveway so you can get the roof on before it rains tonight. Local jobs will be outsourced. Businesses will pay more for less service, and the money will go to phoenix. I implore you to ignore this attempt to take over a market and to address the real key issue of noise abatement. Thank you.

Adams: You have a Portland-based company?

Garrett: Yes, sir.

Adams: And your message on not supporting a commercial franchise is clear. What do you think of the other recommendations to, to reduce noise?

Garrett: Some of them work.

Adams: Like --

Garrett: The driver training. perhaps, some limitation of hours. You don't need to be in the northwest neighborhood at 2:30 in the morning. 7:00 is probably a little late. Or 6:00 is doable.

Leonard: 6:30

*******:** Remember he's a garbage man, we get up at 4:30. [laughter]

Potter: Any other questions? Thank you.

BJ Seymour: Mr. Mayor and members of the commission, my name is b.j. Seymour, I live at the cumberland apartments at the corner of columbia, one block this way, and, and park avenue. The park blocks. And many times in the summer when you keep your windows open, I have been awakened at, at 3:00 a.m., give or take 20 minutes either way by garbage collections at the onford apartments one block west of, of where I live, but my apartment happens to face that way. The collectors for the neighborhood vary a lot. The collectors for the building I live in are usually there about 7:30 in the morning. I see them when i'm on my way to go and work out at Portland state. And they wave to me. They are friendly folks. Um, I have been a repeat complainer, particularly in the summertime about being awakened and one of the problems that hasn't been mentioned is engine noise of the trucks, themselves. I am not a mechanic. I don't know whether anything can be done about that. But the trucks that i've been complaining about, about are just as noisy as they are driving away after, after collecting the garbage as they are while they are there. It's the noise of the engine, itself, that disturbs us. And it's always been, in that particular spot, in the wee hours of monday morning, if you hate monday, imagine what it's like when you have, when you haven't had

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a decent night sleep because someone was collecting garbage at 3:00. I think it's important to recognize that, that apartment buildings are just as much residential areas as, as single family dwellings. It affects a lot more people, the building that I live in as 33 apartments, several of which have more than one person in there. So, um, I think that, that we need to, to consider that, that, that an apartment building is, is just as much a residence as a single family dwelling. Apart from that, I am delighted that the city is, is working on this problem. I support the recommendations, and, and i, I look forward to next summer when, when it won't be quite so noisy, I hope. Any questions?

Potter: Thanks.

Tony DeFalco: Mayor Potters. I am tony, I lived here for 2.5 years. In a one block radius of my apartment there is 4 restaurants, 1 hotel and one gym. I'm a strong proponent of urban density but we need to make it liveable. Early, late and weekend noise related to trash and recycling pick up are the primary problems. Regularly awakened in the morning and evening by sounds of crashing bottles, loading and unloading dumpsters, and trucks moving and idling. Primary sources for these noises were the restaurants. In a letter to Noise Control late last year I documented my efforts upon moving into the neighborhood to get these establishments to curtail early and late recycling and trash pick up. My requests to find solutions that would meet the needs of both the establishments as well as my own were ignored. Since that time I've been patiently waiting for the results of the task force to address these issues city-wide. I whole-heartedly endorse the franchise system offered by the noise review board. The system should definitely include restaurants. I also whole-heartedly endorse a nighttime ban until 7am. Four reasons for a franchise system: 1. requires fewer trips, reducing noise and traffic. 2. Limiting trips will increase accountability. If a hauler picks up recycling at 5am on my street, I won't need to run out in my shorts with the digital camera. Right now there is no accountability and thus, I suggest, underreporting of the problem. 3. Limiting trips will emit fewer diesel emissions. I'm very concerned about levels of diesel particulates in the Portland metro area. A recent study found that Portland exceeds the health based bench mark for diesel particulates by 790 times. Diesel particulates are known contributors to respiratory problems. Reducing these pollutants should be a top priority of the city, and reducing hauler trips, while a small step, can advance that goal. 4. Franchise system will give greater flexibility to the city to meet environmental standards, such as high recycling rates. To make measurable improvements toward higher rates and to develop innovation such as curbside composting without harming businesses. Only one other city in the us has a free market solid waste collection, so fears of businesses being negatively impacted financially are unfounded. I have two caveats to include re franchise systems: #1. To create a mechanism so that citizens can report noise violations that can be immediately translated into fines against haulers after 3 violations. Such a mechanism could be done through the internet or with a phone call to those reporting the violations to verify information. #2. Integrate past and future environmental performance criteria into the public procurement process for franchise agreements. This can help achieve, improve performance in solid waste handling as well as ensuring those haulers with good past behavior are eligible to secure franchises. I put myself at your service for reviewing draft agreements in this regard. In closing I would like to thank the noise review board and the volunteers who worked to craft the proposal. The time for action is now. Continued noise is a factor in my consideration of moving to a quieter neighborhood. Thank you.

Kimberly Gruetter: Hi, I'm Kimberly gruetter, owner of aber box. My husband and I own a drop box company in this city. I'm almost embarrassed with everything you guys have on your plate right now are even discussing this. It really shouldn't even be here. But I'm fearful that our industry—we have roll lock trucks. We fall into the commercial garbage removal area. We're going to be thrown into this pie. Also going to be thrown into this pie as Terrell said, every roofer, every contractor, every time that you go to do something to improve your home, it's going to be affected. Because you guys are taking away our business. You will kill us. Everytime somebody

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goes to put on a roof, they're going to have to go to their little book to tell who the hauler is. Well if that hauler doesn't work friendly with them, they have a problem. If that contractor doesn't have somebody they can count on, our phones ring at home. We sitting at home, we answer our telephone, we talked to these contractors. When they have a problem with someone, we're there. We're dealing with it right now, right here. I'm looking at this and I'm thinking I don't think that people have thought about every part of this. If you're talking about just commercial removal of garbage from restaurants and businesses in the city that's one thing. But you can't throw it all into garbage removal throughout the whole city. You can't. It's completely separate things. I'm concerned. On the other hand, I've sat on neighborhood associations, city boards. I've done all that so I know what it's like to be on all sides. If this is the biggest problem that these people have, I want their problem. They need to be sitting in my office paying the city's surcharges, the taxes, the metro. Everything that we pay to the city to support this business is overwhelming. We are not getting rich. We are not running around in Gucci. I'm trying to raise seven children and I'm barely making it. This will kill a lot of family run businesses. And that's a sad thing. We are not the fat cows people think we are.

Brian Heiberg: I'm Brian heigberg, partner with heigberg garbage and recycling here in portland. I didn't do very well in public speaking 101, so work with me here. Dear mr. mayor and Council. Nighttime noise is an issue all of us in the hauling community take seriously. We're providing service to our customers, there are numerous issues we have to consider. Driver safety is one of the utmost important issues that we have. Access to the garbage and recycling containers. When are they available, when are they blocked in? Traffic, blocking streets, driveways as people try to get to work and of course cost. What is the expense involved? How efficiently can this be done? Just banning nighttime collection is not the answer. This will create a chain of other problems including congestion, customer complaints and commuter frustration. Portland's current system, which is unregulated, however we do have 38 pages of administrative rules, requires garbage haulers to provide co-mingled recycled collection, as well as keeping glass separate. Cardboard collection, yard debris collection and potentially organics collection. This normally takes 5 separate trucks. This is to serve one customer at one location. Add 5 or 10 other collection companies and multiply the customers they serve and you can see why we have a problem. Not only for noise but traffic as well. It's a shame we have a system that touts the tons of recycling we collect, but ignores the amount of pollution and energy consumption that is wasted on doing so. In 1992 the city of portland franchised residential garbage and recycling collection. This was done after an attempt to meet state mandated recycling levels failed under our competitive collection system. The same system we use today in the commercial sector. This franchise system has proven a highly successful not only meeting the requirements of the state recycling mandate, but at reducing pollution, fuel consumption, traffic and noise, at the same time, providing citizens of Portland with, with an award-winning, cost-effective system that works. Not only works, but works well. If the city chooses to move forward with franchising as the noise review board suggests, it's imperative that we have a system that allows a company like, companies like ours to remain in business. It would be a travesty not to do so. Garbage and recycling bin in the collection business, in the city of Portland for over 58 years, we have, we have three generations of family working full-time in the company, currently we employ 18 people in addition to myself and my brother bruce, who is a partner. I know if there is a political had to do this, we could work together, and we can develop a collection system that will not only reduce noise, but traffic, pollution, energy consumption, so let's move forward together not only to solve the noise issue, but, but to make some real progress in reducing, reusing, and recycling. Thank you.

David White: Good evening, I am dave white, I am going to -- I am the regional representative of the Oregon refuse and recycling association. We have actually been working on this issue for over five years, and it's pretty hard to condense five years of work into three minutes. I hope you will

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bear with me. I represent one of my, my responsibilities as, as regional representative for, for orra, I chair a group called the tri-city haulers, a group in the tricounty area who provide recycling and collection service, including the city of Portland. And so we work primarily with the city of Portland and with metro. We all agree that, that, that urban environments are noisy, and that noise comes from many sources, I think you heard there were about 5,000 to 7,000 complaints last year, to the noise control office, and of those 55 were related to garbage. I'm not trying in any way to deny or diminish that there's a problem. As a matter of fact, we want to help make the city of Portland livable community. We work here. We live here, and we are as concerned about, about the noise problem, I believe, as anybody. To that end, the collectors that work with the city, like I said for over five years to examine the problem and help develop solutions, our members have participated in pilot projects and we sat on both the noise taskforce and the subcommittee, we work with our equipment manufacturer to help develop quieter trucks, and we have tested equipment modification that you have heard about tonight, and we have suggested training guidelines for, for quieter operation of our equipment, and we have agreed to procedures that we think would be helpful in addressing individual complaints. Based upon this, this five years of work, the noise review board has made your recommendations to you and we support all three of those recommendations. We believe that, that a ban on night-time section would have a signature negative impact on the safety of our citizens, the safety of our employees. We believe that it would have an impact on traffic congestion, parking, operation of the businesses that we serve, our abilities to provide the quality of service that we do, and, and the efficiency and cost of our service, which would end up with higher rates. L. We believe the franchise has, has many benefits, and I wrote a letter to commissioner Saltzman back in november when he had the bureau, and I attached it to the report that you have in front of there. In front of you. Just the headlines of what I think are the benefits of the program, such as this, is you can implement a, an organics program, almost immediately if you decided to do it because you would establish rates for that, and it would be done.

Sustainable and energy conservation, you have heard about that. Waste reduction policy, the city gets money from a tonnage fee, which is based on how much we dispose of rather than the amount of revenue we generate from the various things that we do, we think that that's kind of counter intuitive for a city that prides itself in waste reduction. You would have equitable rate for everybody, with the service that's consistent for everybody not based upon where they are located, if they want to recycle, how difficult they are to serve, if they are big, or small, can they negotiate a good rate. The night-time noise issue is clearly one. We think there are multiple reasons we would love to work with you to, to address those issues of a franchise. Lastly, we support the 16 provisions in the report. The question was raised earlier about, about what happens if, if you had a number of complaints, and then, and then instituted a ban on a site-by-site basis. At one point the bureau office of sustainable development in the new administrative rules proposed that. It's a concern that we raised, if that is effectively a ban because all a citizen has to do is say I don't want those people collecting in my neighborhood, complaining three or four times or whatever it takes and then it's banned. We think a better solution is to look at a franchise, but to implement the 16 provisions now. I've attached also an editorial segment from the Oregonian, called the busy city, the noises. City. I've attached articles that say [inaudible]. A letter from the Oregon restaurant association, that is opposed to a night-time ban. A code provision that you have currently on the book that says there should be no collection of garbage in the downtown area during the day. Why is that?

Potter: You will have to wrap it up, sir.

White: Just one last comment on, on an earlier -- it was mentioned that, that about rates in other communities, the city is currently spending \$80,000 to do a cost of service study. It's taken one year to figure out what the costs are and the rates are in this town. Nobody really knows, so I don't

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know how anybody can testify with the rates currently charged in this town, but I hope that will stop. Thank you.

*****: Thank you.

Jeff Murray, Far West Fibers: My name is -- can you hear me? My name is jeff murray. I have a recycling company, and I also sit on the city of Portland solid waste advisory committee, and I had not originally planned to be here today because I didn't think that I was going to have the time. However, this issue is, is extremely important to the solid waste advisory committee, as well as our company as a recycling company. We, we hoped that, that you will accept the recommendations from the noise review board. My own personal -- that comes from the entire solid waste advisory committee. My own personal experience and background, I worked in the solid waste on the collection site for 15 years of which six years is working for a company that primarily served the downtown Portland area, and from personal experience, I can tell you that, um, the few times that we had trucks break down where we had the service in downtown Portland during the day was a nightmare, at the least. The amount of time it took to collect garbage and the recycling was incredible, when we were forced to do it during the day. Also, what we are concerned with as, as -- on the recycling side is we believe the first thing that would suffer if there is a night-time ban on collection is recycling in Portland has worked very hard to get the 55% rate. So we highly recommend that, that you accept the noise review board's recommendations. Thank you.

Potter: Any questions? I would like to ask -- I have --

Saltzman: I have a question for brian heiberg. I think Mr. Garrett referenced the fact that this is a franchise that it won't be too long before there will be three companies headquartered elsewhere, do you think that that would be the case?

Heiberg: It would depend on, on how the city set up a franchise system, under a current system, we are being squeezed dramatically by very competitive rates. Some of these rates are, are so low that, that they don't even cover the cost of disposal. Part of that is from the possibility of the city regulating, so they are trying to get as many customers as they might, possibly could get. Some of it because of the way that metro has set up the disposal system, we're not allowed to have our own transfer station cover some of the -- however some of the larger companies do. The more tonnage they bring into their facilities that they can take to their landfills, they make more money. So, the rate currently in the city is artificially low on, on a lot of areas. It truly comes down to how the city sets up this program. We have stayed in business for 58 years -- we haven't stayed in business for 58 years by not knowing what we are doing, but as we move along, the regulation that we are dealing with is putting it harder and harder on us, the items to provide the service at a rate that will, that will sustain us.

Saltzman: Are we talking about geographic franchises? It seems like you would have to address the concerns.

Heiberg: Exactly, geographic area.

Adams: The question for mr. White. Mr. White, you talked about, about having -- your industry is as concerned about anyone about the noise problem. And yet you went on to say that you don't want any -- you want to infer you don't want any night-time restrictions on collections. Is that an accurate summary?

White: Absolutely it's an accurate summary. We are concerned about --

Adams: How do you make sense of those statements?

White: I'll tell you how. Be concerned about the noise problem and free throw address it. It does not mean that we will ever get rid of it, just like you can't get rid of the noise problems from all of the other things that cause noise in this town, an urban environment has noise, by saying we are concerned about it, we are at the table. We're at the table for the last five years working on solutions. We proposed a number of those 16 solutions --

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Adams: You don't want the city to do anything about collection between what hours? What hours would you be willing to, to limit collection or prohibit collections from taking place?

White: I'd have to get back to you on that. I would have to talk to the haulers to see. The city is so diverse and so spread apart, I can't tell you one thing, if you tried to do it like some people suggested between the hours, I think, of 6:00 and 10:00, we don't have enough trucks to do it, to try to -- we collect all night long and all day long now, and in different places, 40% at night, 60% in the day. If you shove all of that into three hours, what you have is a nightmare during the three hours, plus we don't have enough trucks to do it. The system can't support it. In some instances we need to spread it over time in order to have a system that's cost effective and efficiently using the trucks.

Adams: Is the tricouncil against any bans at any time?

White: We are certainly against a ban at this time --

Adams: Any hours of the day?

White: Pardon me?

Adams: You do not support banning garbage collection for selective sites at any time during the day?

White: That's right. We support is the recommendation of the, of the board.

Adams: But they also suggested a moratorium -- if no other solution can be found with the night-time noise.

White: I went to the meetings, I was on the subcommittee and I know that that's a system issue. If, if the, the franchise -- we elect not to do it, and if the 16 provisions don't work, it's on a case-by-case basis. It's on the regional location, they are saying you might have to look at the entire system and see if a ban is the correct thing to do after you tried what you recommended. You can ask them, but I am sure that that's accurate.

Adams: Thank you.

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

Scott Weld: I'm Scott Weld, representative for arrow sanitary company. There's many aspects to it. I was a part of a three generation family that operated underneath the franchise system, under those rules and regulations, for 58 years before we sold out. So, it's a very workable and feasible option, and I would, I would strongly suggest that you consider it and work through it with the haulers. Thank you.

Dean Kampfer: Hello. Good evening, mayor Potter, and members of the council. My name is dean kampfer, I am from the community of municipal marketing manager for waste management. One of the service providers of garbage and recycling services in Portland. Waste management services many residential and commercial customers within the city. Our drivers are union drivers. They have a very demanding job meeting the customers' needs on a daily basis and dealing with traffic and congestion and all those other considerations. Risk management has been very involved with the issue of noise and working with reducing and mitigating noise in the commercial night-time collection. We've been training our drivers on best practices, as I mentioned earlier, we've installed the smart alarms. We work with our customers, it's kind of on a complaint-driven basis. If a customer or, or a neighboring resident has an issue with our collection, we, we found the solutions and I think that I accommodated most all those issues. We have also worked with the city's solid waste staff, the noise staff, and also the, the noise committee. I'm a member on the subcommittee, as well. I want to thank all those people for, for their hard work and many hours of time they put into this to come up with a best practice, best recommendation. Waste management has worked on many of the pilots, which were demonstrated here, the container dampening, the one you see there in front of you, and also hydraulic pump. Waste management thinks the city needs to, to really be cognizant of all the citizen livability concerns before making any changes in the garbage collection system. You can't address one item without affecting one or, or many other of the, of the citizen

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concerns. The list of concerns are, are congestions on the streets and sidewalks, traffic issues, safety, of the citizens, as well as our drivers. Crime, street wear and tear, parking, environmental impacts to the community, pollutants into the air. The service cost to the customers. Customer service expectations. Mixed use with zoning, infill, and, of course, noise. The industry has changed over the years as well as where people choose to live. We used to service commercial customers with the truck picking up barrels of garbage. Today, we have one truck that picks up garbage. We have a second truck that's servicing the glass collection. We have a third truck picking up the other recyclable items. Fiber, plastic, and tin. Going forward, there will probably be a food waste truck, as well. If you had 10 different garbage companies collecting on a city block, you could have as many as 30 trucks picking up on any one week and many of these have multiple collections. There is many other collection delivery trucks, as well. Waste management recommends the city of Portland stop the noise review boards' recommendations. I want to thank you for having an opportunity to speak to you tonight.

Frank Howatt: Thank you, mr. Mayor, and the commissioners. I am frank, representing the riverhouse condominium on hayden island, and, and I am speaking from a narrow perspective. The complex -- it's a complex problem, and we have no arguments one way or the other about the solutions that are proposed except for, for the proposal of franchising all commercial hauling. We are classified as commercial even though we are purely a residential condominium in a completely residential section of the island. And competition among the carriers has served us well. We have contracted with, with several different haulers because of competitive considerations, and, and we would like to retain the right to, to choose the haulers that offers us the best service and the best value. And we think that the franchising ideas for 100% of the city is an approach. We think a more refined solution is really called for. Thank you.

Potter: Thank you. Any questions? Thank you very much.

David McMahon: David mcmahon, 2440 northeast 10th, Portland. Good evening, mayor and commissioners. I served on the, the, the advisory committee, the noise control advisory committee as representative of the garbage industry. My company does not do too much night-time collection, we are mostly residential. We start at 5:00 in the downtown area which, which we included northwest Portland, we don't do much downtown in the core area. And we do, um, attempt to be very quiet in noise sensitive circumstances collecting with, with just having the trucks running at idle speed, or, or rerouting as necessary if we can't -- sometimes we have had complaints where just the idling of the truck alone was a disturbance, so we had to actually shift collections. Night-time noise can be a very serious problem, obviously, for those who are disturbed by it. The commercial garbage collection with front load trucks and large containers is much noisier than the residential collection, and residential collection can be safely done after 6:00 a.m. Since it's not generally conducted on busy, high congestion streets. Residential customers also, also do not have, have, have a need for, for garbage and recycling to be removed before public hours, as many business customers do require. Night-time noise from all sources of problems which grows with increased density and mixed use developments. This problem will not go away. It will increase, and, and no one should minimize the impact of noise on individuals who are disturbed by it. I do support the recommendations of the, of the noise review board. The best practices by, by collection techniques, driver training, and that sort of thing, as well as, as well as improvements that can be gained with, with, with technical improvements, low-flow hydraulic pumps that may come onto the market, eventually that can be applied to these uses can make improvements but the problem is never really going to go away. However, a ban on night-time collection would have significant negative impacts. It may, you know, improve the noise situation, but there are, there are, obviously, tradeoffs, and I group these into five categories. One is customer service. Many customers require shipping and receiving the business hours due to the operational needs of their businesses. Access to containers, parking problems, customer interference, you have heard the example of rolling out the garbage

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container while you have patio dining. 23409 not enhancing to the restaurants' operation. Second category would be traffic congestion. This already shows, as a top concern in neighborhood polls, it's with downtown residents, it's, it's -- I think that 40 front load trucks serve the downtown area, and, and if you park all those 40 trucks out, double parked in traffic lanes during commute hours, or during, during the, the 7:00 to noon hours, that's going to increase congestion, driver frustration, and unsafe passing, and bring you up to the issue of public safety. Both pedestrians would be at greater risks with the trucks backing in and out of parking lots and blocking traffic. Driver safety, mentioned earlier is a very important concern, in the year 2000, the garbage collection industry was, was -- will the highest rate of fatalities of any industrial category. And most of those fatalities were caused by being hit by vehicles. So, it's, it's important but you are not likely to hear people, to hear people come up and complain about that at any time, either now or in the future. Cost of service, collection would be much lower due to traffic and reduced accessibility of the containers. Had a typical operating cost of \$1.25 a minute, delays add up quickly. Collectors would be forced to pass through increased costs and would find them to be unwelcomed by customers. We have a grievance today, and it could be a signature problem for them. You will hear from, from people who are experiencing those problems now. You will not hear from the people who may experience other problems consequent to, to, to collection restrictions today because they are not occurring today. They are only hypothetical.

Potter: You are going to have to wrap it up.

McMahon: Ok. So, it's your job to, to anticipate those consequences and evaluate them judiciously. You are making tradeoffs, and, and so, so I think that, that the recommendations of the noise review committee were, were our best effort to, to make those, those tradeoffs.

Potter: Is that it?

Moore-Love: That's all who signed up.

Potter: Ok. Council discussion?

Saltzman: I guess I am asking bruce, you are a seasoned veteran on these issues. Commercial franchising, I mean, it sounds pretty good in theory, but what I am hearing haulers say they have five separate trucks for, for all the various services, each, cardboard, organics i'm not sure that necessarily will address the, the noise related to the mixed use neighborhoods, and, and just wondered what your thoughts were, and I was also sort of struck, we are office of sustainable development. The whole point of additional gasoline consumption, diesel emission, things like that associated with, perhaps, banning night-time collections, looking out from a total environmental picture, what are your thoughts?

Bruce Walker, Office of Sustainable Development: Ok. Thank you, commissioner Saltzman. I'll talk to the last point first, and that is our office, along with the haulers, are, are looking at, at some of the, some of the alternative diesel fuels right now. We have got some research going on with that. There is going to be some, some changeover in fuel technology, and we're trying to work along with that -- with the city making changes, as well, in terms of the, in terms of the sulfur diesel, the biodiesel that's available, so that type of work is going on. The last, the last franchise review that, that the council undertook in 2002 under your direction, we, we brought forward the environmental management plans that each hauler is to address ranging everything, everything from, from fuel and office practices in terms of, of how their yards are dealing with stormwater and a whole range of issues. So, we're working on these issues in the broad context but, but specifically to, to what you are saying about, about franchise. The benefits -- the benefits it could bring would be, would be -- there would be does she if there was -- as you asked earlier, a geographic franchise, there would be -- with one hauler operating in that area, it would be several trucks that that hauler operates would serve that, that -- either neighborhood or business district, however you refer to it. And so, and so there would be fewer trucks. There would be fewer, fewer, or reduced fuel consumption, so, so we could look at it in those regards, I think, would have some real positives.

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There are some concerns as you are well aware, that the business community has raised. We haven't heard that much tonight, but, but in terms of, of some of the issues over cost and choice of service provider, in -- I am not trying to, to just stir those out there as a, as a hot potato, but, but we have got to recognize and try to bring a balance to all these concerns.

Saltzman: Would it make any sense if we look at the franchising issue to look at some sort of almost a limit? Two or three haulers per franchise area that were authorized to provide service as opposed to one hauler? I don't know if that would -- only be the same problem? I am looking at, from a commercial perspective or a customer perspective, the ability to have some price -- high competition. High competition --

Paul VanOrden, Noise Control Officer: I think it's important to help council realize that during all the dialogues with the noise control taskforce, the subcommittee and the noise review board, that any time that the franchising came up, the concept, although it was reported in the paper, was one or two haulers. The board was visualizing a series of haulers similar to our existing residential system so that we weren't eliminating this more localized economy with, with small haulers working in the Portland area, so they never really, really discussed the concept of the single franchise company or two franchise companies. We visualize multiple haulers doing franchising in select billings that we could, potentially down the road when we ironed out the system, if that's where we go, that it actually equitable assures they don't lose business relative to their current --

Saltzman: What I met, if northwest 21st or 23rd, if the businesses could choose from not every hauler out there, but maybe, we say that there is two that are entitled to serve that area, and then, and then the businesses have some ability to, to sort of price shop.

Walker: We would be able to look at a range of options if that's what you would like to be able to come back with some alternatives. In any of these, there are tradeoffs associated with, you know, there's pluses and minuses, and, and we'll respond to the issues and concerns that you raised.

Saltzman: If you think it's a crazy idea, you should tell me that at the beginning.

Walker: I don't think that's a crazy idea. I think it's a complex issue. All of these are, that relate to what seems like a relatively simple thing. It's night-time noise collections.

Sten: Based on the body language, you would make either side happy.

Walker: That's probably true.

Sten: I don't know if that makes it good or bad.

Adams: Could you clarify the concern about drop boxes with -- would this cover drop boxes?

VanOrden: The big drop boxes. Potentially, I mean, if we were discussing the concept of franchise system for commercial, currently, all the drop boxes that I know of generally speaking would fall into a commercial classification, possibly residential might be different but I might have, have -- apparently, it is correct then.

Adams: But it would be up to the city council. They could choose not to include the drop box.

VanOrden: They could say so --

Adams: Ok. I am just curious. And is there currently in terms of the residential franchise agreements, is there, is there any provision in the residential franchise agreements that, that haulers to the subject of complaints in the city of Portland, but outside, outside their residential fulfillment of the franchises taken into consideration? And when renewing or considering renewing their residential franchise?

Walker: Commissioner Adams, we take those, those complaints into consideration for all the haulers, so all residential haulers, also provide commercial service, so if that was to be a negative -- to be brought into consideration --

Adams: I mean, currently.

Walker: In the past franchise reviews, yes, to that.

Adams: And what were the complaints on commercial again versus residential? You had 180 for a million or something like that on residential?

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Walker: Well, the total complaints -- I mean, we get complaints to our office about, well, the rates are too high. That's not really a complaint were we view against the haul.

Adams: That's right.

Walker: And it's 166 where we found that, that -- The haulers got to be-- needs to address something. There were 108 of those on, on the residential side, and, and virtually all, I think it's 55 of the remaining 58 on the commercial side related to noise.

Adams: Ok. And I guess I have a question for, for Jocelyn.

Potter: Can I ask Paul a question before we call up anybody else? There were 55 complaints last year. I see you have been tracking these over a number of years.

VanOrden: In a focused fashion over the last four, this was an issue that was, that was a concern for the noise control taskforce. The numbers range from about 25 up to 55.

Potter: Could you tell me where those occur? In the city over the last four years?

VanOrden: They primarily occur in the high density locations. They are almost all commercially based as we discussed earlier, and tied to the front end loaders, and they tend to have them along 21, 23, 32 in particular of the 55 in 2004 for a, for northwest in downtown. The other region you might find outside of downtown are Hawthorne, the small business area, and, and along Clinton, it has the number of businesses. They tend to be in areas where we have, we have commercial entities right up against the residential.

Potter: Ok.

Adams: How many cities have moratoriums on collection of garbage in the commercial zones sometime of night or day?

Walker: Well, I don't know the exact number. It's, it's less than 10 that we looked at in detail.

VanOrden: The majority with most noise issues that we find again and again is a few cities discuss moratoriums, whether it's this issue or other concerns, pending much smaller cities that don't have the complexities that we have. So, it's hard to find a comparison in a similar-sized city, at least that we found in a limited analysis that we have done, so it's hard to find something that we are going to say wow, that works in the city with a similar size.

Adams: I guess that I should have asked a follow-up question to you, in terms of analyzing franchise renewal, that you have 55 complaints how is that impacted -- how has that impacted their franchise renewal evaluation process?

Walker: Commissioner Adams, the franchise is, is reviewed every five years by council. The last time it was brought forward was in 2002. So, there were very few night-time noise -- while the issue was being studied, when we brought it forward to council in our report, the, the primary focus was on residential performance, but we also brought up the, the other issues, such as commercially generated --

*******:** Or a specific collection for a specific franchise, true?

Walker: Right. We looked at that, and we did not feel that it, that there was a signature issue that would cause us to, to not go forward with the franchise, and we made that --

Adams: What would? How many complaints would you need to get on a specific caller in a commercial zone before it would impact your evaluation of whether they should have a franchise renewed for a residential area?

Walker: We have a system that, if the hauler does not respond, and, and where, where --

Adams: In the residential zones.

Walker: Well, even on commercial, where we issued not in 2004 of it, but in prior years, there were, there were a few issuances -- or penalties for, for collecting at apartment houses before, before, before the, the 6:00 a.m. Cutoff or, or allowance to go in.

Adams: What kind of penalties does a garbage hauler subject to for those kinds of, of transgressions.

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Walker: The first penalty would be for, for \$400, and, and it, it -- the second penalty would double over the course of the year.

Adams: How many penalties have you levied on the last couple of years.

Walker: Well, on, on night-time noise, it would be -- it -- again, this would be collecting from apartments because it's not, it's not -- there is not a ban on collecting from businesses. It would be less than 10. But close to 10.

VanOrden: I think it might help council, commissioner adams, just to add that this concern that we're addressing is, is such a new concern for, for the office of sustainable development and noise control because we primarily used a volunteer system of compliance, that if we were to move forward with any signature changes, it would need to rely on some of the same components that we currently use in noise control which are clear rules followed up with clear enforcements, so I think if we move forward, one way to show the public this is a system that works is the system would need to be equitable in having an enforcement system as -- that would assure the public to be safe with the system.

Saltzman: I guess I wanted to ask bruce why is it that the jurisdictions that franchise commercial have higher rates than us? It seems to be pretty much true.

Walker: Commissioner Saltzman, that's, that's of concern to us as we look at beginning and ramping up their organic's program and how to deliver that service to find out exactly what some of the costs are being charged in this marketplace where, where we don't have record of what haulers charge. Certainly, anecdotely, we have heard that, that the surrounding jurisdictions have higher rates. Some of those -- some of the reason for that is that those other jurisdictions have chosen to fund other programs out of the franchise fees that they receive, thus funding other aspects that, that could be viewed as artificially inflating the cost of garbage collection services but, we will have, have more firm information over the course of the next several months to really make some of those comparisons for, for Portland costs and how we could move forward with any recommended changes in our system in relation to the franchising or, or other steps that we may choose to bring forward to the council.

Potter: Did I hear you folks say in most cities in Oregon or around the united states, that there are commercial franchise requirements in most cities?

Walker: Mayor Potter, there are three common ways to provide service. One is, as one citizen suggested, a municipal operation, where, where city crews would make the collection. Whenever we reviewed and have done any conversation of how, perhaps, to change Portland system, we have not given that, that serious consideration. The other two primary ways to do it are a franchise system similar to our -- what we have been talking tonight about how, how our geographic areas are set up in, in our, our area residentially, the surrounding jurisdictions in the metro area and most of the state of Oregon used a franchise system. Other ways are to simply bid out service where, where a contract would be let for say half the city or, or, or however many, many pieces of the pie council chose to, to cough that up and offer service. There are, there are, um, conflicting views and different opinions on, on each levels of those other options.

Potter: It's hard for me to believe that in new york city or los angeles or chicago that, that this problem doesn't exist. What are some of the best practices from around the united states in terms of hours of collection, types, you know, of franchises or, or bidding out, I mean, what -- can you tell us or could you prepare for us that would let us see what other municipalities are doing about this so that, perhaps, we could just have at least a clear understanding of what's going on around the country so that we can maybe make better choices in terms of how we address this issue.

Walker: Mayor Potter, we would be happy to respond back with some analysis of, of different approaches at different best practices and ways to, to look at this. You mentioned three cities, and they have three different approaches, and there are, there are different -- if in some areas, i'm not sure, there is some benefits of how they approach things, but we're -- I say that in seriousness

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because I think that, that we're ahead of the game here, and, and we want to stay pushing in terms of, of service to the customers, high recycling rates, and in responsiveness to some of the issues that we have heard tonight.

Adams: Jocelyn, you are the chair of the group that looked at this, is that correct?

Cox: Say that again, please?

Adams: You are the chair of the group that looked at this? Is that --

Cox: I am the chair of the noise board -- gathered all of the information.

Adams: The noise review board -- ok. I thought when I read the recommendation the first sentence, it felt reading it, it felt like you, you got a grenade and kind of handing it to us, which is our job. But I just wanted to, to -- I just wanted to, to, to see what the thinking behind some of the artful wordsmithing, such as the phrase, "thorough evaluation." the noise review board recommends there be a, quote, "thorough evaluation of a ban on night-time collection," this is all a quote but put emphasis on "if the time arrives that no other solution can be found." a lot of the enthusiasm from the neighborhood folks for a franchise system rests on the assumption that the we'll, as part of that, restrict collection of garbage during hours that people don't want to, don't want it collected that interrupt their quality of life. So, can you give me a little more on what is a thorough evaluation if the time arrives and what the solution -- what, what, what a solution will be lacking in order for, for your recommendation, your committee's recommendation to me that we need to look at restricted hours for collection.

Cox: Well, I think we wanted to get, what we wanted to get at -- several things here. First of all, council, did direct us to, to look at the technological solutions. And this, I believe, that we have done, and we have offered a number of things that we can get started on right away.

Adams: Absolutely.

Cox: If you wish. And I think that, that it's, it's those, those prove to be whole until effect. Well, we get a lot of complaints, then I think it may be a very serious dialogue must start on one of the other solutions. If you haven't already started talking about it. I don't think that we are saying that either of these things -- a ban really is, is pretty drastic. I don't think the board would say that, that this is a good thing to even consider right now, but it may need to be considered in the future. Depending again on our vision for our city. We have been trying to, to increase density, residential density throughout and to get more, more mixed use this is happening. There are few traditional residential neighborhood selections in Portland. The rest of us are getting thoroughly mixed with commercial, and even some good industrial impacts coming now, so I think that we need to just stay ahead of that to, to agree that, that this is what we want for our city or this is not what we want for our city. But if it is, how are we going to deal with, with the noise pollution.

*******:** It's not just garbage, it's a lot of other things but that's one thing.

Adams: So the thinking of the committee is to try these alternatives before pursuing the notion of the franchise agreement or, or a ban? That's sort of the conversation, how the conversation went? Is? Or is that --

Cox: I need to have you repeat that. I am sorry.

Adams: I thought in your comments I just wanted to summarize to make sure that, that I understood that the group's work is to try these alternatives first. And if that doesn't reduce the level, the number of complaints, that then we should look at the franchise and a ban?

Cox: Yes.

Adams: Ok.

Cox: I would say so. I would also point out, maybe this isn't entirely correct but I do think that, that, um, that the complaint system is going to be really quite labor intensive. We are going to be having to look at additional problems. And lots of people. How is this all going to work? We have to encourage people to complain, that may mean that they have to get up in the middle of the night. It's one of those things that just feeds on itself.

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Adams: And given the city is what, 240 square miles, and the neighborhood, in terms of where the complaints are coming from, are actually relatively distinct, and are the, the more mixed use neighborhoods in the city --

Cox: I think right now, they are, would you say so? Would you agree to that?

VanOrden: It's a little bit of a tough call. I have chatted before, like over -- one of the concerns is, is when you look at this problem, associating the economic perspective, lots of the areas tend to be more affluent or dense in the city, we can isolate that there are complaints, but other neighborhoods where there is just a handful of commercial areas would be, would be improperly served if we just created zones, so what I mean, in particular, is, is looking at northeast Portland, you can find neighborhoods where, where there are neighbors close to just a small pocket, and they are facing a very similar concern to somebody who is in not the densest neighborhood but a neighborhood that might be isolated for, for, for a zone to be, to address this issue, so I think that the challenge that we face from the staff level and also from, from the elected officials from council is, is there not a way that we can address this issue and not forget the smaller part that it has a concern. I do think that, that from a staff perspective, we are sitting here behind the scenes trying to figure out how do we do this? How do we create a system? I think that we can find some zones where we address that issue, but we need to make sure that we back it up with the, what the board has offered, a complaint driven system where the small user at least has a final review where they can say, i'm next door to this industrial facility. There's no one else around here. Do I really need to be woken up at 3:00 or 4:00 in the morning, and the office of sustainable development staff and office of neighborhood involvement staff can look at that individual with concerns. What I wanted to offer to council is that we carefully divide the system that doesn't forget about, about the smaller person who gets forgotten about from the system where we solely create zones with more specific limitations.

Leonard: It seems to be the next step is for us to decide whether or not to accept the 12 recommendations and then make a decision about, about what the next step would be with respect to franchising. I thought I heard some consensus from both sides of the franchising should be something that we talk about further. I don't think that you are, your suggestion we make a decision about that tonight, but, but probably looking for some guidance to take the next step. I am ready to make -- I mean, I think I thoroughly understand the issue by now, and I am willing to move we accept the recommendations from the noise review board, and in addition to that, have the staff, along with the, the, apparently, had a pretty good committee that was working together, it sounded like, and I would recommend that same body of people decide on what the next step would be for a coherent franchise system that would then be brought back to us at some point in the future.

Saltzman: I guess --

Leonard: That was a motion? Do we have a second?

Sten: Can we discuss it?

Potter: After you second it.

Sten: I will second it.

Adams: So are you making the assumption that we -- that the -- this particular group come back with, with the franchise recommendations?

Leonard: A little more specific recommendation as to, as to how the franchise would work that would, that would accommodate what I heard the haulers say in some of the concerns that they may have had along with, with a plan that would minimize the impact on the neighborhoods taking into account what commissioner Saltzman suggested, there being two bidders for a franchise district, however they best think given the conversation that we have had tonight, the recommendation might go.

Adams: And does this committee have the skill set whether it comes to franchise agreements? Or is this a committee where the skill set is, is more about noise?

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VanOrden: I think that if we are talking about the noise review board and in particular, this committee that's addressing the night noise, they have been very heavily represented by, by the hauling industry and a few citizens. We have will a hard time getting businesses to the table even though we invited them so I would -- we definitely need businesses at the table, and, and we need a lot of involvement from, from the experts in the franchising because right now, o.s.d. Has somewhat been ancillary in that subcommittee so I think we need to make sure --

Leonard: My intent is that this be a recommendation that our staff generically, it would include anybody that the city felt appropriate help come up with that set of recommendations, however intending to, to exclude our experts.

Sten: Could I -- could I offer what might be a friendly qualification and you can tell me if it is.

Leonard: I am sure it is.

Sten: I think at this point, if I am at the same place that commissioner leonard is, I think that I am, I think I want to be clear that, that I think that the next step on the franchising would be more of a white paper on some of the details on pros and cons that I think that our staff could write themselves without convening. I don't want to convene -- I don't want to send out an all-point's bulletin to the sides on this and the business community and start until we have a bit more of a detailed conversation in the sense there is three votes that want to do t. I am interested in getting to the next step in the conversation but it's a little -- not enough, I think, for us to signal that we are going to go to a franchise system and we have got to start --

Leonard: And I would agree to, to replace my motion with the recommendation and get some kind of a coherent recommendation from the staff and then wait until we get that and look at that --

Sten: There is pros and cons. I think that I hear an interest in entering into a discussion about whether we should franchise it. To me, I am a step short of being saying, do all the work and propose to me how you would do that because I think I need to think it through a little more.

Saltzman: As paul said, the previous committee consisted of people concerned about noise and haulers, but the business community --

*****: Right.

Saltzman: They are really pretty absent. The school board didn't even know about this hearing, and it's implications until I happened to mention it to, to somebody at a meeting. And I know that that's true. Most people are not tuned into this as being, being the key to, you know, that we are entering the commercial franchising realm.

Adams: I would also, if I could, if I could offer a friendly amendment that we have got to -- there is interest -- a lot of interest in franchise because of our ability to, also, implement a moratorium. So, I need to, to get -- I need to have the same kind of, of staff fact-finding and reporting to us on, on our options from, from the moratorium as is on franchising so that, that, you know, we are not starting over with a conversation. First we get franchising six months passed and then another six months to get moratorium, fact-finding so I would offer a friendly amendment to do both.

*****: Ok.

Potter: So shall we restate the motion just to make sure that we are all on the same page?

*****: I appreciate it. [laughter]

Leonard: That might be putting them on the spot. I move to, to accept the total recommendations as recommended by the noise review board, and in addition to that, ask staff to give us an analysis of taking into account the divergent opinions of the next stages in the franchise and agreement that would include an analysis of a moratorium.

Adams: Second.

Potter: Karla, call the roll, please.

Leonard: We have a concern, I think.

*****: [inaudible]

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Leonard: The moratorium on a night-time ban on, on garbage collections. Someone said between 10-6, I am thinking 11-7.

Adams: Best practices and options.

Sten: I don't think that commissioner Adams meant a legal term, moratorium. [laughter]

Potter: Do we need a clarification now?

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

Potter: Everybody understand? Ok. Karla, call the roll.

Adams: I want to thank the noise review board for, for convening of work. I want to thank Paul and the offices of sustainable development for the work that you put, the years you put into this. I want to thank the folks in the industry and the neighbors, as well, that have participated. This is an issue, a grenade that, that we have to, to -- we have to deal with, and, and dispense with safely. And in a way, that promotes as much quality of life at the same time that we try to keep Portland a good place to do business, even for garbage haulers. So, so, um, with, with as stated, I think that the fact-finding and giving -- giving us options from around the country is what we need, at least what I need, so I am happy to vote aye.

Leonard: Since I have been here, the most contentious issues have resolved around density smacking right up against livability, and they have not been fun issues. So, this is another example of that, and I appreciate the haulers and their thoughtfulness in trying to figure out how to do this, and having said that, I know that, that it's very frustrating for neighbors to be awakened in the middle of the night, so I am just going to hopefully get to that place where we can, we can do the best that we can to allow -- because I happen to know haulers do pay excellent wages, provide good benefits, but on the other hand, people need to be able to get a good night's sleep. Aye.

Saltzman: Yeah, the right to sleep is a pretty sacred right to me, but I also understand that I think the 12 steps here may go a long way towards giving people that right. But, um, absent that, we do need to, to look at these other options of franchising, and perhaps, moratoriums, but we need to make sure that all the, all the people who, who will be affected by this decision have a chance to participate with the formulation of options for us. Aye.

Sten: Well, it feels a little incomplete but I think it's the right next step because clearly we are not getting all the way to the solutions but I would make a couple of observations from what I saw. First I want to thank everyone who has been involved. I know this is not a thankless task because we are thanking you, but that's not a lot for doing this and I recognize that, so I appreciate all of the work. The industry, I hope we can take seriously these 12 recommendations and really see if we can't put some of the technologies to use rather quickly to show some, some relief because I think that, that it looks to me like some of them are promising, and there is thoughtfulness going into it because we are obviously not going to have a solution right away for the neighborhood groups, and the reason I think that it's really important to take those on is that, is that, you know, I don't think -- if we got to the point that we couldn't make any progress, then I don't -- I'm very hesitant to say, don't pick up in the middle of the night because I worry about the traffic, but, but somebody is suffering from sleep deprivation with a 1-year-old, I don't think this noise review board can do anything about it. Yeah, I understand why people want that. Work on best practices, yeah. [laughter]

Leonard: It's a training issue.

Sten: Yeah, you know, I think that, you know, some limiting of hours starts to become about the only thing that I can see to solve the problem, if -- especially if we are not doing the best faith possible to take care of the technological approaches. I think that, that franchising to get rid of night noise is sort of a huge solution to a smaller problem. But I am interested in the franchise in a more general sense. I think there's an environmental argument for the franchise that was very compelling that came out tonight, and I think that, that it's very much heightened by, by so far the inability to do organics and for food recycling for other people, and I think that that could be up

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dramatically under there, so if we could come up with a cost effective way so that the rates don't go way up, to franchise, take a bite out of the noise issue, and, and to get organics into play, and, and make things more efficient and hopefully I would probably argue for exempting the drop boxes and some way, shape, or form to give, you know, some, some, something to those businesses. That's interesting to me. I am not saying I would vote for it because I need to understand it better but I think there's an argument for that, so I would be interested in seeing that whether it comes back, so aye.

Potter: I have one question to clarify, did we set a time or date for them to come back to us?

*******:** We did not.

Potter: How about 60 days, would that be appropriate?

*******:** Certainly.

Potter: Is that doable for you folks?

*******:** We'll make sure it is.

Potter: Good. In that case, aye. City council is adjourned until 2:00 p.m. tomorrow. Thank you folks for being here.

At 8:17 p.m., Council recessed.

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2:00 PM

[Roll call]

Potter: Karla please read the item, first item.

Item 120.

Potter: Is the transportation staff here?

Moore: This item is going to be continued to march 9 at 2:00 p.m.

Potter: The office of transportation staff have requested this to be continued to march 9 because they're meeting with the applicants' representatives to develop conditions of approval, as we discussed the other day.

Adams: We don't vote, do we?

Moore: Do we need to take a roll call?

Kathryn Beaumont, Office of the City Attorney: It certainly can't hurt. [laughter]

Potter: Spoken like the city attorney's office. Ok. Karla, let's have a roll call.

Moore: There might be a change in the date. [inaudible] it looks like it is march 9 still.

Potter: March 9th.

Adams: Aye.

Leonard: Aye.

Potter: Aye. [gavel pounded] Karla, could you read the next?

Item 121.

Potter: So is there staff here for this, or is this also the second reading, so we just take a vote?

Moore: Correct, it's just a second reading. We can vote.

Potter: Are we ready to take a vote? Ok.

Adams: I'm pleased to vote for the amendments to the cascade station/Portland international center plan district. I think this is our best hope to bring to life what is now a ghost town, or a ghost neighborhood in part of Portland that we have high hopes for. So i'm -- I want to thank the staff and the developers representing the investors and the developers and the Portland development commission, mick and others, for their good work on this, and I wish us all the best of luck in getting things to come up out of the ground. Aye.

Leonard: Aye.

Potter: And I too think this offers great potential for our community, and i'm really eager to see this area move forward and become a reality. So aye. [gavel pounded] that's it. Does anybody here want to testify before we hang up? Ok. We're recessed until 6:00 p.m. this evening. Thank you very much.

At 2:06 p.m., Council recessed.

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6:00 PM

[roll taken]

Item 122.

Potter: I'm going to read some comments first, gil. Folks sit tight for a second. As begin tonight's proceeding i'd like to share my thoughts on the south waterfront district. My staff and I have talked and met extensively with community representatives, developers, landowners, and staff at the bureau of planning, and other affected bureaus. As a result of four highly interactive community meeting, several new proposals have emerged to better address certain community concerns. I would like to thank the members of the residential communities on both sides of the river, as well as the developers, and staff who took time to work together to understand each other's issues and tried to craft a more collaborative vision for this project. When this issue first came to my attention, I delayed the process to bring citizens and developers together to find agreement on how to proceed. This including coming up with shared solutions and better design options. Developers were able to explain the finer points behind many of the design specifications. My intention did not include revisiting a concluded public process. That includes revisiting the issue of building height. Let me be clear. I'm completely in support of community participation and community processes. Each one of us should be informed and involved about what happens in our neighborhoods and city. And in turn, your city government should be transparent, accessible, and open to ideas. However, providing input and ideas, whether you're a developer, a neighborhood leader, or a city planner, does not always mean that the outcome will be 100% in anyone's favor. Our goal is to arrive at a shared understanding as allies. We all feel ownership of Portland, and rightly so. However, this ownership should not conflict with what is in the best interest of our city overall, our neighborhoods, schools and our economy. This is what it means to be a community. I'm very appreciative of the time that so many of you invested in this issue. For many of you, these talks affect your neighborhoods and livelihoods. While we've not managed to reach full agreement on certain aspects of this project, we do have a clearer shared understanding of how to proceed from this point forward. I believe in open community dialogue around issues such as these. Transparent public processes are a valuable tool in making good public policy. That said, I feel it would dishonor this very process to revisit a council decision made two years ago. Most of us were able to reach a general consensus with the intent on moving forward. I encourage those that were not able to find common ground to pursue the height issue through other processes. So where do we go from here? I want us to focus on things that we can move forward together on. My administration has made an ongoing commitment to ensure that the public participation happens in an authentic way in this city. I've also decided to revisit the work of the public involvement task force and our work with the bureau of innovation project. This experience has provided us with concrete information that will help us rework our public involvement processes. Together we can build a better model for community dialogue. Tonight we'll be looking at two pieces of legislation regarding the south waterfront development. The first is an ordinance with amendments as worked on by both the development and neighborhood communities. The second is a resolution that will be introduced. This resolution is intended to guide the process on how we work together as a community to move the south waterfront development forward. While not all the issues brought to the table were fully discussed, the resolution will provide the framework for further conversations. Again, I would like to thank all of the individuals who took time to help create a better process. It is my intent to learn from this experience, and as we work together to build a better Portland. I thank you all. Staff, please, go ahead.

Gil Kelley: Good evening, mayor, and council. Gil kelley, director of the bureau of planning. I just want to say we were pleased to assist you, mayor, and your staff in facilitating this outcome, which we feel is an improvement over what we brought you several weeks back. It seems like a

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long time ago now, given the number of meetings we've had in the intervening period. It's difficult to know it was only two weeks. We had great deal of assistance from the neighbors and developers in coming up with these ideas, and i, too, want to thank them. I just wanted to touch on a couple of points, and then ask troy doss from the planning bureau to walk you through this. First thing I would say, our apologies getting this information to you so late, but we had community meetings going right through 11:00 tuesday night and have been sort of scrambling to put the pieces of this together. And we've tried to do that in the simplest form that we know how, so that we can walk you through it this evening. I would echo your statement, mayor, that not everyone is on board with this from the neighborhood groups, and you will hear testimony, no doubt, on that this evening. Clearly there was a segment of the participants that really wanted to come forward and reassert their desire that the council reconsider the 2002 decision with regard to height and possibly other basic standards that were approved by the previous council. And I think those of us involved need to hear clearly from the council, a decision one way or another on that. You've articulated your thoughts quite clearly. I'm assuming the rest of the council will, too, so that that issue is decided one way or another tonight. The two pieces of legislation that are in front of you, the ordinance and the resolution, deal with frankly a narrower set of issues than those 2002 decisions, and we wanted to be clear about that. The ordinance really deals with aspects of the dimensions and floor plates of towers above 250-foot height limit. And in some cases down to the podium level of 75 feet, as well as the tower spacing arrangement. Troy will describe those in a moment. The resolution attached I think is really the innovation here. And that case we followed the mayor's direction that would direct, if you adopt this, the planning bureau to convene the various parties, including parties that weren't even at the table for the last two weeks, and to return to you within 12 months with an urban design framework for at least the central portion of the south waterfront district. That is a place where I think we can get more constructively at some of these urban designs aspirations for the district and the potential for new, improved, and perhaps even increased flexibility in the use of some of the tools there. Frankly, I think that's going to be a much more productive conversation than trying to slowly get at the -- to visualize the district through the zoning rules, which really only provide minimums and maximums, and not what is it really going to look like and feel like. We're very much looking forward to that process and that being an open process and frankly involving the design and planning commissions as well in that process, so the eventual decision-makers are part of that effort. That is spelled out in the resolution that's attached at the back of your packet here tonight. And we can go into more detail on that if you'd like. I would just simply leave you with a thought that that will not only deal with tower spacing and tower size, but could deal with buildings relationships to parks, to the streets, to the greenway, how the district really kind of behaves in a fashion than we've been able to collaborate on so far. So we're very much looking forward to that part of the process and making it one of constructive engagement with the community. With that, let me turn it over to troy. He'll sort of walk you through the basics of our proposal. Thank you.

Adams: Could I ask a question?

Potter: Go ahead.

Adams: Are we voting on something tonight? What exactly are we voting on just for the benefit of the audience?

Troy Doss, Planning: Well, there's one thing before you, which is the original amendment that you voted on last time. And that is represented in exhibit a in this package. And then depending on your feeling, I guess, at the end of the hearing tonight, I guess you could vote on the -- the alternative package, which is b, although we have heard some testimony, at least some written testimony, that people are just seeing this, I know you're just seeing this for the first time intel, so I don't know if you'd want an additional week to consider it before you --

Kelley: To be clear, b is the proposal we were just describing, that resulted from these meetings.

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Doss: But I believe -- and i'd have to check with the city attorney -- but I believe you have the ability to vote tonight if that's what your desire is.

Saltzman: And the resolution?

Kelley: And the resolution in front of you, you could vote on tonight as well if you choose.

Kathryn Beaumont, Office of the City Attorney: Mayor Potter and the rest of the council, let me clarify. If you adopt any amendments tonight, you will have to vote -- you have to carry the ordinance over to -- for a second reading.

Potter: Ok.

Beaumont: And I guess it's up to you to decide whether you want to vote on the ordinance and the resolution together. If you want to vote on them together, then you would carry the resolution forward to the next meeting. If you want to vote on it tonight, you can, ahead of the ordinance. Whatever makes the most sense to you as a package.

Potter: Thank you. Ok, thank you.

Doss: For the record, troy doss, bureau of planning. So as I mentioned, if you go to exhibit b, it gives you the revised ordinance based on the conversations we've been having with the community and development community over the last two weeks. And the memo summarizes this probably better than I can right now, but just to tell you, we expanded the purpose statement because we heard that we weren't going far enough with protecting public views, both from the east and west side of the river in this language. We've inserted that. There's also a statement in here that gets at the density goals of the district. There was some people from the community who thought we needed to have a statement in there that says that when you're going for bonus height or other adjustments under these provisions, they would be done also in the provision of providing -- i'm sorry -- supporting the density goals of the subdistrict, while ensuring design quality. Going down to really the next level -- I should tell you, if you're as familiar as I was with this code language before tonight, it changed quite a bit structurally. So just because we -- typically we'll strike through and have underlying code language here you're accustomed to seeing that. The intent is all there. It's just in a different form in terms of how it all goes together. So getting into what was some of the key issues last time. The development standards dealing with bonus height when you go above 250 feet in height up to a maximum of 325 feet, there were certain development provisions that we were proposing would be modified. One of them is if you go to page five of the exhibit, subsection c-1, you'll see that one of the provisions says that if you go above 250 you either are to meet a floor to floor height of 16 feet, and your floor area per floor cannot be larger than 25,000 square feet. As we mentioned before, that's dealing with biotech and research facilities that are envisioned for the district. Or you're limited to a 10,000-square-foot area above the 75-foot level of the building, and that was the one, I think, that's probably generated the most interest in the last couple weeks. So we had proposed a modification of that. Through these revisions, you would be allowed to modify it, but only if once you went above 10,000 square feet you had no more than 12,000,500 square feet in total floor area per floor, and your height from 75 feet to the top of the building was no wider than 112 feet in the north/south dimension. Then the next provision, which was the subject of the amendment at the last hearing, was adjustments to the 200-foot minimum distance requirement between towers that take advantage of this bonus height. As you'll recall, you voted last time to maintain the existing prohibition. And that is reflected in the current proposal. However, alternative language did come out that the development community and some members of the neighborhoods supported, and it would be to allow modifications -- this is reflected on page seven of exhibit b -- allow modifications to the 200-foot minimum distance requirement through a modification of the design review, however the request would be weighed against an as-yet-created design framework. We're envisioning it being called the south waterfront urban design and framework. That framework is something we propose to be developed through the work that's talked about in the resolution that gil referred to. So the question is, is -- I think some people from

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the community, development community, were interested in possibly seeing there's -- you see there's alternative language, the alternative language being forwarded tonight. There's some question as to how we could do that, if we can do that, or if there's interest from the council in doing that. We have to talk further about whether we substitute that now. I think part of the thinking is that there's somewhat problematic in referring to a modification process that's contingent upon an urban design framework that does not yet exist, and we would concur with that. We need to figure out we would bring that back to you at a later date once that framework is in existence or there's a process once the framework has been adopted by both design commission, planning commission, and city council, and gone through a public process. Something to think about. The rest of the changes that occurred, one of the things that we heard from the community was a concern that on some of the standard blocks, especially in the central district, where you have a more typical city of Portland, 200x200-foot block pattern, that we might see multiple towers on the smaller blocks. We've put in a provision that limits it to one tower per block, but really what it's doing is getting at - those block sizes are typically 40,000 square feet. Based on the code language in here, if you have 40,000 square feet of block area or less, you're entitled to one tower. If you have 80,000 square feet or less, you're entitled to two. It just kind of incrementally goes up from there in terms of 40,000-square-foot in a chunk. At the north end of the district, especially the properties north of the Ross Island bridge, what's commonly referred to as the Schnitzer campus, there are fairly large blocks up there, some probably in the neighborhood of 120,000 square feet. We didn't want to limit our ability to develop biotech buildings there of a larger size should that be a possibility. That's what's being addressed here. And then --

Kelley: I think if you're less than 80,000 square feet, you're still at one tower.

Doss: You're at one tower. But if it's 80,000 more --

Kelley: I think you meant to say "or more."

Doss: Exactly. A small change has been done to the requirements for contributions to the south waterfront public open space fund. It used to indicate that the requirement would be necessary at the time of your land use review was -- was finalized. The first proposal said let's change that to lend the occupancy permit is in place. Since then we've done some more talking, there's concerns from the community about that happening a little bit sooner. We've worked with the bureau of development services. They've indicated, it's not unusual, especially in the central district, to have similar requirements. They would be triggered before the building permit's issued. We've made that change here, and it's consistent with the rest of the central district now. And the last -- this really starts getting into the resolution to a certain extent. There was concern that we're not allowing enough dialogue with the community, with the design commission, in an early process. In other words, although most people in the south waterfront so far have been coming in for an earlier process, they're not required to. And that process is very beneficial, because it allows architects to come in at an early stage and start really working through the design concepts with the design commission, and the design commission allows public testimony to help frame the conversation about what the concerns are about these proposals very early in the process, before the land use review is being devised or anything else. So the idea was this could become a mandatory process for buildings seeking additional height in south waterfront. And when that happens, we'd want to measure each proposal against three specific criteria. Just to walk you through those real fast, we'd specifically be asking to have the property -- or the design evaluated against protection enhancement of public views from both the east and west side, as identified in adopted plans. The development of a varied and -- or diverse, varied and visually interesting skyline and creation of a district that is visually permeable. And rather than just looking at the development proposal as an individual building or individual lot, in this situation you'd have to go through a range of scales in terms of making your case. First it would be the individual lot. Then it would be that block and its immediately adjacent blocks. Then how this building would contribute to the district and skyline as

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a whole. So we're really opening up and giving the design commission a better tool to evaluate these properties on a districtwide basis and very, very early in the process. That pretty much summarizes what's changed here in the ordinance.

Potter: Questions?

Saltzman: The 112 feet, where does that come from?

Doss: There was a lot of discussion, I believe, between the community and the developers about if you were to go -- if you were to adjust one standard, would it be possible to shrink another standard in some way. In this case because we're -- we're proposing to allow somebody to go larger than 10,000 square feet, we would allow them to go no larger than 112 feet. They're normally allowed to go up to 125 feet. The code currently provides that that would be their maximum width. So the idea is you're going larger in this one dimension, your ability to go larger in that width is shrunk down an buy. It's kind of an averaging for lack of a better term.

Saltzman: Longer buildings from an east to west owe.

Doss: That's correct. The dimension is shrinking, but obviously it grows in the east/west dimension.

Potter: Other questions? At this point two things have to happen. One, I need a motion to introduce this substitute ordinance. And then --

Saltzman: So moved.

Leonard: Second. Got to move quick if you want to move.

Potter: Karla, call the vote, please.

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

Potter: Aye. [gavel pounded] secondly, are there any objections to suspending the rules and bringing in the resolution? Hearing no objections, so ordered. [gavel pounded] now we'll begin the testimony. Thank you, folks.

*****: Thank you.

Potter: Karla, could you start? Karla, how many people are on the list?

Moore: 24.

Potter: Because of the large number of people that testify and our normal council request is to keep your remarks to three minutes, we certainly appreciate that. Please state your name and go ahead and proceed.

Roger Gertenrich: My name is roger gertinrich. I will keep my comments under three minutes. Six years ago I lived in downtown Portland. I moved to west linn around my family since then. While I was downtown, I was on the greenway committee of the urban renewal and the financial committee. I thought we did a pretty good job of moving forward on that. I was welcomed to hear your remarks, because I think basically what I heard you say is to be sensitive to the neighborhood needs, but move forward. And that would be my thought on the process. I also spent a considerable time in the urban renewal process having been the mayor of salem in 1995 and 1996, and having been on the city council down there for seven years, and been involved in all that that involved the development of the our riverfront park and many other things down there. I think it's essential that you do move forward, because you have a lot of financial commitments. You also have a very dynamic area down there that wants to keep the momentum going. So i'm here only to say that, and to add that I will soon be a resident down there, because i'm buying a unit in the meriwether tower.

Potter: Welcome to Portland.

Gertenrich: Thank you.

*****: You're second.

Jeff Reaves: Oh, ok. My name is jeff reeves, not jean reeves.

Moore: Sorry.

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Reaves: That's ok. Honorable mayor and city councillors, commissioners, a longtime employer and tenant in south waterfront, i'm excited to see this development finally arrive to a neglected area of the city. It's exciting to see quality development being proposed to really make this truly a unique district. As president of group mckenzie, we've been in this neighborhood since 1960. We consider the ability to have design flexibility to create a unique environment, particularly important. Currently before the city is to request the flexibility of floor plates over 250 feet in height. This request proposes to remove the prescriptive requirement and replace it with qualitative amendments. I see this as truly beneficial to the overall design quality of the area. True collaboration can be achieved in the final design when the real question to be answered is, does the design fit into the vision for the district? Based on the proposed ordinance, these qualitative decisions will be made by design review board and the citizens of Portland. This qualitative interpretation will allow a more innovative design and a more complete community. I support the efforts of the developers and designers to remove the quantitative requirements and replace them with qualitative. I see this as being an ordinance that will strengthen the ability of the city to demand better projects in the area. Thank you.

Potter: Thank you.

Emily McKinnon: Good evening, mr. Mayor, and the commissioners. My name is emily mckinnon, the chair of the brooklyn neighborhood. I've testified before the bureau of planning. Two weeks ago I was here. And for the last two weeks i've participated in the meetings with the developers, the neighborhoods, the mayor's office, and the bureau of planning. You would think with that much involvement this was being built in my neighborhood. And you'd be right. Even though there's a river that separates us, we're as much invested in this project as the west side neighborhoods. As a neighborhood, we welcome the development of south waterfront. The vitalization of this portion of the willamette is a wonderful opportunity to add to our community in a way that's not been possible previously within the city. A whole new neighborhood is going to be plopped right down in the middle of town. And what a jewel of a neighborhood this can be. That's the good news. Unfortunately the bad news is, and with no disrespect to the previous council, until now the community participation and chance for involvement in the process has been sorely lacking on all levels. The east side neighborhoods that will have their views affected, as well as their traffic impacted, are probably still waiting on some sort of notification. The rest of the neighborhoods are asking how the building height was changed from a stepdown terrace approach to the current standard of 250 feet with the possibility of a bonus 75 feet if the design and monetary criteria are met. The brooklyn neighborhood will be affected by this development, regardless of the building heights. Our stretch of the springwater trail or greenway is at river level. Ross island is a part of our neighborhood and is slated to be a wildlife or bird sanctuary. Both of these areas need sunlight, not shadow. And the public views from these areas will be heavily impacted by the south waterfront project. Where we once saw the change in foliage of the west hills, we will instead view the changing skyline of condos and office towers. Had the neighbors been more fully involved in the existing neighborhoods concerns given equal weight, we wouldn't be here tonight. Visual permeability through these buildings regardless of height from both sides of the river is our goal. Portland, and Oregon in particular, has always been about sharing our natural resources, our waterfronts, beaches and views. The public views are the issues, not the ones from our homes, although those will be sorely missed. I'd like the council to recognize that the neighbors, the planning bureau, developers and landowners, have all worked hard to come to some sort of agreement as it results to this district and the bonus height opportunity. However, in the course of these meetings, we were prevented from addressing the issues of the heights and square footage of the proposed biomed buildings. I would ask they be included in this discussion tonight. To gain so much on one front and lose it downriver would be a mockery of our efforts to achieve some accord. In summation, not all neighborhoods were agreement at the end of this process, but this was still a

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positive process whether there was agreement or not. The areas of concern have been identified and there's still hope that we may achieve the visual permeability that we seek for all viewpoints and view corridors on both sides of the river. The brooklyn neighborhood strongly supports the regulations for the south waterfront district as it relates to the residential portion of the district and is satisfied with the resolutions proposed by the bureau of planning. I think thank the council for affording me the opportunity to speak for brooklyn and thank the mayor for including me in the shaping of what hopefully will become the standard of citizen involvement in the future. Thank you.

Potter: Thank you. State your name and remember the three-minute rule.

Anton Vetterlein: Antoine vetterlein. As gil said, there's been a short amount of time between the final agreement being worked out and this hearing. So there's only been limited amount of time to kind of check out -- check in with neighbors and our board. I've done through that emails and a few calls. I canning say that there is general support from the -- from our homestead neighborhood board for the revised bonus height regulations. I think our general membership would support it as well. Not everything we want is in here. There's still significant concern about the building heights, as you've heard and will hear. Concern about the overall density of the district and the lack of visual permeability below 250 feet, however I think these revisions are definitely better than what we came in here with. And I think most importantly the debate has clarified the importance of preserving public views and how important they are to our individual and collective sense of place here in Portland. I think our ability to see our city in relationship to a larger, more magnificent landscape is very important, to see our city in its geographic context, and no matter how well designed the south waterfront district is, if we lose our sense of place and our connection to the larger environment, then I think we've lost something in the bargain. The resolution that is before you is important to taking the next step to develop an urban framework and development plan for the district which will allow us to shape view corridors through it, and create a more varied skyline than what the regulations allow now. I don't think the idea of this framework plan is fully understood yet by everybody, but I think the homestead neighborhood would support it, and support allowing modifications to the minimum spacing of towers through a framework plan if they know it's being done to create view corridors. And at this point I think the framework plan is our best means by which we can hope to open up views lower down below 250 feet. The one issue that I think that still needs attention, that certainly hasn't gotten unanimous agreement on has to do with the buildings that have 16 feet floor to floor. The way it stands now, my understanding is that these buildings can be up to 25,000 square feet per floor, 325 feet tall, more or less by right, and the -- they can go bigger than that through design review. And so a 25,000-square-foot biomed tower would not have to go through the same level of design review that a residential tower half its floor area would have to go through. And i'd just like to see us raise the bar for biomedical buildings and have them go through the same process that the other buildings go through, because these are going to end up being the biggest buildings in the district and have the most visual impacts. I'd just like to see that discussion and know why, if we're not going to -- why this separate standard exists. And at least if you don't support lowering the -- the threshold for design review for biomedical buildings, i'd like to know why. Thank you very much.

Potter: Thank you, sir.

Joana Freedman: Hi. My name is joanna friedman. I'm here as a future resident of the south waterfront project. I've been a life-long Portland resident. I've lived in several areas of -- several areas of Portland. I was actually one of the first people to put a reservation down at the south waterfront project. And mainly it was before there were any plans, there were any pricing. There was nothing, except the vision. And the vision is what has made it really exciting. You know, we have a really -- the south waterfront is a really unique opportunity, where you get to create an urban landscape and skyline from really a piece of nothing. And actually if you look at the picture up

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there, kind of the -- the area that's focused between the two trees is kind of what -- what we're talking about. And so I would just really like to speak to support the language in the -- in the revised language in exhibit b. I'd really like to support the process of creating diversity down there, because this is an opportunity where different things can happen to create a better vision of the whole. Unlike the pearl district, where big concrete slab buildings kind of went from block to block to block as they became available. There's a -- there's a chance here to design something in a whole, and to create those urban landscapes and skylscapes, and really let everybody have a say. You know, we create our views, we create some interesting architecture, create access to the water. It can really be beneficial to everybody. I would just like to say if you could support the -- the creativity and the process versus putting absolutes on it and -- and kind of absolutes. Again, keep things open to design and review. Thank you.

Potter: Thank you.

Doug Weir: My name is doug weir, friends of terwilliger. I want to thank you very much, mayor Potter, for all the work you've done in the last few weeks. I think you've made a real effort to try to bring different parties together and try to create a better process. And I think that some of the efforts that have been going on have -- have us -- we aren't moving in the right direction. There's still some major concerns. For instance, that I have that for instance with the 200-foot separations we're talking about buildings -- since we're talking about a district that's several blocks deep, even though a building is 200 feet apart, when you have buildings that are 110 -- or 112 feet in width, and then if in the next block you have another one that's 112 feet in width, but it's on the other side of the block, they can still be far apart, but -- and you have some permeability, if you're right near the buildings, but then if you get far away you still can end up with a wall effect as far as the views for the neighborhoods above, including terwilliger. So I still have a lot of concerns about that. There's been talk about new ideas, of maybe -- you know, maybe doing some bunching, and looking at things a little bit on a larger scale. But one of the things I think is very important, that we -- that we try to accomplish in this south waterfront is that we can maintain some substantial views that -- that go from the top of the mountain -- from the mountain all the way down to the river. And that's not saying you're going to have views all the way -- all the way -- you know, along terwilliger, but we'll have places at least where you can have a view that's -- you know, that's the whole vertical area, from the top of mount hood all the way down to the river. And I think that that would provide some viewsheds for everyone, you know, including terwilliger, but also all the neighbors below. And so I don't think we're really quite there yet. I think that there's -- I hope there's still some room to introduce this kind of concept into the process. One of the big problems we have is the terwilliger was overlooked when they protected views. There were some -- there was some view protection a few years back, and I don't know what happened, but we just got overlooked in the process. Many of us have been dealing with this -- this whole process between ohsu, the tram, and now south waterfront. This has been going on for about five years. And to tell you the truth, there's several of us that are just -- we're just worn out. We can't really do much more. And we're volunteers, working part time. I'm hoping we can have a public process in the future that really includes citizens in a substantive way, because i'm afraid we're losing that. And I think that's really important. Thank you.

Potter: Thank you very much. Please state your name and you have three minutes each.

Phyllis Johanson: Shall I go first because i'm a lady? My name is phyllis johansen. I'm here to represent the river. I belong to a rowing club, and i'm speaking about the highrises as viewed from the river. And I don't know if any of you have looked at the site from the river. I've been trying -- i've been talking to -- have you been out on a boat? That's good. Because I think that's very important. I realize that there's a greenway along the river, which is very important. There's so many herons there right now. My husband and I were out rowing this morning. And usually herons are very solitary. There were eight herons all within a couple of feet of each other. Apparently

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they're getting -- preparing for a rookery over on Ross Island. I think this is very important to take into consideration. I know that there's a greenway, but I think it's a real tragedy for Portland to put these highrises there in the first place. I realize 25 feet's better than 32 feet, but I think it's a monumental catastrophe to have highrises along the river. You know, Portland has a real character about it. It has -- people care about books, about jazz and music. They care about nature. They care about wildlife. And highrises just don't fit in. They just don't fit into the character of Portland.

And I just -- I keep getting the feeling that developers are trying to turn Portland into Chicago. I don't want Portland to be like Chicago. And the other -- like Chicago. The other thing Portlanders are concerned about are neighborhoods. I don't think highrises make good neighborhoods. So I just hope that if -- if this ever comes up again, that this won't be repeated. And so I realize I'm a couple of months too late, but I just had to tell you how I felt.

Potter: Thank you.

Derby O'Donnell: Derby O'Donnell, 230 Southwest Wood Street. I live in a 103-year-old house that's impacted by this proposal as well as others. In the near future a tram will pass over the block on which my house sits. Previous city councils turned a deaf ear to the nearly unanimous opposition of hundreds of my neighbors. After we had in futility spent many hours meeting and participating in supposedly public process procedures, I participated in lots of workshops and meetings on the South Waterfront development project. The 325-foot-tall buildings will loom to the east and OHSU towers to the west, like Dracula's castle. I will live in the valley of shadows. My tiny view of Mount Hood has been appropriated and given to whoever pays the \$950,000 it will cost for a condo in a new highrise. I don't know that there's much that I can do about it, but I want to thank the mayor for actually listening and caring about the ordinary neighbors and citizens in the Corbett Hill/Lair Hill district. By taking our concerns seriously, I feel less like road kill and more like a citizen. Thank you for bringing a little democracy to our city. If anyone has any more grand development schemes, planning to make some new postcard view of Portland, please let it be in the Lents or Sellwood or someplace else.

Potter: Thank you.

Jim Farzan: My name is Jim Farzan, a longtime resident of Lake Oswego, and we find out about these developments, we're very excited about the possibility of moving to Portland and enjoy the retirement life in a lively and vibrant city. And I feel that it's not very often a city like Portland can have the opportunity to provide something like that for citizens and not only for the professional medical OHSU, but attracting the retired people like myself. I think the concept is an exciting concept, and from what we've seen it provides a very nice and invigorating environment for retired people. I hope I'm not the only one who feels that way. Many other people will follow it. Thank you.

Potter: Thank you all. Please state your name and you have three minutes.

Laura Campos: Good evening. My name is Laura Campos. I live at 3419 Southwest First. I live approximately five blocks from this development. Two weeks ago I really didn't think we could get worse, and I guess I've been surprised. These amendments really fill me with a lot of dismay. And it's no offense to you, Mayor. I know you've really made a good faith effort. I think it's kind of backfired, at least in -- in my view, with Corbett Hill/Lair Hill neighborhood association. I'm on the board, but I'm just representing my own views. I spent half of my life, approximately 25 years, really building up and protecting Lair Hill, Corbett-Terwilliger, sort of like my form of social security. I mean the last speaker talked about retirement. I really viewed this as kind of a nest egg. And that's why I brought this little nest egg. And what I see happening down here is that a lot of public money is being used to grossly inflate the value of the land on the riverfront for a few developers. Tuesday's Portland Tribune was quoted as saying -- they were talking about another Portland development commission development project. No public money is required to ensure its success. We have to ask ourselves why so much public money has to be used to develop this land. I would

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offer a couple of reasons. There's a high level of contaminants in the soil, and I don't know if people thinking of moving into this area are aware of that. It was viewed, they removed some of it, then they capped it with five feet of cement, but I remember love canal. The narrow strip is hemmed in by the river and i-5 that constricts the amount of traffic. We're told this project will result in jobs, but what happens if the economy goes sour and the research grants don't materialize? The public is left holding the bag. So I view this as a project where at least a few wealthy people are taking steps to ensure their continued viability, but what's being done for the neighborhood? Ordinary citizens who invested in the neighborhood and now will see their investments dwindle. Our nest egg. And so for my presentation, I would like to show what I feel today is being done to my nest egg. Thank you.

Leonard: I knew that was coming. I just wasn't sure where it was going. [laughter] I was watching you very closely. I was ready to go like that.

Potter: Duck and cover.

Leonard: Uh-huh.

Potter: Thank you.

Curt Dannen: Good evening, gentlemen. My name is curt dannen. I currently live in unincorporated Washington county. My wife and I are choosing to sell our suburban home and move into the city of Portland. We chose the south waterfront area. We could have chosen the pearl district obviously, we could have chosen 1620 building in lloyd center or other areas. We did choose south waterfront, because of the vision, because of the inspired architecture, because of the greenway, the walking paths, and we want to see that vision continue and the development go forward as originally described to us. And based on the data on which we made a decision to move into the city of Portland. We're looking forward to being residents of Portland, using the streetcar, other forms of public transportation that are available to us, and living in an area where there will be a vibrant community, both residential, retail, business community. And we don't want to see anything happen that would change that. We believe in this area. It's a total rehabilitation of an area that currently isn't being used for too much. And so we just want you to know how excited we are to move to a new vibrant area. Thank you.

Potter: Thank you.

Matt Leshner: Good evening. My name is matt leshner. Thank you for the opportunity to address you this evening. Having worked for several builders in my short career, there's always impact to neighboring communities when anything -- any development happens, and that's not to be taken lightly, of course. In my humble opinion, I believe these developers have done a very fine job of taking into consideration that impact, and have done from what i've seen a fine job of doing what they can to minimize it and maintain it in such a way that it will still allow for the development without being just a blanketed development across that waterfront area. In short, I echo the statements that have been made earlier, that this development should be allowed to continue with the continued careful attention to the continuing impact. Thank you.

Potter: Thank you very much. Please state your name and you have three minutes.

Don Baack: Thank you, mayor. I'm don baack. I'm from hillsdale. I'm, for the record, not moving to the south waterfront. [laughter] first of all, I want to express my disappointment with the city council's actions in past years. They rushed the decision without the counsel of many here and many good heads around the city I think have led us to real problems with regard to the placement and execution of where we're going to have these highrises. I think you've got a mushroom crop coming up, and we really need to have a functional plan to make sure that we don't have mushroom crops, but fact have discreet planned things, and those view corridors and viewpoints are very important. I'd like to make one other comment just from a perspective point of view. A lot of people watch these council proceedings on tv. Unless you're into this problem, you have a hell of a time understanding what they're talking about when you're talking about heights, pedestals, all that

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stuff. We need illustrations. I asked the bureau of planning to come tonight with some. I know they're rushed, they haven't had a chance to do it. But simple illustrations make points much better for all of us not having them. I'd ask the mayor to direct the bureau of planning to do so in the future. After years of involvement in this process, I've been in and out on different things, mainly focused on transportation, I want to say this process the last two weeks is the best I've been involved in with this. I want to commend Elizabeth Kennedy Wong on a really, really tough job. We had a lot of talkative people, very assertive people, and she managed to get us through this stuff, even though it got late. I really want to commend her on that. My reason for being involved in this, spending time on it, is to lend support to efforts that will result in a more acceptable skyline in the south waterfront and throughout Portland. What we're doing in south waterfront will apply to any other part of the city. We're looking at a long-term future here where the buildings -- the city is going to build up, not out. And building up means we're going to have highrises. We really need to have a framework plan and process to decide where these future towers are going. I don't say just 325-foot towers. If you're in Hillsdale it's probably a six or eight-story building sometime in the future. I really urge you to not only adopt this amendment, but put the teeth and your energies behind it to make sure it happens. That's what's important. You guys need to be involved in understanding the issues going on and not just passing these things in two weeks' time and we're done with it and off to the next one. I want to talk about mitigation. As I understand it, and I haven't got the details in front of me to say I'm right or wrong, but as I understand it from talking to the neighborhoods, if you lay out the time lines of when decisions have been made and when let's say grants to the development community have been made, and then the attending -- or associated mitigation, I think, there's some bills due on the mitigation side. I'd urge you to do that. I think I got five minutes, because I'm chair of Hillsdale and I'm speaking for them, if that's all right. Anyway, that is an important issue. The neighbors to the east and west are affected by this as well. Hillsdale is urging the adoption of \$100,000 for mitigation out of the mitigation fund that would specifically go to funding planning and permitting and if there's any money left construction of a trail system in the 100 acres of park recently acquired, the OHSU area. That in effect would -- it's really a tram ride and a short walk from the tram -- terminus at the top of the hill. It's really, really a big adjunct to it. So in summary, Hillsdale supports the 20-foot minimum spacing, \$100,000 mitigation, and we favorably discussed but did not vote on having a framework plan so that buildings can be reasonably placed. Thank you.

Potter: Thank you.

[Portland cable access went to other programming at 7:00 p.m.] [The rest of this captioning provided by the Auditor's Office]

Jerry Ward: My name is Jerry Ward. I'm speaking on behalf of the CTLH neighborhood association. I'd like 5 minutes. I'd first like to thank Mayor Potter for giving some time to consider the 3 standards in the last weeks. We really appreciate that. I have received so many calls I can't hardly talk now. Emails where my eyes are blurry and they've been from throughout the whole city not just from our neighborhood. Their immediately effected and this issue of height is really an issue that effects so many of our neighborhoods and it's like I have clients and people calling me from northwest Portland about the recent issues there, height being increased from 250 to 350 to 325 feet. That issue goes beyond the flexibility of we were suppose to research in the standards. I want to first go into brief history. We're not suppose to but this is just going back two years. In November 2002 there was no publication notification of going from 250 to 325. It was in the second hearing before city council it got slipped in. We had a bunch of other controversies going on at the same time about river place and trying to sneak extra heights in their. All of north macadam has been sold as a compromise. From the low industrial zoning to the 250 foot mixed use and then to the 325 feet. Planning, council, developers sold the need to go from 250 feet to 325 feet based on two architects testifying that bio-tech buildings sometimes need to be taller than 250 feet

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which is false. According to the auditors office review of this council records, that's where this came from just recently in the last day. Council, planning developers to sell the height increase applied in a legal agreement, less than two years ago, three standards to be met for the increased height, 10,000 square foot maximum floor plate, 125 foot north south dimension, the 200 foot minimum building separation. Now those three standards are proposed to be changed. Analyzing this; a) increase of floor plate standard from 10,000 to 12,500 feet and even more through design review with no absolute minimum. That is a 20% increase and that would be the board closes to you on the top side there, a there. Whether you have a radius building a rectangular building crenulated, truncated building. When you increase the square footage, by the way I note this is not to scale. These are exaggerations but to prove the point. That's a 20% increase in mass girth. There's consequences to that. The 200 minimum building separation standard that is proposed – to be decreased through a design review process is another issue. We have the 200 foot separation but in what's before you their proposing to manipulate that to less. There are many failings to this, if buildings can be located closer than 200 feet that's the second b there and some of them are closer and some are farther apart, the effect like doug weir mentions is a wall effect and a loss of sunlight and loss of views. And this hasn't been analyzed by the planning bureau, no modeling has been done or anything like that. C, the third standard 125' minimum north south dimension reduced to 112 feet maximum width has some merit. If one is only to look in only an east west direction, but as we now there are may other kind of diagonal views and that's what the most predominant view is. If you take the 360 degrees around any building, the view isn't just that you have to take all the other views that you can accumulate. In drawing c there shows no matter whether you have a 10,000 square foot building or the 12,500 and its an elliptical building there is less or more sunlight and more views on the smaller building then of course there is on the 12,500. It's just simple math. And I'm surprised our planning bureau isn't here to analyze that for you and do modeling for that. The last issue, the proposed resolution to create expanded urban design - -

Potter: Sir, your five minutes is up.

Ward: Okay, you want me to - -

Potter: I want you to - - you took 2 extra minutes. You had five minutes.

Ward: Okay, I'll just quickly the proposed resolution to create expanded urban design project based on the draft of two days ago we object to that in our meeting with your staff because it created a legal precedence that can't be done. They wanted to legislate that we couldn't visit – revisit the issue.

Potter: [gavel pounding] That's enough. Thank you.

Ward: Okay, thank you.

Elizabeth Callison: Elizabeth Callison, director at large, west Multnomah soil and water conservation district. I want to thank mayor potter and his liason Elizabeth kennedy-wong and the council and citizens for attending this hearing for giving us all a little extra breathing room on this controversial urban renewal district. However, in meeting with some developers and several neighborhood associations over the past couple of weeks, this city still failed to listen to long standing from the guidance from the Oregon fish and wildlife and the special district board on which I serve the west Multnomah soil and water conservation district. The best scientific information that these two agencies provided to city planners for a period beginning in the mid 1990's was completely disregarded. The height bonus for the new proposed buildings is not only unfair to the adjacent neighborhood and horribly shortsighted for the city to sanction or assign the safety of 325 foot buildings which will be sitting on a contaminated flood plain layered with 30 to 40 feet of fill. And of course as you know 8 feet of that fill is new fill. It isn't even clear whether the high rises will be measured from grade level which might be at the water line or measuring from the top of the most recent 8 feet of new fill. Either way will they be safe enough to warrant the huge city subsidies and the tax abatements. Moreover filling and elevating this section of bank will

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increase the risk of flooding to the lower downtown and eastside commercial area and I'd just like to mention this article that came out on the front page of the Oregonian back when we had the floods in 1996 and 7 this was the harbormaster is quoted here the portland harbormaster saying that "the lower downtown is built in a shallow bowl" so I just say that to underscore that we risk creating worse flooding downstream when we build higher and anchor the banks to promote new urban renewal in this district. The city's forcing the tax payers to subsidize utilities to support these 325 foot high-rises. Your council has had no thought to risk to public investment although these utilities will be constructed on as I mentioned contaminated filled river bank. I'd like to quote from the Oregon department fish and wildlife's testimony as a member of the greenway committee. This was disregarded by the planning bureau as I said it says the Willamette river greenway is currently envisioned in the north macadam district framework plan is inadequate to support diverse viable populations of fish and wildlife if we are to recover listed species and keep more species from becoming listed we must protect and restore functional habitat. I'd also like to quote from adopted agenda from the Multnomah county democratic party 2003 and the non-partisan eastside democratic club which said "government should presumptively designate as conservation priority areas all land within 200 foot along rivers in Multnomah County. I won't go any further because I've run out of time but I really do hope that this whole subject can come back for revisitation. Thank you very much.

Potter: Thank you.

Rosemarie Opp: Good evening Mayor and city council. My name is rosemarie opp, I'm the chair of mill park neighborhood association. I want to state that I have been opposed to this project for several reasons. One is the enormous cost. Subsidy tax abatement issue for our community. I have an 1999 newspaper article that says the city will be investing 150 million dollars. Tonight someone told me the price has gone up to 280 million. Who knows what it will be tomorrow. We can't afford this. I live in east Portland and it's a large area that was rezoned in the 1996 outer southeast plan the result has been detrimental. The density has been added but not the services to go along with it. Two weeks ago one of our members was at a blazer game when they came home their home was trashed, no doubt a meth user. They called 911 and found the police service was inadequate and they couldn't come. So they eventually called the fire bureau. We have very good officers in our community but their understaffed for the growth that we have. My point is that east portland is a large area and sends a lot of tax dollars down to the city that we don't see our share of dollars coming back into our area even for these very basic needs. But instead their used for these ongoing seems like city projects. People throughout the city are paying more and more taxes but getting less and less it seems. Second I'm opposed to the scale and height of this project. My background is in design and I know what a negative visual this project will have. It is sad but throughout the years I have seen the character of our City of Portland slipping away. I have an Oregonian article on Robert kennedy junior the most important issue for environmentalist making our cites livable kennedy said. If you can't make the cities livable, people are going to move out. Their going to move into the watershed and move in to the rural areas and ruin them. So as I see this we have this smart growth plan but it is really driving people away. I hear people say if the situation gets worse in this city too expensive to be able to live here or more loss of quality of life they will leave. Who is going to pay for all of this? Mayor potter I'm really glad to see you here today, I feel you have an enormous challenge throughout the city because of in my opinion some past wrong doings. Just a thought of adding another little city next to superfunded river makes no sense. I believe that we can say no and take another look. Maybe there's some contracts signed that may be less costly to reimburse than to go forward with this entire huge project. I understand these buildings will be built on a river bank with a 30-40 foot of field. Not on a rock bed or solid foundation. The city should not hold responsibility for this. If this project is viable, those who

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want to build it and pay for - - and live there should pay for the bulk of it and the infrastructure perhaps scale down. There must be some way to change this course I'm hoping. Thank you.

Mark Edlen: thank you. Mark edlen. I have a different view point. I'd like to thank the mayor's office and the council for the opportunity you gave us for the last couple of weeks to visit with the neighbor. I think we pleasantly found some things that we had more in common than not in common. While we didn't agree on all the points and couldn't come to resolution on all I think there was a lot of ground work that was gained. I think there was a lot of appreciation for both parties points of view. From our perspective we've got a lot of responsibilities down here. Obviously in terms of reclaiming an old industrial area and we are not building on contaminated ground and we are building on solid foundations. Creating jobs, hopefully through ohsu and others down there the economic development opportunities and hopes that we think ohsu brings not only for ourselves but also hopefully for our children. Creation of parks and greenway and affordable housing, density. Given a statistic that each block that were building on today is the equivalent of 50 acres of suburban land for the same number of homes retail space and associated parking. Our efforts in sustainable development were very proud that on ohsu's first building we believe we will achieve a platinum leeds level. We're told that's the first medical research building in the country that will obtain that. And I'm told it's also the largest office building in the country to obtain platinum rating today. And we've embraced the public process we're very proud that on both ohsu's first building as well as the merriweather we were the first and second building to go through the new d.a.r. design advice request process and we embrace those processes. We think that's what makes portland special. I often like to say when you're sitting at the table and their poking at your building sometimes it's difficult. But I do think it makes for better buildings. And I think coming out of this process some of the compromises that we found such as the width of the buildings we discovered some areas that will make the buildings not only better for us and our buyers, but also hopefully for the neighbors. And last our architecture, we are truly committed to try and do cutting edge architectural varied and interesting skyline. That will make it a better place for portland and especially in light of the fact that its one of the largest developments ongoing in the west coast today. Lastly, from our perspective today we have over 350 million dollars worth of development under way down there that's privately funded. That investment in addition to what we hope to kick off through the balance of this year which is another 250 million dollars of development is really based on what you start out with today mayor and that is the commitments and entitlements that are in place to develop down there. Thank you very much.

Potter: Thank you.

Martin Slapikas: Gee, I worry about a \$25 parking fine. My name is marty slapikas. I live in Corbett Terwilliger lair hill. When I was a board member back in 2001 the ctllh neighborhood association passed a resolution that supported development such as the north macadam district only if it includes a concurrent transportation, transit and traffic plan and funding to accommodate the expected traffic generated by such development. That's been a major concern of ours all along. I also support the reopening of the south waterfront 325 foot height issue previously approved by city council in November 2002. And also support the elimination of the resolve where they talk about any additional tools emerging from this process are intended to build upon for improved current standards and guidelines and not repeal existing entitlements. I think that's creating a bad precedent. Based on two reasons, 1) Oregon statewide planning goal one is citizen involvement which aims to insure that citizens have the opportunity to be involved in all phases of the planning process. There were no announcements that I received back in 2002 whereas in the issue before us right now since October I've received five of these notices, but nothing on the issue of raising the height to 325 feet. Furthermore, I believe city council ignored your own resolution 35-815 for the north macadam district framework plan implementation. That resolution required bop to bring proposals outlining implementation steps on various tasks on north macadam district framework

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steering committee within 120 - 240 days. So for these reasons I support the ctlh neighborhood association resolution because I believe what is now before the council the label the ctlh neighborhood association is a co-conspirator in subverting the Oregon state wide planning goal one which is citizen involvement and also city councils own resolution. It would place tonight's decision I believe if approved on a floored foundation. Which brings me to a question that I posed in my January 26th testimony, why is this amendment needed? The stated reason that I've read is that to change the zoning code or address the zoning code, were potentially preventing the design and development of buildings that were consistent with and furthered of the intended purposes these regulations. Well the question that was asked of the architects in February 15th just a couple days ago was does there exist a talent pool in this community of architects that would make a varied skyline in accordance with the current code and guidelines of floor plate of 10,000? I find it hard to believe that there isn't. I created a pregnant silence so I had to repeat the question and still no answer was forthcoming. So I ask you to ask the architects here if there is such a talent. Because I don't understand why that talent can't be used for qualitative basis on a lower height, I just don't understand that. In keeping with - - now if it does exist I suggest these two things in keeping with the north macadam being a world class neighborhood unlike any we've previously seen, I suggest a competition. You did it for skinny thing what do you call it skinny houses and we did it for the tram. And however if it does exist I also believe and I do believe this talent pool does exist get on with it at the lower level. There's a prevailing attitude about advocacy groups that favor new development over established neighborhoods and residences. And they talk about a wonderful viewshed for the south waterfront. I maintain it's also a wonderful viewshed for those on a hillside lucky enough to have a view of it. This viewshed will be destroyed by 325 foot buildings they come available to only those residents and wildlife living on south waterfront. Now if you want to do that if were all - -

Potter: Sir, your 3 minutes are up.

Slapikas: All right, well thank you very much. It's been an interesting process.

Potter: Please state your name for the record and you have 3 minutes.

Mark Williams: Thank you mark Williams, ohsu. Mayor potter members of the council I just wanted to on behalf of ohsu thank you for the opportunity to participate in this process the last two weeks. I think it was a good process we had a good conversation. Strong views were exchanged. At the end of the day I think what the process has resulted in is a very good compromise which is before you today. I wanted to also compliment mayor potter's staff particular Elizabeth kennedy-wong who facilitated what was at times a rather passionate discussion. But at the end of the day I think what we've arrived at here is something that can allow design excellence and can allow development to proceed in this critical area. There's been a lot of numbers thrown around today and I guess we all know what they say about statistics. But I wanted to offer maybe a little bit of a different perspective here. The city's actual commitment to invest public funds in this district is \$31,000,000. That \$31,000,000 at a very conservative projection is expected to leverage over two billion dollars in additional investment in the district. By my math that's a 64 to 1 return for the public for this project overall. I think the city and the public have struck a very good bargain financially on this one. I think if you found a lot more development projects with that sort of return you'd probably do pretty well. We're here to support the compromise that's been brought to you. Thank you.

Richard K. Werder: My name is Richard werder. I want to thank you mr. mayor and city councilmen for your leadership on this issue. I think mr. mayor under your direction a refreshing change has been breathed into public involvement in this process. For the first time the residents of portland, first time in a long time, the residents of portland have been able to have their voices heard and I hope this will be a template for the future. Tonight we've heard conciliatory remarks made in the spirit of compromise and compromise is generally the way the agreement is made.

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However, I believe that neighborhood compromise on this issue is made out of desperation. While I applaud the hard work expended on this project I believe it is misguided. The southwaterfront project will be the largest project in portland in a very long time and the height opportunity areas were pushed upon the public the people of portland without adequate discussion. I am not against progress and I welcome development on the site however I believe the scale of this project is way out of balance for portland. Past city planners and the state of Oregon have put a premium on scenic views and environmental concerns as an example a 1991 ordinance known as the scenic resources protection plan is supposed to preserve our views. The wishes of the work of the visionary past city planners have been ignored. While this meeting has been convened to discuss the three standards it is really somewhat the secretive approval of the 325 foot building heights that has angered people. I believe that this anger will not subside until these issues are adequately addressed. The first step to correct this process without succeeding on height opportunities is to preserve the existing standards. Members of this council agreed to these standards in 2003 and we expect these councilmen to keep these promise to the people of portland. Your vote today will be a part of your record for the future. In summation I urge the council to retain the standards and reexamine the scale of this project. A developers goal is to make as much money on a project as possible and move onto the next area. It's the people of portland who have to live with the negative impact of this project the increased traffic, interrupted views, and I suspect additional taxes. Thank you very much mr. mayor and city councilmen.

Potter: Thank you.

Bill Michton: Bill michton I live over near Multnomah village. I wanted actually ask a question I don't know if I can get an answer about it. In the exhibit b on page 9 it talks about having 80,000 square foot blocks or 120,000 square foot blocks and you can have 2 buildings in 80,000 square foot blocks. But since that's two blocks put together how do you get those two buildings in there and still have the 200 foot distance between them? That's the size of the block. I'm having trouble with that one. Then I have some comments. There's been a lot of talk about compromise but it seems to be only by the winners. The ohsu people the developers and the rich people who are going to move into very spendy housing. This talk about cutting edge architecture the building next door was considered cutting edge architecture that doesn't mean it's good its just cutting edge. I don't think that's a big plus. The reference to these trees above you from what I can see of the various models of this project what were going to be looking at is the trees not the view between them. We're going to be - - I mean if you look at that painting you have this two huge blocking figures in front of your view and that's what this looks like to me. And then the \$31,000,000 of leveraging 2 billion or something to that effect, that's sort of like talking about the size of the gross domestic product it's a little bit misleading because the gross domestic product includes the cost of burying people who are dead from asbestoses and car accidents and all of that. But that means we have a higher gross domestic product. So to say that the 3 billion dollars is going to come into the city only means that three billion dollars is going to come into some portion of the city where some people of the city but not necessarily to the benefit of the great majority of the people of the city. And I don't see this project doing that. I see as people hurting the thousands of people who live between barbur and the river who are going to be blocked out the discussion that we - - that someone mentioned earlier about you know you can move them around but you're still may end up with a wall of buildings and there's not control below 250 feet. There just seems to be no compromise that's happened here except for the folks who won. Thank you.

Potter: Thank you. Please state your names or the record and you have 3 minutes.

Barbee Williams: My name is barbee Williams I live on flower street a block south of johns landing. I'm the chair of ctlh. I'm talking visual and wider than the people who've testified earlier. You've already heard all the details and the nuts and bolts. The standards that were talking about tonight were all agreed to several years back. City council planners and developers all agreed on

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that standard. So for me I take that and I go wow we've got some protection here as long as these buildings fall in this area we're okay. Well the interesting part of this meeting tonight is that people outside of our neighborhood realize the dangers of removing or changing these standards yet again.

CTLH has contributed thousands of man hours to issues unlivability, view corridors and height issues. I've been on the board myself for over 15 years. Continually changing standards takes away our ability as just plain neighborhood people to protect and keep our neighborhoods. We truly want to see these properties developed it's an eyesore we're excited about that but even if you say no tonight to these three changes their asking for that development is still going to happen. That design is still going to occur. There will be other designs that will fit in this criteria that will still be good for our neighborhood. Its like were on a raft in the middle of an ocean as a neighborhood person at my level I'm not an architect, developer but to me it feels like were on this raft and every time we make a change somebody comes and takes a piece of our raft and pretty soon were going to sink and were going to be covered by a vision that the neighborhood did not choose. So what I want to say to you individually is to think about this the world is not going to come to an end if you say no tonight. We really need to think about this, this is going to impact our neighborhood for years to come. Most of that neighborhood is single family homes. Theirs lots of condominiums. These are neighbors that live there and so I feel that its my responsibility to ask you to please say no tonight. Even if it comes up later down the road after there's more discussion. Thank you for your time.

Potter: Thank you.

James Davis: My name is james davis I'm land use chair of Corbett Terwilliger lair hill neighborhood association. I think my worse enemies probably say that I can count and I can count tonight up to one. I think that's what were looking at the neighborhood will be supported by one vote and will not be supported by the majority of this commission. I have a drawing here actually a rendition because we've been talking about views and I know that your getting tired of it. But we haven't been talking about views from Corbett terrwilliger lair hill. Which is primarily east of barbur boulevard and barbur boulevard is 80 feet. The area that their building on is 50 feet. Just roughly I know you've seen this before. If your 6 feet tall your just a little dot here. Essentially there has been no compromise with our neighborhood because we have lost all our views to the west. We're just to low down were just not at Terwilliger were 325 feet below Terwilliger. So I know that some people have said that were very very rigid. But were not rigid I represent the land use folks or the land use desires of about 4,500 people who's values are being sucked out of their places and transferred down to south waterfront. Without standards that's essentially where were at in talking about tonight. Without standards I think that were just turning over whatever happens down there to the developers. And what were asking and what we've been asking and the Oregonian editorial this morning which was not only ignorant but stupid were asking what the central gave us and was codified by ordinance in 1988. And I don't think anyone of your staff gentlemen, has read the central city plan. Or if they have not very closely because everything that we have been asking for everything that homestead neighborhood has been asking for everything that the neighborhoods adjacent to us have been asking for has been codified and has been guaranteed us and the process that we have gone through has been a process of greed, corruption, huberous and deception. And that's why were slightly pissed to be very frank. I know I'm running out of time but I want to take this time mayor potter to thank you for this is the first time our neighborhood has been treated with respect in this building for the last twelve years. And I can't thank you enough.

Potter: Thank you.

Jim Karlock: My name is jim karlock I live in northeast portland. I've got several concerns. The primary one is that this town is broke. We've giving tickets to car thieves, we're habitually have problems with short school years. We're talking about where we gonna get eight million for this

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current budget period or how we're going to cut eight million dollars in the current budget. Yet every year we're collecting 57 million dollars in property taxes that do not go to government services in either the city or the county because they are kept in the existing urban renewal districts.

This project has the potential to double that amount of money at buildout. Also, in the city document north macadam urban renewal area return on investment analysis, which I found on the I believe pdc website, over the remaining life of the urban renewal area from 2002 to 3 physical year to 2009 dash 20 there is a cumulative deficit of 14.6 million in 2003 dollars. Operating budget deficits continue beyond this time to buildout estimated 2024 to 2025. Under the most optimistic scenario that I can imagine that they've used in this document their projecting almost a million dollars a year cash out of the city treasury every year for this project. I'm going to guess this will be two or three times that amount of money from the income estimates their making here. The city can't afford to give away this amount of money. I think its that simple and so why is the city proposing - - why do we have all these urban renewal districts - - why are we proposing putting about 200 million into this district? Well I looked up some campaign donations I'll just read some numbers. Gerdling edlen development company \$5,000, homer Williams \$4,000, hoyt street properties \$1,000, homer Williams \$2,500, homer Williams \$2,500, harsh investment properties \$2,500, gerdling investments \$2,500, mark c edlin \$2,500, schnitzer investment \$10,000, snitzer investment \$7,500, snitzer investment \$1,000, girdling edlen development \$3,000, snitzer investment \$5,000, harsh investment properties \$5, 000, homer g Williams \$2,000, girdling edlin development company \$5,000, snitzer \$5,000, h Williams advisors \$2,500, h Williams advisors \$3,000, Kenneth novak who is listed as being snitzer investments \$5,000 and an additional \$2,500. This is not an inclusive list because I do not have access to all the reports in the short amount of time I had to work on this. I sincerely hope that whoever received these monies will weigh the special interest versus the city needing money badly and the neighborhood concerns. And this project is going to severely damage the livability of portland the way it's currently planned. Thank you.

Potter: Thank you. Please state your name for the record and - -

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

Potter: You have three minutes.

David Redlich: Good evening my name is david redlich I am a member of the homestead board and also it's past president I live on sw condor avenue. I'd like to open my remarks by thanking the mayor as a number of others have stated before this is the first time in this entire process that the neighborhoods have had an opportunity to even idley participate in the process. And I want to congratulate you and thank you for the number of meeting that you organized though they didn't produce much in our favor I just want to again say thank you for that. I support the hillsdale neighborhood association position. I support the swni trails committee position as outlined by don baack. I support the homestead neighborhood position as outlined earlier by anton vetterlein. And I also support the ctlh positon which is also basically to go back to square one and it think that's what we need to do if you ever want to call this a fair process. Last time I was here I noted how most of the people that were testifying in favor of this project were paid to be here. where as the vast majority in opposition took considerable effort to get downtown during the day and now in the evening to get our two cents in worth. I think that if this process were to be opened up even more I think you'd see more people in down here testifying. The justification that used for much of this is that back in 1988 in the central city plan, the city took a number of decisions. Well just because you blew it in 88 doesn't mean you need to keep blowing it. We all recognize now the routing of I-5 and I-405 were a disasters. The Auditorium [tape ran out] - -we had hoped and in fact some of the most vibrant neighbors by local residents and by that I would use to illustrate nw 21st, 23rd and se hawthorne which have really received very little support in comparison to what your dumping into these urban renewal developments. I'm also deeply disturbed by the fact that this is economically,

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as jim pointed out just a moment ago, is a boondoggle. That's the only thing you could describe it as it's a boondoggle. Bio-tech is a high risk investment for public funds it will not create jobs. The patel report that you all paid for to support your position and the developers position was - - had so many qualifications into it and outs for the writers of that report as far as it's economic impact as to make it virtually worthless. There are a number of other reports out there that more fully describe the economic impact on the nation's economy and our economy that take a much, much less rosy view. Compounding that this decision is in conjunction with urban renewal baffles me even more because we have urban renewal areas that forty years later are still in urban renewal. This was not the intent at the time and certainly isn't the intent now. This council, in essence the economic development plan for portland is leave no developer behind. You put more money long after it was declared one of the hottest real estate neighbor areas in the city of portland without it being the pearl district you went ahead and gave it more urban renewal funds extend its urban renewal status.

Now when you're in urban renewal basically everybody who's not in urban renewal is subsidizing your services that you're getting from the government. And so you're trying to create a new business environment down there but your taxing the existing business base to get it. The whole way urban renewal works this isn't going to work out a big chunk of that area down on the waterfront is going to be owned by a non-profit entity. They don't pay taxes in case you guys haven't looked at the tax code. So that means the ohsu land down there isn't ever going to come on the tax roles to pay off the investment that were making down there. There's also a moral aspect to this and that is basically what you're doing is your transferring viewsheds that are owned by all of the public to those wealthy enough to buy into these new developments downtown. Now I can only say I think jim earlier hit on exactly where the problem lies here.

Potter: Sir, you're going to have to wrap it up.

Redlich: I will, I'm doing that now, thank you for your consideration. The problem is, is the way we're funding your campaigns. And it comes simply down to this. Why do we have to have public financing when the mayor has demonstrated a way to raise funding to get elected. You know I ran up jim's numbers, sam adams \$15,000 from the development committee, Leonard \$50,000 from the development committee that's kind of interesting because you came to a fund raiser for us asked for our support when you were running for office, told us [gavel pounding] you would support our position but we only gave you \$500 so I guess I'd sell out for \$50,000 too. Sten \$10,000.

Potter: Sir, time is up.

Redlich: Thank you. Unless we change the system this is just going to be more of the same.

Steve Schopp: My name is steve schopp. I live in Tualatin and as most folks know this plan here is - - certainly has a regional interest. I've been troubled by the absence by anyone from metro chiming in on this process. In fact I haven't read or heard a single word from any metro councilor at all. This being the largest project in the cities history you would think that the regional extra layer of government we have would have weighed in at certain junctures and maybe even sided with some concerns of the citizenry which have taken countless hours and costs out of their lives to come here and address the red flags and fatal flaws which the cities staff and multiple city agencies failed to address. In the paper today we get the Oregonian chiming in on this with the south waterfront project is a terrific deal. How would they know? How would anyone know? And better yet how do you know it is? Have you seen a photo a simulation of the project? Have you seen a fully depicted two-scale drawing of it? I haven't. I've looked everywhere. They never made one. They started with a new lands company back in june or july and this process was stopped. So how do you have the largest project in the history of portland not have anything drawn so people can look at it? There's lot of discussion about it's going to be so wonderful, its going to be so big, its going to be too big, it's going to be too small. Why wouldn't we be able to just simply look at it? This is absolutely ridiculous and the momentum that somebody talked about earlier, the momentum there working on buildings down there right now and there's plenty of time for the city and their

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various agencies to look at the situation and not just what the impact of the buildings are, but furthermore you have a situation where there hasn't been adequate traffic impact study. What's going to happen to traffic? Now you have to realize that in this area and I know you're aware of this because there's meetings' going on right now with various commerce interests freight and business owners. Trying to address the problem of choking mobility and the problem is not new. The problem with traffic around here is not new. Back in the year 2000 when metro executive mike burton gave his state of the region address he said and I quote this is not a steve schopp this is mike burton from metro "traffic congestion is bad and getting worse, it's a nightmare for commuters and it is choking freight mobility. There is no more clear illustration of our inability to meet growth needs than our failure to address our transportation needs within the transportation arena we are facing utter chaos. This is a huge severe problem we have here. Moving forward without any consideration for the impact of this enormous development on traffic in such a bottleneck area is irresponsible and reckless". You just simply cannot do that when you look at the forecasted number of housing units. It started and it's even been in the paper they called for 2500 units are going to be down there. Well I'm sure you've heard that now the forecast intent is to have 8,000 housing down there. Is a legitimate and genuine planning process that ratchets up from 2500 to 8,000? You look for one crucial germane issue in this planning process from start to finish and they've dropped the ball and not done their homework. And the mayor, you have a golden opportunity to assign the various agencies to go back, to do the photo simulation, let people simply look at what the plan is. To look at the traffic impact and avoid the costly and extreme mistake that this is likely to be. Thank you.

Potter: Does council have any questions?

Saltzman: I guess I do.

Potter: Okay.

Saltzman: I was curious about the point that mr ward and somebody else made about the 112 foot widths if you have those building at different depths if that would effect the view corridor from east to west? In other words if you have one buildings sort of further west then another building on a 200 foot block over further east.

Kelley: I think it was doug weir that made that point. He's absolutely right that you could using the strict 200 foot separation rule end up with a wide spacing on one set of blocks and on the next set of blocks by offsetting the towers but keeping them 200 feet apart. In other words by staggering from a distance any way looking east or west and if you add a third block to that again you could end up closing off more of the view than you might want to. And I know that that's a situation created by the rule in front of you because that's essentially what's on the books. Our hope for flexibility which is reflected on page 7 of exhibit b in the alternative language is to create flexibility as he recommended to sort of bunch buildings and create than larger public view corridors through the district we can't - -

Saltzman: that's what the south waterfront urban design - -

Kelley: Correct. This provision would only take effect once that urban design framework is done and that would be one of the principal intents of that exercise is to create more substantial public view corridors through the district and that flexibility would only take effect under this provision once council adopted that framework plan so you would see the visualization that you heard some of the speakers asking for.

Saltzman: What is the expected timeline for this south waterfront urban design and development framework?

Kelley: In the - what we'd like to start on soon in the resolution we have said that we've recommended that you direct us to bring it back to council within 12 months. It could be sooner than that.

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Saltzman: Also I'll bite on bill michton's point too I guess you have 240,000 square foot blocks build one building each can you maintain the 200 foot separation?

Kelley: You can, they would probably be narrower than 112 feet. They'd probably be 99.9 feet wide each because some of the blocks there are 200 feet in the east west direction and 400 feet because its 2 blocks - a single block is typically 200 feet. So 400 feet in the north south direction so therefore if you put the towers at the far corners you could still maintain 200 feet through the middle. And so we said that you've got to have at least 2 blocks worth to accomplish the average separation that's called for here. So that anything less then 80,000 square feet you should have only one tower.

Sten: I had one question mayor.

Potter: Yes.

Sten: Gil could you give me a little more sense, I'm interested in anton's point about the bio medical buildings and is it accurate that they don't have to go through design review I guess a and then b I'm worried about the bio medical buildings I don't know how many there's actually going to be at that height I think it's somewhat unlikely that those types of buildings are going to be built that tall. If they were they could throw off a lot of the work that the developers have done to put the urban framework in place and guarantee the view corridors. So are there steps we can take to address that concern? And a fair one?

Kelley: Well we would hope that those would be included in the urban design framework plan. So although we wouldn't apply new standards to them the placement of those buildings could make quite a bit of difference. They are subject to design review they're not subject to the extra criteria for the bonus height above 250 square feet as it's written now. I think that's councils determination is the types of buildings that were contemplated required much greater floor to ceiling heights or floor to floor heights than residential buildings did. Therefore to get the sort of capacity within the envelope you wanted to go higher. That was the theory. So they are subject to design review but not to the additional criteria there in the height bonus provision. But we would look at them in terms of the urban design framework plan.

Sten: Well this may be a longer conversation on these I want to have it with anton and the rest of the neighborhood. I want to talk some more about why we wouldn't require some of the same things of these buildings that were requiring of the residential buildings. I'm not sold on that and since I was one of the people who voted on that that wasn't my intent.

Potter: There was a couple of folks who spoke about the lack of having illustrations and photo simulations. Does the planning bureau intend to provide that at some point?

Kelley: I think there are two levels which simulations can be done to use that word. We did do computerized diagrams all through the process they reflected however the maximum building envelope. So they not a very realistic depiction of what might actually occur there. The buildings would be smaller than those envelopes. Those were the maximum dimensions you could fill up. And they'd be far more articulated. But not knowing exactly what proposals would come forward for specific buildings we didn't attempt to guess at that. But that next level of work could be done there could be a lot more refinement in the urban design framework analysis. And we would want to do that.

Potter: The final thing is on mitigation. Several people mentioned various mitigation efforts. Is that going to be also part of the resolutions effort to direct toward mitigation?

Kelley: Well we haven't contemplated that in the resolution as its currently drafted we intended to look somewhat more narrowly at urban design issues as opposed to offsetting dollar mitigations.

Potter: What's the process in for handling that? since there is money being put aside from the bonus height?

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Kelley: There is, there is already a mitigation requirement in the ordinance and that has specified expenditures that essentially go to parks and green space in the district. As I think its currently constructed it wouldn't cover the request you heard today for the trail system outside the district.

Doss: Correct.

Sten: Mayor, I don't know and it's probably a question more for the council but it may go to you anyway gil. I guess I would be interested in trying to figure out how we could do an expedited process around the same time frame which gil is proposing the urban framework plan to take a look at some of the neighborhood amenities that have been promised to this plan but are still not funded as to the reality of getting those funded. I mean from my point of view there are some things like the freeway bridge that are out there that - - there's some elements and I won't go into a long speech but this has been controversial for many of years and there's some elements to this plan that I believe are not reconcilable with the neighbor's interest and one of the issues has been and its not a win win. And one of the issues has been are we going to get other things funded that don't make up or make it even whatever that's in somebody else's judgment. But that are things that are wins for the neighborhoods and some of those things we still aspire to do but frankly I think we haven't really done a good enough job as a council making sure they get funded in a reasonable timeframe. And so I think having a - exactly parallel conversation that came back to the council at the same time so that we could say okay these things are happening or there not happening and if there not happening what can we do to speed them up. Because again I think these are things that will be very good for the neighborhood but really need to be there and I'm not sure their there yet. So it's probably partially pdc it partially planning its probably the council to look at the issue there's transportation funds, park funds other issues.

Kelley: We'd be happy to do that. It would be an interbureau collaborative approach to do that but we'd be happy to convene that effort.

Potter: Other questions? So how do you want to formulate that?

Sten: I wonder if I could ask gil to bring some language back for the next reading.

Kelley: We could do that.

Sten: I don't' think there'd be a substantive change to add to the resolution saying that the council instructs that such a task force to get moving.

Adams: That's fine, I mean I'm pushing on the transportation related stuff related to the pedestrian bridge also have worked with transportation on the buyout for those on the tram. But putting it all together into the package among bureaus I think is a great idea commissioner.

Sten: It will give people some impetus to move and to the extent that things are moving and we can show that that's terrific and they say that their not we need to know that.

Adams: Great idea.

Potter: Other questions? Kathryn, it sounds like you want to hold off on voting on the resolution until it comes back with the additional information.

Sten: Or we could vote today.

Potter: Okay.

Kelley: If you'd like an amendment to the resolution we'd have to draft that so we'd probably - -

Kathryn Beaumont, Office of the City Attorney: You would carry the resolution - -

Kelley: We'd have to carry the resolution - -

Beaumont: Or bring back a substitute resolution.

Saltzman: If I understand commissioner sten he's asking for a update on what are the amenities that we talked about and more or less promised and what is the status of them - -

Kelley: Correct.

Saltzman: Or is the money there to do that.

Potter: I thought you wanted to include a - -

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Sten: I may look to Kathryn. I don't think this is a large enough amendment that it needs a whole other reading.

Beaumont: If you want to add something to the resolution you need to have the language that your going to add in front of you and it sounds like the directive was to the planning bureau to prepare some additional language to bring back next week and I guess what you'd have is a substitute resolution with that language included.

Leonard: Do we need to wait a week to have it drafted can't you have what you asked for reduced to language here. I mean it sounds like a fairly simple - -

Beaumont: Perhaps if I could have a few minutes to confer with staff. I was talking with the auditor while commissioner sten was proposing his idea.

Leonard: I think it's a fairly straight forward - -

Doss: We were wondering if it would be possible to bring a separate resolution that was more specific to the neighborhood amenities because this one dealing primarily with urban design issues and that would allow us to really work on that.

Sten: That would be fine. Why don't we just craft a separate resolution and bring that back as opposed to amending this one. And then we can spend a little more time getting it right and I would like to - - you know then we can vet that with the neighborhoods and make sure it speaks to the things they'd like to see looked at.

Kelley: Okay. We'd be happy.

Potter: So I can pull the resolution until next week?

Beaumont: No, as I understand it, what commissioner sten said, you can vote on it.

Leonard: We're going to vote on this.

Potter: Okay, let's vote on it.

Adams: New resolution next time.

Sten: I'll work with the mayor to bring it back in probably a couple of weeks so we'll have enough time to look at it.

Potter: Karla, please call the roll.

Adams: So we're voting on the resolution right?

Potter: Correct.

Adams: Aye.

Leonard: Well I probably should just vote and shut up because I've learned in this debate that there are those that listen to what they want to hear and craft angry responses based on what I say so I better - - the smarter part of me says I should just vote but I feel the need to explain myself because the dumber part of me always prevails [laughter]. As many of you know.

Potter: That's what there going to use.

*****: May I quote that?

Leonard: You would anyway whether I said it or not so you might as well. At least I said it and you can quote me accurately. I believe strongly that having grown up in portland that this is a part of the city and this is an aspect that has been overlooked in this debate that is truly one of the areas conceived of on urban renewal districts were passed in the united states congress in the forties. And that is a blighted area and needs to have some special attention to get something done. I have voted against urban renewal districts on this city council I don't know that anybody else has done that before. I have. Because I do believe what some of those have said here today is accurate there are areas of the city that don't need assistance to sustain themselves or to get themselves going. I don't disagree with that I vehemently disagree with that position on this partial of property in this section of portland. This is an area that has been polluted, to be polite its called a brownfield that we now see with, and I use this work sparingly, there's a lot of people that overuse the word vision, I've noticed in this city. But there are people who had a vision for this area of the city that took some tremendous risks that invested some time and energy and what we will end up seeing is a much

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better product than exist there today. The payoff for the city isn't that we've created an enclave for the rich and famous. That is a completely misleading and inaccurate assertion of people and I feel a need to defend those who will live down there. I hear the same charge leveled against the pearl. Coincidentally, two days following after our last hearing, I was privileged to stand in for commissioner sten at the opening of a high rise senior building right in the heart of the pearl that only has the most income challenged seniors allowed to live there. Some people with as low as no money will have a place to live in the heart of the pearl. Coincidentally, having nothing to do with this debate but the timing just happenstance, I asked to have a tour with Richard Harris of central city concern to look at what they've done in the core area and I embarrassed Richard Harris often and not intentionally but when I characterized his organization as the mother Theresa of social service agencies. And I call them that because they target the most helpless in this community. The people most of us walk by afraid of that are drunk on the sidewalk or who they target to salvage to put through recovery find housing for and jobs. I was lucky enough to tour central city's concern again that commissioner sten spearheaded on the park blocks in what is known as the pearl as one of the most innovative far reaching probably cutting edge treatment facilities I'm aware of. That includes decent housing, medical clinic, acupuncture clinic a full range of services for our most helpless people in this community. Meth, alcohol addicts, alcoholics and so on. The south waterfront I view as in that same context and I came into this debate probably somewhere toward the latter third in late 2002 but immediately joined commissioner sten to push for - - I shouldn't say I pushed for and I won't take credit for that but I definitely lent him whatever support I could in his effort to establish 20% minimum affordable housing for low income people in this project. I fought for and got a development agreement by the developers that the workers in that project get paid family wages that they didn't want to agree to and they did. So, I'm disheartened by some of the things that are said at times, I'm also a big boy and I can take it. But it's unfortunate and unfair to the good work done by a lot of people to the people that community will serve. And ultimately it will generate a lot in taxes for this community which means better schools, better police and fire protection better parks and above all a better city. I wouldn't vote for it and I don't care who gave me money and anybody that knows me well knows that. It's I think going to be a testament to this community long after all of us are gone and something all of us will be proud of, all of us in this community or I wouldn't vote for it. Aye.

Saltzman: I want to thank mayor potter and his staff for working with all parties to bring this to this point and I think it's a good point and I'm pleased to vote aye.

Sten: First I want to quickly talk about the urban framework idea. I think this idea that came out of this couple of weeks is very, very important. Because I think if the key to preserving whatever views can be preserved then they need to be preserved as much as possible and they will be changed dramatically. These are very tall buildings it's intense development. Is knowing where the buildings are actually going to be placed. And the thing I was frustrated about at the last one is that you could change the regulations a little bit perhaps get a better designed building but where they are in relation to each other is far more important to the views than all the issues we were able to debate. So I think the concept that came out of these last couple of weeks, and I do want to thank mayor potter his staff there were also other staff members from the council offices involved in this trying to come up with this and particularly the neighborhood activist who hung in there and the developers who agreed to try and do it this way. I think we have a chance to do a much smarter plan by having the framework. By what I mean is the framework trying to figure out where does each building go, because I kept being worried that you could have a whole bunch of better designed buildings by getting that little bit of flexibility. I actually agreed that the little bit of flexibility could lead to better design but then you could have whole bunch of better design buildings that were placed poorly and you still would lose the other piece. So from the purpose statement on to the framework plan which I hope to see in a year or less which I think will be fast enough to catch

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what needs to be done I think we will get a better product out of this process. So all of you whether you're angry about the where this thing is now or not have helped to make it better. I think from all viewpoints I thank you each of you for doing that. I don't want to talk for a long long time but I just want to give it a little bit of context. I have been on the council for several years and have supported this development along the way and why I have and there's several reasons. I think its very, very important that we do try and build ohsu and that we make investments in the right direction. I don't see the city if you look very closely, I don't see any merit to the argument that the city is investing in biotech. The city is investing in making this very polluted ground an area developable again. If biotech were not to work this would still be a place for thousands of people to live and work and those buildings would still be convertible and people will live there. That being said I think ohsu is on the right track they have a doctor there who has cured a form of cancer. That is literally true. And that's the kind of work that's going on there that does not just serve rich. And actually ohsu serves, I've had an argument with doctor kohler on a different subject these last few months. But ohsu has done a terrific job they serve the rich and poor. I know family members who've had their lives changed around by the work at ohsu some of whom couldn't pay for that work. And so for me expanding ohsu is the right thing for this community to do and I stand by that I'm not defensive about that in the least. I think it's the right approach. I do believe very strongly in what one of the dreaded developers said that when you can put the equivalent of 50 acres of land suburban sprawl, that's good for the region. Its good for the environment. We are going to have traffic problems. I think one of the last gentlemen to testify talked about traffic. It is a major issue. I do not believe we've solved the problem yet with traffic, but we are getting a street car bus system and other things in place. And frankly the traffic problem exist in the region one way or the other and I think that trying to make this work makes sense. I also believe that you do have to get your transportation - - you have to have a certain level of density in inner cities to get transportation to a point where it can truly work. Where transit really really works in big cities in my opinion is where you have enough people using it that you don't need a schedule and frankly bluntly portland does not have enough density to make the transit that we want work. And so you have to put it in some places. I have believed for a long time that you do need to, I'm not going to go on forever, but I think its important thing. People have talked a lot and we need to put in context why you support this if you do and I want to do that tonight. I believe and you know there's been some subtle and not so subtle shots taken at the last mayor who I respect a lot and I think worked very hard for this city for the last 12 years. She had a notion that one way that you protect neighborhoods is to put the density you need to accommodate the growing population into new development. And that's part of what has happened here. The alternative to putting people into places like this is having them not come here which will only happen if the city gets screwed up or putting them into the existing neighborhoods. So I think you have to understand that argument and it's a valid one. Finally this was a long fight to get this development agreement and I really stood on two things that I think are going to be amenities that serve the entire state to be honest. That's the greenway and the open space that's going to be down there. I've worked for a long time on projects to restore environmental places on town and you can only do it when you generate development right now. There's not source of money to restore river banks and so I've also worked very hard on the ross island turning into a park and a nature preserve. And you can start to see this tie together. You're going to have habitat on this bank the first building that's being built is being done with the state of the art environmental storm water system that's never been done before and what fish need in portland right now are places to rest. That's from long work that we've done to endangered species and the eco system between ross island and the restored bank is not going to save the fish in this community but it is a start to doing the part to fix what we've messed up. And so the idea is to rebuild this in a way. So that really gets you to the end of the day that basically you have the developers made an argument that they have to build taller buildings to create the value. I

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think that's a very tough argument but I think it is very difficult and I'm not 100% sure and I think its important that when people are up here there's a lot of certainty on some sides of this maybe these buildings are to tall maybe they won't, I don't know I honestly don't know whether these are going to - - the height we gave was a little too much or not. But I do believe the strategy to trade the height for skinnier buildings was a solid one. I have read the central city plan and what it allows is 250 foot buildings one block wide. Those are not allowed now except for the medical issue which we've talked about under this new plan. And so what we have traded is skinnier, taller buildings in place of wider buildings that would have been 250 feet tall. I honestly believe, I'm not an architect but I do believe that the skinnier 325 foot building will serve the neighborhood better than the blocky 250 foot building. That change from the 88 comp central city plan I'm looking at jim because I have read it he accused me of not. I think you can accuse my staff of not reading it. I think is a good change. And I think it is and so again I want to end by saying I recognize and I recognize every time I voted for this that in everything I've ever worked on up here I always try and find a way to have a win win between the different parties. And one of the things I've said on every vote on this one is on this project I have never been able to come up with on the issue of height and density something that's a win win for the people who live behind it and the developers it is not a win for the people who live behind it. And that's my mitigation things are important but this is not one where I sit there and say if you live in a place where a tram is now going to be over your head or your view is blocked that you should be happy about this, I'm not surprised that your not, but I did want to take some time since I think you are having the impact of this and in neighborhood to explain why I supported it and those are the reasons I do. Aye.

Potter: I'll talk a litter slower. [laughter] Because I just wanted to say thank you to all the people who took their time to be here tonight that weren't paid to be here tonight. All you good neighbors, the folks who are willing to sit over the last two weeks and try to work through this process to come up with something. I'm hopeful that this resolution, and that's what were voting on right now, this resolution will begin to change the face of how we in government and developers and community meet and discuss these things. Because I think this is what creates community. There's are differences but understanding that besides the differences there's much we share in common. So I appreciate that you folks would come together and discuss this even though we didn't come to full agreement, at least people were heard. I want to thank the developers, neither one of the developers had to attend those meetings they did so because they wanted to and they wanted to come to some conclusions. So from the community side I thank you the developers thank you. Gil and Elizabeth kenndey-wong would you stand up just so people can see who's to blame for this. A little hand for Elizabeth. And to my fellow council members that was an excellent speech randy and erik. It was and it thought they were both worthy. So with that I vote aye on this resolution. The next is that the ordinance has been amended and moves on to a second reading is that correct?

Doss: We wanted to be clear as to what version of the ordinance you were voting for though. Because as you may recall on page 7 of exhibit b there's alternatives. There's basically one that maintains the 200 foot separation, no adjustment or modifications. That's currently how it is in the code or one that would allow for modifications to the 200 foot only when we come back with an adopted framework plan.

Potter: My preference is for the latter. It gives more flexibility. Is that okay commissioner Leonard?

Leonard: Yeah. Absolutely.

Potter: So that's the one. So we will be, that will go onto a reading next week Kathryn?

Baumont: It will pass to second reading next week, karla what date?

Moore: We can bring it back on the - next Thursday the 24th we have another item scheduled.

Kelley: Okay.

Baumont: On the 2 o'clock agenda.

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Moore: Is that okay troy, next Thursday?

Doss: Yes.

Saltzman: We have a lot of budget team meetings scheduled during these 2 o'clock Thursdays don't we or is it - -

Leonard: We have one Thursday a month that's set aside for things like this.

Moore: Not until next month.

Saltzman: Is it possible we can do it on a Wednesday morning?

Moore: We already have a 2 o'clock coming back next Thursday p.m.

Leonard: This will be fairly quick. It won't take long so it shouldn't really interfere with our budget.

Kelley: I think it's my budget. We'll drag it out as long as we can.

[laughter]

Potter: Thank you good folks of Portland. We're adjourned until next week.

At 8:15 p.m., Council adjourned.