



CITY OF
PORTLAND, OREGON

OFFICIAL
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **15TH DAY OF JUNE, 2005** AT 9:30 A.M.

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

Commissioner Leonard had an excused late arrival at 10:26 a.m.

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

Agenda Item 624 and 625 were pulled for discussion and on a Y-4 roll call, the balance of the Consent Agenda was adopted.

COMMUNICATIONS	Disposition:
<p>610 Request of Paul Phillips to address Council regarding an open letter to John Kitzhaber (Communication)</p>	PLACED ON FILE
<p>611 Request of Freedom Child to address Council regarding issues with the Police (Communication)</p>	PLACED ON FILE
<p>612 Request of Charles E. Long to address Council regarding getting a reporter's view of Iraq (Communication)</p>	PLACED ON FILE
<p>613 Request of Richard L. Koenig to address Council regarding racketeering (Communication)</p>	PLACED ON FILE
TIME CERTAINS	
<p>614 TIME CERTAIN: 9:30 AM – Accept report and approve the partnership agreement for the 3 S.T.A.R.S., Supporting Teaching and Rewarding Success, program (Report introduced by Mayor Potter)</p> <p>Motion to accept the Report: Moved by Commissioner Adams and seconded by Commissioner Sten.</p> <p>(Y-4)</p>	ACCEPTED
CONSENT AGENDA – NO DISCUSSION	

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<p>615 Accept bid of Stellar J Corporation for the Sullivan Sewer Structural Rehabilitation Project for \$784,999 (Purchasing Report - Bid 104019) (Y-4)</p>	<p align="center">ACCEPTED PREPARE CONTRACT</p>
<p align="center">Mayor Tom Potter</p>	
<p>*616 Authorize an Intergovernmental Agreement with Centennial School District 28J for financial assistance (Ordinance) (Y-4)</p>	<p align="center">179317</p>
<p>*617 Authorize an Intergovernmental Agreement with David Douglas School District No. 40 for financial assistance (Ordinance) (Y-4)</p>	<p align="center">179318</p>
<p>*618 Authorize an Intergovernmental Agreement with Parkrose School District 3 for financial assistance (Ordinance) (Y-4)</p>	<p align="center">179319</p>
<p>*619 Authorize an Intergovernmental Agreement with Portland Public School District 1J for financial assistance (Ordinance) (Y-4)</p>	<p align="center">179320</p>
<p>*620 Authorize an Intergovernmental Agreement with Reynolds School District 7 for financial assistance (Ordinance) (Y-4)</p>	<p align="center">179321</p>
<p align="center">Bureau of Environmental Services</p>	
<p>621 Authorize negotiations for the acquisition of temporary interests in property necessary for repair to the Lents Interceptor sewer line with said acquisition efforts to be conducted under the Eminent Domain Authority of the City (Ordinance)</p>	<p align="center">PASSED TO SECOND READING JUNE 22, 2005 AT 9:30 AM</p>
<p>*622 Authorize a contract with Kiewit-Bilfinger Berger, A Joint Venture and provide for payment for Pre-Construction Services for the East Side Combined Sewer Overflow Tunnel, Shafts and Pipelines Project No. 5516 (Ordinance) (Y-4)</p>	<p align="center">179322</p>
<p align="center">Office of Management and Finance – Bond Counsel</p>	
<p>*623 Authorize defeasance of Powell Valley Road Water District debt (Ordinance) (Y-4)</p>	<p align="center">179323</p>
<p align="center">Office of Management and Finance – Bureau of Purchases</p>	
<p>624 Authorize contract with Office Depot, Inc. for an annual price agreement for office supplies and new printer cartridges (Ordinance)</p>	<p align="center">PASSED TO SECOND READING JUNE 22, 2005 AT 9:30 AM</p>
<p align="center">Office of Management and Finance – Human Resources</p>	
<p>*625 Approve cost of living adjustments to pay rates for nonrepresented classifications and Elected Officials, specify the effect upon employees in the classifications involved effective July 1, 2005 and provide for payment (Ordinance) Motion to accept amendment to add directive G - Notwithstanding the above, the Mayor and individual Commissioners' salaries shall be frozen at the current rate upon their request: Moved by Commissioner Sten and seconded by Commissioner Adams. (Y-5) (Y-4)</p>	<p align="center">179336 AS AMENDED</p>

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Office of Management and Finance – Risk Management Division		
*626	Pay claim of Allen Tackett (Ordinance) (Y-4)	179324
Office of Transportation		
*627	Grant revocable permit to Champ Car Grand Prix/Global Events to close NW Johnson Street between 11th and 12th Avenues on June 17, 2005 (Ordinance) (Y-4)	179325
628	Authorize a Memorandum of Understanding with Kupieco LLC and, subject to final approval of a necessary street vacation, sale of surplus City Property in the vicinity of SE 39th and SE Holgate to Kupieco LLC (Ordinance)	PASSED TO SECOND READING JUNE 22, 2005 AT 9:30 AM
629	Amend contract to authorize additional City work on the Streamline Program for TriMet (Ordinance; amend Contract No. 51340)	PASSED TO SECOND READING JUNE 22, 2005 AT 9:30 AM
Parks and Recreation		
630	Authorize an agreement with Union Pacific Railroad Company to permit a new bicycle and pedestrian bridge on the Springwater Corridor Trail over the Union Pacific railroad right of way (Ordinance)	PASSED TO SECOND READING JUNE 22, 2005 AT 9:30 AM
631	Authorize a temporary construction easement agreement with Margaret L. Hyde, Grantor, to permit construction access over property at 2121-2135 SE Ochoco Street as related to the Springwater Corridor Three Bridges Project (Ordinance)	PASSED TO SECOND READING JUNE 22, 2005 AT 9:30 AM
632	Authorize a temporary construction easement agreement with Irving Leopold, Rhoda Leopold and Heidi Leopold Grenley, Grantor, to permit construction access over property at 8989 SE McLoughlin Blvd. as related to the Springwater Corridor Three Bridges Project (Ordinance)	PASSED TO SECOND READING JUNE 22, 2005 AT 9:30 AM
633	Authorize an Intergovernmental Agreement with Metro for the operation and maintenance of the Springwater Corridor Sellwood Section (Ordinance)	PASSED TO SECOND READING JUNE 22, 2005 AT 9:30 AM
Planning Bureau		
*634	Approve an Intergovernmental Agreement with TriMet to provide \$10,000 in assistance for the completion of a Hollywood Transit Center Study (Ordinance) (Y-4)	179326
*635	Authorize a Historic Preservation Fund grant application for \$38,525 to supplement the City historic resources program for the federal FY October 1, 2005-August 31, 2006 (Ordinance) (Y-4)	179327

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Police Bureau		
*636	Authorize an Intergovernmental Agreement with the City of Sherwood to allow Sherwood Police access to the Portland Police Data System (Ordinance) (Y-4)	179328
Water Bureau		
*637	Amend Staffing Intergovernmental Agreement with the Regional Water Providers Consortium to extend the expiration date to June 30, 2010 (Ordinance; amend Contract No. 50880) (Y-4)	179329
*638	Amend Intergovernmental Agreement with the Regional Water Providers Consortium to create a more effective document (Ordinance; amend Ordinance No. 170721) (Y-4)	179330
SECOND READINGS		
639	Authorize contract with North Creek Analytical, Inc. for laboratory services at \$750,000 (Second Reading Agenda 588) (Y-4)	179331
640	Authorize the City to serve as fiscal agent for the Portland Development Commission for a U.S. Department of Housing and Urban Development Economic Development Initiative grant in the amount of \$397,640 for affordable housing in the South Waterfront Central District of the North Macadam Urban Renewal Area (Second Reading Agenda 591) (Y-4)	179332
641	Authorize the City to serve as fiscal agent to the Portland Development Commission for a U.S. Department of Housing and Urban Development Economic Development Initiative grant in the amount of \$795,280 for South Waterfront Project infrastructure in the North Macadam Urban Renewal Area (Second Reading Agenda 592) (Y-4)	179333
642	Authorize a contract and provide for payment for construction of road repairs and safety improvements to portions of U.S. Forest Service Road S-10 (Second Reading Agenda 594) (Y-4)	179334
City Auditor Gary Blackmer		
*643	Cancel City liens that are being extinguished due to Multnomah County foreclosure transfer, or otherwise deemed uncollectible (Ordinance) (Y-4)	179335
REGULAR AGENDA		

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Mayor Tom Potter

<p style="text-align: center;">Bureau of Licenses</p> <p>644 Increase taxicab rates (Ordinance; amend Code Section 16.40.310)</p>	<p style="text-align: center;">PASSED TO SECOND READING JUNE 22, 2005 AT 9:30 AM</p>
<p style="text-align: center;">Office of Management and Finance – Bureau of Purchases</p> <p>645 Authorize contracts with H.D. Fowler Co., Inc., United States Pipe and Foundry Company, Inc., and Ferguson Waterworks for annual price agreements for miscellaneous waterworks supplies (Ordinance)</p>	<p style="text-align: center;">PASSED TO SECOND READING JUNE 22, 2005 AT 9:30 AM</p>
<p style="text-align: center;">Office of Transportation</p> <p>*646 Amend contract with Portland Aerial Transportation, Inc. for the Portland Aerial Tram project (Ordinance; amend Contract No. 35021)</p>	<p style="text-align: center;">CONTINUED TO JUNE 22, 2005 AT 9:30 AM</p>
<p style="text-align: center;">Parks and Recreation</p> <p>647 Allocate additional funding to implement further recommendations for the Portland Parks and Recreation Off-Leash Program (Ordinance)</p>	<p style="text-align: center;">REFERRED TO COMMISSIONER OF FINANCE AND ADMINISTRATION</p>
<p>*648 Revise provision relating to prohibited conduct at permitted events at City parks (Ordinance; amend Code Section 20.08.060) (Y-5)</p>	<p style="text-align: center;">179337</p>
SECOND READINGS	
<p>649 Make a binding commitment to reduce greenhouse gas emissions from City of Portland facilities and operations by becoming a member of the Chicago Climate Exchange (Second Reading Agenda 585) (Y-5)</p>	<p style="text-align: center;">179338</p>
<p>650 Authorize contracts with Wilkins Trucking Company, Inc., Glacier Northwest, Inc., Mt. Hood Rock Products, and Fazio Bros. Sand Co., Inc. for annual price agreements for aggregate products (Second Reading Agenda 601) (Y-5)</p>	<p style="text-align: center;">179339</p>
<p>651 Authorize location, source and criteria for use of one time Neighborhood Association Insurance Defense Reserve to cover cost of attorney fees and initial court costs for neighborhood association officers and directors (Second Reading Agenda 603) (Y-5)</p>	<p style="text-align: center;">179340 AS AMENDED</p>

At 11:18 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON
WAS HELD THIS **15TH DAY OF JUNE, 2005** AT 6:00 P.M.

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

Commissioner Saltzman arrived at 6:22 p.m.

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

<p>652 TIME CERTAIN: 6:00 PM – Refer Charter amendment to voters at the May 16, 2006 Primary Election to abolish the Portland Development Commission, Portland City Charter, Chapter 15, and transfer these functions to a new bureau under the City Council (Resolution introduced by Commissioner Leonard)</p>	<p>Disposition:</p> <p>REFERRED TO COMMISSIONER OF PUBLIC SAFETY</p>
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At 8:09 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.

JUNE 15, 2005 9:30 AM

Potter: We have a ritual we perform every wednesday morning, and that is we ask a question to our community that's very important. And the question is, how are the children? In many communities around the world, particularly in some of the tribes in africa, that's a greeting that's given between adults as they pass each other, instead of saying, hello, how are you, they ask, how are the children? And we do the same thing, because we know that if the children are well, then the community is well. And we invite experts in to talk to us about children, and this morning we have joanna levy, 14 years old, from cleveland high school. Joanna, could you come up, please? Thank you very much for being here, joanna. And also, i'm glad you go to cleveland high school, because that's where I went to high school. And it's a great school. Much, much better than grant. [laughter] i'm just saying that because of commissioner Sten. Last time I was outnumbered, so I -- anyway, joanna, thank you for being here. What would you like to tell the citizens of Portland and the city council?

Joanna Levy: I would like to talk about sidewalks and school funding.

Potter: Ok.

Levy: I live in southwest Portland, where there are hardly any sidewalks. The best thing the city could do to improve neighborhoods is to build sidewalks. Right now it is hard to walk anywhere, because people have to walk in the bike lane when there is one. If there isn't, we have to walk in the very narrow space between the street and whatever is next to the street. This is very dangerous as the streets tend to be curved where I live, so it's often impossible to see pedestrians until you're next to them. I attend cleveland high school in southwest -- southeast Portland. Everyone I know has been affected by the cuts the schools have to had to make due to lack of funding. Class sizes have risen, length of the school year has decreased, and anyone who wishes to play a school sport has to pay a \$120 athletic fee. As class sizes rise the quality of our education goes down, because we get almost no individual attention from the teacher. When the length of the school year decreases, teachers are forced to decide which areas of the subject they teach are least important because they don't have time to teach everything. I realize that lengthening the school year and hiring more teachers to decrease class sizes costs a lot of money, however if we get rid of the cim and cam tests we could come up with that money. The cim tests are an inexpensive, ineffective waste of time. Colleges don't care with the cim at all, if they even know what it is. They already have a taste in place that measures academic achievements, the s.a.t.'s. Why can't the state use the s.a.t.'s for their benchmarks? I understand you're not in the position to remove the cim tests, but I urge you to put pressure on the people in charge of that. It is important that like me, still in school, make their voice heard. Thank you.

Potter: Thank you, joanna. I appreciate your comments. You know, it's kind of a debate that adults have, do we have enough money to fund our schools? How would you respond to adults who ask that kind of question?

Levy: I would say that you need to find that money, because education is the single most important thing that we can do for our children, and if there isn't enough money then there's obviously something wrong going on, because education should be the first priority.

Potter: Very wise words.

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Saltzman: Thank you.

Potter: And you're just 14? Thank you very much for being here. Would you like to introduce who brought you here this morning?

Levy: Umm, my mom, nancy.

Potter: Your mom, nancy. Thank you, nancy, for bringing her. We really appreciate it. Thank you, joanna.

Levy: Thank you. [applause]

Potter: City council will come to order. Karla, please call the roll. [roll call taken] [gavel pounded] we'll hear communications. Karla, please read item 610. Please state your name for the record and you have three minutes.

Item 610.

Paul Phillips: Paul philips. I spoke here last week about the c.d.c., where it said that 16 people a day die on-the-job fatalities, and 17,000 a day are injured. I was saying that war is a lot less injuries and fatalities. I forgot to mention the fact that since the iran/iraq, the war we've been in since 9/11 of 2001, that 1700 fatalities have occurred for the veterans, and 11,000 have been wounded. That was the facts that I was comparing it to. That's stated from the news sources. And before you you have three pages. I want to jump right to the third page. People can read about the catholic health association, www.chausa.org is their web address. They have more than 1600 catholic hospitals. That's directly printed on the page. Just for a little bit of background information, the cath health association of the united states, c.h.a. Is the national leadership organization representing the catholic health ministries. C.h.a.'s more than 2,000 members from the nation's largest group not for profit catholic health care systems, sponsors facilities, health plans, and related organizations. Since its funding in 1915, c.h.a. has worked to strengthen the catholic health ministry so it can provide care to everyone, particularly the poor and vulnerable populations. They failed to mention the fact that they have 10% of the nation's hospitals. Just because they have 14 hospitals here in Oregon, of the 57, you can go to their website to verify the information. This page, a-8, I personally found the governor kitzhaber. Open letter to him, my medical health insurance will be terminated after almost only a year. I had growth rings. Don't laugh. And my right thumb and forearm were broken and injured at a hospital october 7. Of course, that was a catholic hospital, 1981. My right thumb has had cartilage at both ends dislocated out of the socket from the broken thumb, and my forearm broken at two places. I'm blind, 2400 vision. And the one year of health insurance, I got rides to medical appointments using Oregon state vehicles, gasoline and of course drivers. I sure learned my lesson. The worst place in the world to get injured at is at a hospital as an employee. I have never recovered from the injury.

Potter: Mr. Phillips, you have to wrap it up, sir.

Phillips: I was put in a cast that day. That's it.

Potter: Ok. Thank you.

Phillips: Thank you.

Potter: Please read the next item, Karla. Thank you for being here. Please state your name and you have three minutes.

Item 611.

Freedom Child: Thank you and good morning. My name is freedom child. I live in st. Johns. At my last experience, I was telling you about being subjected to heavy metal punk music and hearing pornographic language spoken by a deejay on the car radio as I was being transported to downtown central precinct. I've provided you with a piece of paper that states the language I heard on the car radio. It might be better to just not say that outloud. So I was sitting in the car, and I heard this. I was shocked. It was disturbing to hear this crude language coming out of a radio in a police car. And I felt threatened that these police officers were listening to such raunchy radio and were forcing me to listen to it. This only added to the bizarreness of what I had already experienced in

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the last hour. I became very concerned about being alone in the car with these two men who had already violently mistreated me and now showed no sensitivity to the fact that I was a female being forced to listen to vulgar language. The officers did not turn the radio off. The deejay announced it was station kgo101. I started to feel fearful and my heart began pounding. I began to pay closer attention to where we were traveling and watching for exit signs. I thought maybe we weren't going to go to the downtown precinct after all. I felt relief when we finally arrived at central precinct. At central precinct I was physically searched and had my fingerprints taken several times. As I was standing in front of a computer screen having my prints fed into a computer I saw a piece of paper-clipped to the side of the computer monitor with my name on it. It also listed the charges for which I had been arrested. It said no bike light, interfering with a peace officer. This was the first time I had any knowledge of why I'd been arrested. I then understand how trumped up the situation was. I was locked in an icy cold and filthy holding cell where I sat and meditated for the next 2 1/2 hours in an attempt to transcend the bizarre ordeal I was going through. I did not know how long I would be held in the cell and wondered if I would be transferred into the general jail population. About 2:30 a.m. I was released from jail and given two citations that officially informed me of the charges for which I had been arrested. I was told I could not get my belongs back until the next day. So there was a woman who had been violently dragged out of the safety of my home by two so-called peace and safety officers, arrested for absolutely no valid reason, and then released from jail and left stranded on the streets of downtown Portland at 2:30 in the morning with no way to get home, with no buses running at that time, with no identification, no money, no keys to get into my home, with no access to my bike, which I could have rode home on. I couldn't help but wonder where was the police's concern for my safety? Thank you.

Potter: Thank you very much. And I did read the police report, and I'd just like to, as the police commissioner, apologize to you.

Child: Oh, thank you. I appreciate that. You know, it's really not your place to apologize. You didn't do this to me. I feel it's my duty as a citizen to bring forth my experience and my experience with the police reports and with the independent police review board. It's my duty.

Potter: I appreciate you doing that.

Child: Thank you.

Adams: You filed a complaint?

Child: I did. You'll hear about that soon.

Adams: Good.

Potter: Thank you.

Child: Thanks.

Potter: Karla?

Item 612.

Potter: Thank you for being here, sir. Please state your name and you have three minutes.

Charles E. Long: Yes. My name is Charles E. Long. The first casualty of war is truth. It's hard to get accurate information, exactly what the situation is in Iraq and Afghanistan, because we certainly cannot trust the Bush administration, whose policy seems to be secrecy and deception and self-deception, by the way, also. There are two meetings coming up on Thursday mornings, June 16, tomorrow morning, and the following Thursday, June 23, discussing the war situation. Randy L. Rasmussen, "the Oregonian" photographer who spent two tours with the Oregon National Guard in Iraq, will show photos of and discuss his time with the soldiers while working with "the Oregonian" reporters, Mike Frances and Helen Jones. Randy is a longtime award-winning "the Oregonian" photographer. The following Thursday, June 23, at 10:30 a.m., a distinguished Lewis and Clark College professor, who has been on a leave of absence for the past few months, is scheduled to return to Portland early this month. He's been helping to establish Afghanistan's educational system, a system in which under the Taliban women were discouraged or outright banned from having an

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education and were really second-class citizens. Every citizen in Portland is affected directly or indirectly by the situation in Iraq and also in Afghanistan. And we should try to learn objective truths about what's going on that we might be good citizens and confer with our representatives in Washington. These meetings are held at 909 Southwest 11th, the educational building at First Baptist Church. And everyone is invited. Thank you.

Potter: Thank you. Karla?

Item 613.

*******:** Good morning, city council.

Potter: Good morning, Mr. Koenig. State your name when you testify and you have three minutes.

Richard L. Koenig: Richard Koenig. Thank you. There are a lot of pieces, business that needs to be done with the city. They're getting further behind. Because Nancy Hamilton is neglecting to provide an appeal process that legitimizes her threats to cause my arrest, by attempting to associate with my public servants or petition city offices for redress. I'm making this public record for the express purpose of imposing liability and asking you, Mayor Potter, to see to the equal protection of the laws as your oath of office assures me you will. I'm a concerned citizen, attempting to expose certain elements of city government who appear to be illegally depriving the people of their personal resources. This attempt has been at considerable cost. The hardship that Nancy Hamilton has imposed cannot be justified. The fact that she has so far failed to provide for a legal recourse creates an appearance that her actions are premeditated, purposeful, and intended to thwart my efforts to expose the illegal conduct of the same elements of the city that Harry Auerbach apparently. Today I'll take a step back from the role of the message bearer and place the burden on David Eyerly of the D.M.V. He wrote the recent option titling rule. Let him bring to the city council the apparent racketeering occurring in the city. Attached to that statement is the public record law that I'm asking Mr. Eyerly to deliver to you, Mayor Potter, as commissioner of police. I'm asking that he provide the law which requires vehicles, personal use vehicles, although I didn't say that, vehicles not required to be titled under Oregon law, to be titled. Now, that sounds kind of crazy, that Oregon law says there are many vehicles that are not required to be titled, and there are few people in this city who represent that they are. The crucial thing about titling, once the vehicle is titled, it becomes subject to the authority of police in traffic regulation. So we want to see that record that requires vehicles that are not required to be titled and subject to all the laws that the cops currently are enforcing against the public. I've asked it to be presented within two weeks, which will correspond with a couple weeks from today. I was the fax verification that that was received this morning. That will be filed with the city auditor's office, and I'll be tracking that. Thank you.

Potter: Thank you, sir. Is that all the items?

Moore: That's all communications, yes.

Potter: Ok. Thank you. We'll now take a vote on the consent agenda. Commissioners, do you have any items you wish to pull off the consent agenda?

Adams: I do. 624 and 625.

Potter: Is there anyone in the audience who wishes to pull items off the consent agenda? Karla, could you please call the roll on the remaining agenda?

Adams: Aye.

Saltzman: Aye.

Sten: Aye.

Potter: Aye. [gavel pounded] We'll move first to the time certain. Could you please read item 614? Please come forward, staff. Thank you for being here, folks. Please state your name when you testify.

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Captain Dorothy Elmore: Good morning, mayor Potter and city council members. I'm Dorothy Elmore.

Brenda Gustafson: Brenda Gustafson.

Mark Ertle: And Mark Ertle.

Elmore: I'm with the Portland police bureau. I'm here today representing Chief Derrick Foxworth, who is out of town. Also present, of course are Mark Hurdle and Brenda Gustafson, will you also in the audience I have Commander Lynnae Berg, who manages the great program, and the director of the Police Activities League, commonly known as P.A.L. Another officer of the school police division, who is the cadet coordinator, and the police cadet, Emily Blumenauer. I'm speaking today in support of the Three Stars program partnership agreement before council today. The Three Stars -- the Three Stars is the partnership program between the Portland police bureau, the Portland Winterhawks, the Police Activities League and the Portland public schools. It provides opportunities to recognize youth for their achievements and promotes education and positive choices. This community policing program helps build partnerships between agencies whose common goal is to keep youth active in programs which direct them or keep them on a positive path. In my current assignment as captain of the school police division, which also oversees the cadet program and the safety patrol program, I come in contact with youth on a daily basis. Often as law enforcement officers we come across youth in negative interactions and that begins to give us a perspective that isn't accurate. What we must realize, though, is that most of the area's youth are on the right path, and programs such as this keep them there and reward them for their achievements. Providing today's youth with positive role models in a safe environment allows them to become tomorrow's leaders. The Portland police bureau is committed to enhancing its community policing programs, which includes building relationships and the community -- in the community. The Portland Winterhawks have stepped up to the plate as an organization and will assist the school police division, the gang resistance education and training, the cadet program, and the Police Activities League with their commitment to youth. The Portland police bureau appreciates their willingness to partner with a law enforcement agency to recognize today's youth for their hard work and achievements. This ordinance will formalize this partnership and I ask for your support on this agreement. Thank you.

Potter: Thank you, Captain.

Gustafson: Brenda Gustafson with Portland public schools. Mayor Potter and city commissioners, thank you for the opportunity to talk about the promising partnership that is being forged with the police department and the Winterhawks. On May 23, Portland public schools' board of education adopted a resolution brought to them by Superintendent Vicki Phillips in support of this program. A copy of the resolution is in your packet. They were moved to action by the opportunity to work in partnership with the police department and the players and staff of the Winterhawks. They were impressed with the quality and educational accomplishments of the players. Students will be well served by these players as role models, as well as the positive interaction with our police department. We're very excited about the first program we will be embarking on. The program brings together close to 200 middle school students from every middle school in our district. Research tells us that middle school is one of the last chances we have as educators to motivate students in their life choices. We see this opportunity to bring middle school students together to discuss wellness issues, including making the right choices, drug intervention, good nutrition, and staying in school as a great supplement to their school education. Our middle school principals welcome this help since many elective programs have been reduced due to unstable funding from the state legislature. The principals anticipate our students bringing these positive messages back to their schools and sharing with the other students in their schools. We look forward to the other ways that we can work within this partnership to better the lives of our students and hopefully when

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we get ready to do our golf tournament you'll all be playing. Thank you again for the opportunity to speak about this great program.

Potter: Thank you.

Ertle: And I'm mark hurdle with the winterhawks. That was so articulate, I don't know how to follow that. Mr. Mayor and council, we appreciate each of us letting us be here. I'm very honored to represent the winterhawks today. I'd like to introduce a couple of my counterparts, or my peers. Kelly robinnette, our director of operations. He's got some things for you. And chris galucci, who is our operations guy. In fact, everything that goes on at the game, I call him the wizard of oz, because he's the one pulling all the things off behind the curtains to make the game come off. We want to give you some things here.

Elmore: The t-shirt is on behalf of the cadet program.

Sten: Thanks a lot.

Adams: Ooh. These are great.

Ertle: I'm sure those hats will look great on you.

Potter: Do we have one for commissioner randy leonard?

Ertle: Yes.

Potter: He's always wanted to be a police cadet. He made wrong choices in life.

Ertle: Did he miss his chance to be a winter hawk?

Potter: That too.

Elmore: We can put him in full uniform.

Ertle: But I wanted to take this time and perhaps tell you some things about the winterhawks program that we're rolling out that maybe you don't know. We're more than just a hockey team. We're a part of the community for 30 years now, and we brought a trophy here along with us, because this really represents the values of having this organization, but we're very focused on bringing young men into the community and focusing on education, dedication to their skills, commitment, discipline, and this trophy is something that we've won three out of the last four years, presented by the western hockey league, and it's given to the team with the best g.p.a. In the league. So we're very, very proud of this award. In fact, we've got three players on our team that have 4.0's. And these aren't easy courses. These are advanced biology, things of that nature. They're not easy courses. But more importantly, even our head coach, he's a quintessential example of the type of young man we bring to the community. Came from alberta, played for the winterhawks. Didn't make the national hockey league, but because of the values of the organization, of stressing education, discipline, and so forth, he's now become our head coach. He graduated from high school here in Portland. He came back to Portland and got his degree from Portland state. Now he's leading new young men in this tradition. So the foundation of the program that we wanted to roll out with the -- with the police bureau and the public schools, we wanted to take these values that we have so ingrained in the organization, we wanted to share them with the children of the community. It was a great question that you asked at the beginning -- how are the children? And joanna, she did a beautiful job presenting a problem, but also with critical thinking prevented a possible solution as well. That's the type of critical thinking that we try to teach our kids and we want our kids to teach kids of the community, because they're peers. They speak to each other. We wanted to find programs in the community that were working, not reinvent the wheel, but find things that we could help promote. You know, I'm sure that the general public probably doesn't know about half the program that captain elmore spoke about. The school district is going for the children. We hear negative things, but don't hear too much of the positive that goes on. We want to promote these programs. We want to award these kids for their -- their accomplishments in the program, and encourage more participation. So that's what kind of led us to develop the three stars program and seek out the partners we have. That's kind of a summary of who we are, why we're doing it, we're very focused on the kids of the community, and we really want to share our values

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that we have as an organization, that most people just don't see. You come to the winterhawks games and watch us play hockey but don't see what goes on behind the scenes and how -- we're very proud of our kids. Even if my son doesn't become a winter hawk one day, if he can be like our kids, i'll be a happy father. With that --

Potter: Thank you. Captain, did you have anybody else you wanted to have talk?

Elmore: We have a police cadet here if you have questions for her. Then we have representatives from all the programs. Come and take my place.

Cadet Emily Blumenhauer: Hi. I'm a cadet out of north precinct. I really enjoy the cadet program. I've learned more about myself and the public in general in the last year, year and a half than I ever would have. I don't know. It's just a phenomenal program. And it's done a lot if my life. I want to pursue a career in law enforcement.

Adams: That's great.

Blumenhauer: So it's just a really, really good program.

Saltzman: What kind of things do you do as a cadet?

Blumenhauer: We do -- we do officer ride-longs. We do cadet ride-alongs, where we go out, patrol each of our precincts. And we do hazard -- you know, if there's a hazard we'll, you know, take that call and go take care of that. We'll do traffic control for different major events, like the peacock lane and we did some stuff, I believe, for the rose festival as well. And, you know, we'll just -- there's been some -- I know that powell association used us for some of their auctions, you know, just watching out for, you know, different things during the auction. And, you know, the community really utilizes us, and, you know, I really appreciate that. But that's the sort of thing that we do.

Adams: And you all were part of the staffing for the gateway area business association fun-a-rama. You guys did a really good job.

Blumenhauer: Thanks.

Potter: Thank you.

Markia Ladd: I'm markia ladd. I want to talk about the program. I was in the program for two years, and it taught me, if i'm in a bad situation, I should review all my options, think about the problem, and choose the best option for myself. And I had done that, and it got me out of the problem.

Adams: That's good.

Sten: Thanks a lot.

Potter: Thanks for being here. That was very brave of you folks to come up and talk.

Elmore: Thank you.

Potter: Thank you, captain. Thank you, commander berg. The whole staff. Is mora here?

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

Potter: Hi, mora. Great job as usual.

*******:** One minute?

Potter: Ok, one minute, mora white special.

Adams: Can't help herself.

Moria White: Also it's on cable. I did dress up, nonshorts today. My name is mora white with the police activities league. This has been real exciting, doing this partnership. Everybody, we all get along we're all working really well together. It's exciting for a company to step forward. We'd love more companies to step forward. Just want to also announce that for the summer we still have openings in all the p.a.l. programs. There's a program for kids at or below the poverty guidelines, ages 10 to 16. Still openings in that. Also for the summer camps. We should serve about 1200 kids this summer. If there's kids you want to refer, it's 503-823-0250. We have a lot of partners making this possible.

Potter: Repeat the phone number. Slow down just a little.

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White: Yeah. The phone number of p.a.l. Is 503-823-0250, and the webpage where you can download all the forms is www.palkids.org. Thanks to everybody. You guys support us really well.

Potter: When do the summer camps start, mora?

White: Monday, my birthday, June 20. [laughter] the first camp starts June 20, and then the national youth sports program does start June 27 for five weeks. Five weeks, no cost, transportation is even provided as well.

Potter: Thank you.

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

Potter: And I want to thank the winterhawks organization. I think you folks are a great example of a business that gives back to the community and does it very smartly. I really appreciate that. And I know that our citizens do as well. Commissioners?

Saltzman: This is a great program. I also particularly wanted to acknowledge the winterhawks. Like you said, most people, including myself, just think of you as a hockey team, but I'm very impressed with the values and commitment you have to your players and their educational achievement. It's unparalleled in any professional sports team we have certainly in this city to actually care about academics with respect to their players and care about the role models that they are in this community. So good job. Thank you very much for being in this program.

Sten: I agree. Thanks. Keep it up.

Adams: And thanks for the fancy hat. [laughter]

Potter: Yes. Sam likes hats.

Adams: Uh-huh.

Potter: I need a motion to accept the report.

Adams: So moved.

Sten: Second.

Potter: Karla, please call the roll.

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

Potter: Aye. [gavel pounded] thank you, folks.

Adams: Thank you.

Potter: We'll go back to the items pulled off the consent agenda. Karla, could you please read the first item?

Item 624.

Adams: My reasons for pulling this off consent agenda is to continue to be an advocate for the city to purchase items from local vendors where possible, and also to continue to be an advocate for additional opportunities for minority and women-owned firms. So if you could explain how this or does not move us forward to those goals, I'd be grateful.

Jeff Baer: I will do that. Thank you. Good morning, Mayor Potter, members of city council. I'm Jeff Baer, the acting director for the bureau of purchases. To address those specific issues on the contract approval that we're requesting from you to execute this contract with office depot, by way of a brief background on this program, this is all part of and linked to our strategic sourcing program that council directed us to undertake last year where we identified certain commodity areas where we could pursue aggressively to get better pricing and get the savings to the city. And one of the commodity areas that came up was office supplies. So when we did this, we did a competitive request for proposal process where we -- we sort of were embarking on some new territory on trying to expand a supplier diversity program, so we took this as kind of an example to try and test some new things with. And so in the r.f.p. itself we asked the potential respondents to describe their diversity solution on how to partner with local firms and also to partner with minority women and emerging small businesses within the state of Oregon. And so we received five different responses from different proposals. There's a fairly limited number of office supply contractors in

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this area, and so all five of the major ones responded. And office depot had a very strong proposal in undertaking and aggressively pursuing different partnership arrangements that they could pursue with local certified firms. We didn't establish any particular goal in mind, because this is a fairly new area for us to explore, but we intend over the next year to aggressively look at, monitor, they've agreed to us with monthly reporting, so we can report back on utilization, where they've identified, right now under the proposal, five different certified firms in this local area where they could partner with the -- those companies particularly to provide some element of the contract, whether it be buying the product directly from them or somehow being able to partner with them to utilize local businesses. So I think that's -- we're pretty pleased with the outcome of that, and hopeful that over the next year we'll be able to learn some additional things about how it works and to also evolve it, and so the next time around, when we go out to do a competitive process, we can bolster it up even more.

Adams: Would you be willing to report back to us, at least it doesn't -- I don't know fit needs to be before council but would you be willing to report back to us on a quarterly basis, success or failure in that area?

Baer: Absolutely, yeah.

Adams: Were any of the other four respondents to the bids locally-owned companies?

Baer: There was corporate express, and I don't know if they're locally owned. They're all fairly large companies. Office max, boise cascade, were the other ones. So I don't know if there's a local -- no small firms or state certified firms responded to the r.f.p.

Adams: So your vision for this is that office depot would act as our sourcing agent to try to get as much local procurement for our office supplies as possible?

Baer: Yes.

Adams: Ok.

Baer: The way it's designed, we'll have a couple of different ways. One is going to be an online website ordering process, where city employees go -- go into the website and during the initiation phase, we'll be training people on how to do that. It will be transparent to city employees about where the product is actually come from, but on the back end that's where office depot comes in, and their strategic partnership arrangement with local firms that they will be purchasing some of those products directly from local businesses in the partnership arrangement. And so it will be seamless or to the transparent to the city employees. They won't see that. We'll craft the online ordering process as a menu so it actually does promote and increase the utilization on a local level.

Adams: Would you be amenable to establishing targets sooner than completion of this annual contract?

Baer: That was one of the reasons why we did not establish a target, because historically we've never been able to do this because we've always done it in a low bid process, and trying to establish a particular goal in mind. We didn't know what we were getting into, and so we were kind of using this as a testing method to find out what is practical, what kind of realistic goal could we set. I don't know, i'd be pulling a number out of the hat.

Adams: Maybe I wasn't clear. Let's say the midpoint of the contract, would you be willing to establish some interim targets for the rest of the year?

Baer: Certainly we could look at that, yeah.

Adams: Ok. Understanding that you're not going to feel with locking them down.

Baer: We've had direct discussions with office depot, and they're very willing to continue on looking at areas where they could continue to increase, either utilizing certified firms, and also to utilize local firms as well.

Adams: And would you also be willing to report on minority women separate from emerging small business utilization?

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Baer: We will ask that question, yeah.

Adams: Ok.

Baer: I think we can break that down.

Adams: That's important to me anyway. Thank you.

Baer: Sure.

Potter: Jeff, could you describe a little bit about how you do work with small business, minority and women businesses to help them promote their businesses?

Baer: In regard to office supplies or in a broader context.

Potter: The program I went to. I was very impressed with what you did.

Baer: Yes, I will. Thank you. The program you're referring to is our sheltered market program, where we've established in the construction area, in the public improvement projects for the city, where we will have certain firms, certified firms, participate, they go through a process where we put them into a sheltered market program, where we competitively bid out those public improvement projects to those participants alone, and it's an excellent way to really get them exposed to doing business with the city. We help them along the way as far as getting -- acquiring new business skills, and it really helps to sustain them once they graduate out of that program to be a long-term partner in the Portland economy, especially, that they can continue on, and also to be participating in bidding in on much larger projects as they expand their capabilities.

Potter: Who's the woman in charge of that program?

Baer: Teresa is there, and she's done a terrific job.

Potter: She's an amazing person. I think our city is fortunate to have folks like you and teresa.

Baer: Thank you.

Adams: Absolutely.

Potter: Thank you very much. Anything further, commissioners? Ok. Karla, please call the roll. Thank you, jeff.

Moore: I don't know if anybody else wanted to testify.

Potter: Oh, i'm sorry. Excuse me for --

Saltzman: It's nonemergency also.

Potter: Thank you for being here. Please state your name when you testify. You have three minutes.

Mike Dee: Mike dee, liberation collective, 133 northwest sixth avenue, Portland, Oregon, 97209. I saw in here that you wanted to authorize a contract with office depot. That's a big box store, and in Portland we haven't had a big friendly relationship. That's not something that we strive to do here is what i've noticed. The whole corporate thing. I appreciate you bringing up the local businesses and the minority stuff, too, because that's important. Regarding the part about the printer cartridges, I was interested to know if they checked into refilling, since we're trying to reduce, reuse, rethink, recycle, about refilling cartridges, like there's a company over on hawthorne, like 39th and hawthorne area, that does stuff like that. So I was just wondering if that was something that -- that we're looking into. Thanks.

Potter: Thank you very much.

Adams: Good question.

Baer: Jeff baer for bureau of purchases. To answer the gentleman's question. We have included in here part of our environmentally preferable procurement practices under our sustainable strategy that we have that we would look at and have included in there recycled and refilled ink cartridges. So the answer is yes.

Potter: Good. Thank you, sir. Anybody else who wishes to testify on this matter? Ok, Karla, please call the roll.

Moore: It is a nonemergency. It will pass to second.

Potter: Ok. The second item that's pulled from the subsequent.

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Item 625.

Adams: I've always wanted to be a city commissioner when this item showed up, because it always shows up on the consent agenda and I think sends the wrong message out to the community. I think this is something, it would be my request, shows up on the regular agenda from here on out so that it doesn't unintentionally look like we're trying to sneak something through. That's one item. So I'd like you all to sort of provide for the public an explanation of why this is on the agenda and what it does. The second item is having the ability to not take the raise myself. The goal, my own personal goal, would be to not take the raise as long as we're in a cutback mode of cutting budgets for the city.

David Rees: You had two items. David reese from the bureau of human resources. I'm the class comp manager. Joining me today is nelda skidmore, our class comp coordinator. This ordinance increases the rates of nonrepresented classifications and elected officials. It is a cost-of-living adjustment. It is based on the relevant c.p.i. index and similar to all the current adjustments in place for represented employees. So that would be what this ordinance does. This increase would take effect on July 1, 2005, and would be at a rate of 2.7%. So it would increase both the rates and ranges of the people in those classifications. Moving on to your second question, without some amendment to this ordinance, we believe that you could not defer or not accept the increase. And so we have some proposed language, if you would wish, as an amendment to this ordinance that would allow you to act in that way, if council were to approve it, and I could suggest that to you now if that's what you'd to hear.

Potter: Yes, would you please.

Rees: Ok. If it were just -- if it were just commissioner Adams, the amendment might read, notwithstanding the above -- this would be as a new g. so at the very end of the ordinance. Notwithstanding the above, commissioner Adams' salary shall be frozen at the current rate at his request. You could add something like that, or some other language that would allow then the council to authorize you accepting a different rate than what was passed for the others.

Potter: Well, I would like to have the amendment read that would allow the mayor and individual commissioners, not to take the c.p.i. increase.

Rees: Ok. Shall I read it back, the whole thing?

Potter: Please.

Rees: Notwithstanding the above, the mayor and individual commissioners' salaries shall be frozen at the current rate at their request.

Potter: Is that acceptable language to the --

Harry Auerbach: I would suggest upon as opposed to at, because it may be inferred that you already made the request from the word at.

Rees: Shall I read it one more time?

Potter: Please.

Rees: Notwithstanding the above, the mayor and individual commissioners' salaries shall be frozen at the current rate upon their request. And that would be new item g.

Potter: Is that acceptable to the council?

Sten: Sure.

Potter: Ok, good. Thank you. Any further questions, commissioner Adams?

Adams: No. Could you -- I guess if you could also respond to my request that in the future this come forward on the regular agenda.

Rees: We'll share that with Yvonne Deckert.

Adams: Ok.

Sten: That is the commissioner who files it, not the staff.

Adams: It is just a request.

Potter: I'm certainly glad we got his t-shirt for him. You're now a Portland police cadet.

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Leonard: Oh, excellent.

Adams: Honest work finally.

Potter: I told them you chose the wrong path early in your life. [laughter]

Leonard: This is correct.

Auerbach: Do you want to take a motion on that amendment?

Potter: Yes. Excuse me.

Sten: I so move.

Potter: Let's explain to what we're doing to commissioner Leonard.

Adams: What are we doing to commissioner Leonard?

Leonard: Speaking of doing things to people, I was in Salem, Mayor Potter, urging the legislature to get its foot off the throat of our people.

Adams: How did they respond to that?

Leonard: Not well.

Potter: I don't see any shoe marks.

Leonard: She don't show.

Potter: Could you briefly tell commissioner Leonard what we're doing?

Rees: Certainly. There's been a request by the mayor and by commissioner Adams to have an amendment to this language that would allow them, or any commissioner or the mayor, if he so chose, to have their salary frozen at the current rate, in effect not to accept the cost-of-living increase. We believe that that is something that we could not do but for having this amendment. And it's something that is really, because you're elected officials, we couldn't do that people in the classified service, in a group classified service.

Leonard: Does that mean that the actual literal rate would be different for some commissioners than others?

Rees: That would be correct. Some would be frozen and some would be at the new cost-of-living increase rate.

Leonard: So those that were elected to those positions in the future would have those individuals to thank for having them be paid less than what the other members of the council are?

Rees: The language we're suggesting includes -- maybe I could read it for the commissioner. It includes upon the request. What we suggested, with some --

Adams: Only if they request.

Rees: -- some information back from the commissioner and mayor -- this would be a new g. Notwithstanding the above the mayor and individual commissioners' salaries shall be frozen at the current rate upon their request.

Leonard: Yeah, but my question is, doesn't that mean that from now, for time immemorial, they'll be paid less than other commissioners?

Rees: Only if they request it.

Leonard: How can that be?

Potter: If you took it for four straight years, as the mayor, how would impact the next mayor? Do they start that level I left at or do they get the increase?

Rees: The intent would be they would need to request it. This would only be until the next cost-of-living increase, and you would have new language that would address that. This would be for the next year, we presume.

Leonard: That's not fair. I can't support that. I mean, if they want to donate their money, aren't they free to donate their money to whoever they want? This reminds me of what I was just testifying about in Salem.

Adams: That certainly wouldn't -- just for the record, that certainly isn't my intent.

Leonard: Well, that's the effect, though.

Adams: I don't think so.

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*******:** The answer to the question owe is --

Potter: Please state your name.

Yvonne Deckard: For the record, my name is yvonne deckard, the h.r. director. Commissioner leonard's question is for purposes of the compensation plan, will the rate in the plan grow even though an individual elected official has elected not to take the increase at any given time. So that there's not a loss in wages overall at the end of the term of the elected official.

Leonard: No.

Deckard: So in other words when --

Leonard: I mean. If I take a raise and commissioner number one does not, isn't my rate different?

Deckard: What you're actually receiving, yes, is different. If you're asking --

Leonard: So if commissioner number one is replaced by another person at some point in the future, don't they come in at a different rate than the person --

Deckard: Not if the plan self-reflects the correct rate.

Potter: See, the rate continues to grow, the commissioner or the mayor can refuse the raise, but when I leave office the rate will be adjusted to reflect the person coming in.

Leonard: Is that right? It actually has to be adjusted?

Deckard: What I think we would do here is -- for example, the mayor's right now, before july 1, as of july 1, would reflect the new rate in the comp plan. But what we're doing is trying to create the ability for him not to accept the increase, even though in the -- what his salary is posted in the comp plan would actually, you know, grow by the c.p.i.

Leonard: Isn't it just easier to donate the money?

Saltzman: To the parks foundation.

Leonard: Or whoever. [laughter]

Potter: I prefer to do it this way. I don't know that it harms anybody else.

Leonard: I'm hearing two different things.

Adams: No. I mean, what she's saying is the comp plan continues to grow. This just provides a mechanism where we don't take the increase above the status quo.

Leonard: Why can't you just do a deduction out of your check and donate it back to the city?

Adams: I think this is easier.

Leonard: Ok.

Adams: Provides an easier way not to accept the increase.

Sten: Mayor, can I --

Potter: Yes.

Sten: I could be wrong, but as the council historian, I believe commissioner blumenauer has done this in the past, and I believe it worked the way that you said. It does. I believe he did. I also believe that we have to -- even though it's authorized by the council -- sign off on it by each of our offices. Seems like the -- don't I have to approve it from my office, even though it's authorized by the council?

Deckard: What happens in your office, the rate actually grows, but whether --

Adams: They get it.

Rees: Whether your employees move on the range is at your discretion.

Deckard: Yeah. Your employee is on a range --

Sten: I think you can already not give it to yourself as a matter of budgeting, but the range still moves. I know blumenauer didn't take it a few times. Commissioner Adams donated it. It's been done both ways.

Leonard: People can do what they want. My concern is that they're doing something that will impact a future member that then is put in the position of having to say, well, I don't -- I want it.

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Sten: It's a politically volatile issue that always comes up. I believe it's important that elected ranges stay in relation to the managers, because in the future, i'm happy with my salary, in the future that will become an issue. Whether people take it or not I think is --

Adams: So we could put in the amendment, though, a clarification to speak to commissioner Leonard's concern that this will not change the underlying, whatever the right words are.

Auerbach: It doesn't change the established range, it simply authorizes the mayor and each commissioner to accept less pay from the established range.

Deckard: Exactly what it would do. It would allow the mayor and commissioner to take less pay than the established rate.

Leonard: Can they decide what that is beyond just the raise?

Rees: The language right now is frozen, but you could put something different in there.

Leonard: I would encourage them to consider maybe taking less.

Adams: Well, thank you, commissioner Leonard.

Leonard: If we're being generous.

Potter: He's being feisty this morning.

Leonard: I've been dealing with republicans all morning. [laughter]

Adams: I'm willing to provide a friendly amendment that allows commissioner Leonard's salary to be lowered, if he wants.

Potter: Why don't we just see where it stands. I understand the amendment. I think that the incoming -- you know, or the next mayor would start at that rate that's assigned, that would continue to grow, even though I froze mine.

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

*******:** Correct.

Potter: Ok. Is there any further discussion. Karla, please call the roll.

Moore: We had it moved by commissioner Sten. I didn't get a second.

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

Potter: Aye. [gavel pounded]

Auerbach: Do you want to vote on the measure as amended?

Potter: Measure as amended.

Moore: Is there any testimony?

Potter: Thank you once again. Please state your name when you testify and you have three minutes.

Mike Dee: Mike dee, liberation collective. I appreciate this being pulled off the consent agenda. We see the star next to it, indicating that it's an emergency ordinance. In meetings i've had with all of you we, talked about this issue, and actual emergency ordinance being actual emergencies, and I don't think this probably -- I haven't heard in any way that this justifies an emergency. It's also potentially conflict of interest for you all to vote on this, so I also appreciate you pulling that off and talking a little bit about that. I also wanted to mention something real quick about maybe the website and the way some of these ordinances are on here. It doesn't -- I don't see any information here. It's not in our d.j.c. magazine of what the actual ordinance is. And a lot of the subsequent agenda has stuff like that. You have to go into the council -- or to city hall and request this. If we could make that maybe available on our website or something, where you can click on it and it opens up some type of format, maybe a p.d.f. or, you know, some other document that you could see what the specifics are on some of these items, that would be great.

Potter: Thank you. And we will look into that, if that's possible, which I suspect it would be, we'll do that. Thank you.

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

Potter: Aye. [gavel pounded] those are the two items that were pulled from the consent agenda. We'll move to the regular agenda. First item, 644.

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Item 644.

Thomas Lannon: Good morning, mayor and council. I'm Thomas Lannon the director of bureau of licenses. This is also a compensation ordinance. We think it's a relatively routine housekeeping item, but wanted to bring it before you because it is a rate increase for taxi ratepayers. Hasn't been an increase in the basic taxi rate, mileage rate for four years, since 2001 since there was an adjustment to the c.p.i. There was a 10-cent increase last year for the school surcharge, but that did not directly compensate taxi cab drivers. That was merely helping them cover their cost of delivering their service. So this order before you today essentially would correct four years really of c.p.i. growth that hasn't been checked in terms of their compensation. And the regulatory section of the bureau has looked at the other for hire transportation board recommendation. We've looked at the cost of delivering the service to citizens. And we think this is a reasonable increase. So essentially the rate would go from the current \$1.90 per mile to \$2.10 per mile. Correction. \$2 per mile.

Sten: \$1.90 to \$2?

Lannon: \$1.90 to \$2. John conducted the analysis, and will be happy to answer questions.

Leonard: Questions?

Saltzman: The school surcharge, I know we did that on a business license fee basis.

Lannon: Correct.

Saltzman: Did we, the city council, approve the 10-cent --

Lannon: Surcharge.

Saltzman: You said school.

Lannon: Did I say school? I meant fuel.

Saltzman: Sorry about that. I thought you said school.

Adams: I have a tangential question, if I could, since you're before us, and haven't had you come before us before. In terms of the medallions, do you keep track based on gender and ethnic status how many medallions go to caucasians versus minorities and women?

John Hamilton, Revenue Bureau: We haven't up to this date.

Adams: Would you be amenable to begin to find out that information?

Hamilton: Yes, yes.

Adams: And report back to us?

Hamilton: Absolutely.

Adams: Thanks.

Hamilton: May I speak to that?

Adams: Please.

Hamilton: I would like to state, though, that many -- I would say probably half or more of all the drivers are of a minority status.

Adams: Yeah.

Hamilton: Many of them from foreign countries.

Adams: I understand that. I've heard feedback, and again I don't know whether it's accurate or not, that the medallions, though, are not owned by a significant number of women or people of color.

Hamilton: Actually they're owned by the company. Actually the city owns them, and we refer to them as identification plates, because they have no market value.

Adams: Then --

Hamilton: As opposed to like in New York where they have medallion that is they sell on the market.

Adams: Help me ask the question, then, in the right way.

Hamilton: Ok. I know what you're asking, I just wanted to make that clarification for the record.

Adams: Fair enough, fair enough.

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Hamilton: There are two types of those identification plates or medallions. One is for taxi cabs and one is for the limited passenger transportation industry, which includes nonemergency medical transportation, what the city refers to as specially attended transportation, executive sedan, or what is often referred to as town car service, and the third one is airport shuttle forest service. So those are the three limited types of transportation. Limited, because they can't do everything that cabs can. Cabs are expected to do everything. If somebody wants to do a group ride, cabs have to provide it. Ergo they do shuttle service. And we don't require them to provide executive service, however. That would require a different type of vehicle.

Adams: I see.

Hamilton: But many of the cab companies do have -- do provide the medical -- nonemergency medical transportation in their cabs. But the limited passenger transportation segment of the industry is limited to just that. They can only do shuttle service or executive sedan service or medical transportation. In the taxi cab industry, they're allowed -- all the permits are issued to the company as a whole. There are six companies, and the city has given them permission operate as many cabs as they have i.d. plates. Actually the inverse is true. The city gives them permission, then we issue the identification plates accordingly. The limited passenger transportation service providers is a little different story. Independent drivers have obtained permits, for example, shuttles and town cars and left a company to which the permits were initially issued. And many of those people are minorities.

Adams: I don't --

Hamilton: Farce the control of the plates go.

Adams: I have a feeling that the -- that members of the council probably know a lot more about this than I do having gone through a number of related issues in the past, so I don't want to take up their time unnecessarily, but if you could help me in whatever appropriate -- by whatever appropriate means to identify, you know, whether it's a local owner or not, and whether it's an minority or women-own small emerged business, whatever it is that the city gives to provide these transportation services, I would be very grateful.

Leonard: Just to be very clear, these are regulations that regulate private sector companies.

Adams: Right.

Leonard: The city has no role in who is hired to operate a cab or town car or other transportation that is regulated by the bureau of licenses. So what they would be providing you is data that reflects the private sector's work force, not a work force we control.

Adams: Fair enough.

Potter: Other questions? Thank you.

Adams: Thanks.

Potter: Karla, is there anyone signed up to testify on this?

Moore: No one signed up.

Potter: Does the council have any questions? Ok, this moves on to a second reading. [gavel pounded] Karla, please read item 645. Staff, please come on up.

Item 645.

Jeff Baer: Good morning, mayor Potter, members of city council. I'm Jeff Baer for the bureau of purchases. We're asking that we -- are seeking approval to execute contracts with these three suppliers for miscellaneous waterworks supplies and again as a brief background this is a part of our strategic sourcing program we initiated last year to pursue different commodity-based areas where we thought there were significant savings that could be achieved by doing an alternative procurement process. And this was one of the areas where we think we expect to achieve savings of roughly about \$100,000 a year, per fiscal year, as part of renegotiating and pursuing these under a different -- under a request for proposal process. So with that, we're here before you to seek approval to execute these contracts for a citywide price agreement program for primarily the bureau

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of waterworks to utilize. And also, this will probably come up, too, this did not fall under -- we did not think there existed any supplier diversity programs by the nature of the commodity itself, so we did not include that as part of this particular contract.

Potter: Any questions? Thank you. Karla, anyone signed up to testify?

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

Potter: This is nonemergency. Moves to a second reading. [gavel pounded] item 646. Are we holding it over until next week?

Item 646.

Moore: We are. We should read it, though.

Potter: Ok. We'll hear this next week.

*******:** Yes, but it is on the agenda, so could I please testify?

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

Mike Dee: Mike dee with the liberation collective, against fraudulent spending. A couple websites for you all to check out regarding the fraudulent taxpayer funded against their will and vote, animal testing and abuse at ohsu facilities would be ohsu kills primates. Ohsu kills primates, starves, tortures, abuses, dissects, thousands of animals, cats, rats, dogs, birds, monkeys. Ohsu researchers test on all kinds of animals, and you pay for it, we pay for it. Even though we don't want to. We want a public forum. What is ohsu doing with all this money? Why do they need more money? Why do they need money for the tram? Last time they came to us, you know, we found out it was cheaper to drive everybody in limos back and forth all day than to use this tram. I think our -- our priorities for funding are wrong. How are the children? They're being starved, tested on, uneducated, jailed and abused. But this doesn't have to continue. We could -- we could change our priorities and decide where we want to put our money, like maybe in schools and stuff. So vivisection is a lie. How many animals have to die? In over 40 years, there's been no cures at any of the animal testing facilities used by ohsu. Have you ever had an animal that you were a guardian for come up missing? What would you think if it was at ohsu's testing facility where they abuse and torture it? Portland's not the next biotech hub. Washington state is. So I -- as a spokesperson for the liberation collective, we don't feel that any funding used in the biotech industry to further that or animal testing is a good use of funds. Thank you.

Potter: Thank you. This will be held over till next week. Karla, please read item 647.

Item 647.

Potter: The bureau's asked that this item be returned to the mayor's office. Karla, please read item 648. Staff, please come forward.

Item 648.

Harry Auerbach, Office of the City Attorney: Mayor Potter, members of city council, i'm city attorney harry auerbach. This is securities manager of Portland parks and recreation. Here with an ordinance to amend the city code to establish certain prohibited conduct held at parks under permits. The background briefly of the situation is we've been involved in litigation with -- regarding first amendment rights of street preachers at permitted events for the last couple years. And in connection with that litigation the federal court entered an order that prohibits us from allowing the city from -- the ty from allowing it its permit holders for park -- in park events to establish rules of conduct for their events. One of the unintended consequences of that ruling, which is currently under appeal, but which we're bound by in the meantime, is that there is certain undesirable nonspeech related conduct that were typically prevented by event rules that the event promoters can't prohibit but that you can. And so at the request of the police bureau and with the help of parks bureau and input from the affected communities, we have come to you with this ordinance to establish things that people should not do at events under permit. And I can go through them with you if you have questions about it, but basically it prohibits any conduct that substantially prevents any other person from viewing, hearing or meaningfully participating in the

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event, conduct that creates impassable barriers to vendors or pathways or other areas that people have to go through, using things that have to be used, bringing things in that people aren't allowed to have, sexual conduct, that kind of thing. So if there are questions, I can answer them more particularly, but that's the basic background of what we're asking. We presented it as an emergency ordinance, because we're at the time of year where we have a series of events in the park.

Unfortunately we weren't able to get this to you in time to help the rose festival, although jeff curtis is here to say a few words on behalf of the rose festival situation. But we do have festivals coming up this weekend and the blues festival the fourth of july weekend, and we're all very anxious to have something in place.

Saltzman: So people can still go to these events and speak, scream, whatever?

Auerbach: As long as -- it doesn't affect anything that's --

Potter: Other comments?

Mark Warrington: Good morning, mayor, commissioners. I'm mark warrington with parks and recreation. These large public events constitute a large number of people into a busy environment and our experience clearly shows that rules are needed to maintain public safety and to allow the event to operate smoothly. The ordinance before you is a product of really a great team effort, with Portland police bureau, Portland parks and recreation, city attorney's office, the d.a.'s office, as well as several event sponsors. Following the federal court decision that harry referred to, we worked closely together, to find out what was needed to build an effective tool for police officers, other park officers, to address the many different kind of situations we've run up against in these large public events. We're also very careful to make sure that the list of prohibited conduct will not work against any individual or groups that are conducting themselves in a lawful manner. Really the sole purpose of the ordinance is to help people have a safe, fun time in the permitted events in parks.

Potter: Commander benson.

Dave Benson: Good morning, everybody. I'm dave benson, commander of central precinct. This ordinance is an effort to give peace officers and permit holders guidance on how to conduct these events. They're very practical issues that regrettably were vacated by the court's decision, that is bringing dogs into large events where there's large numbers of people or skateboarding or riding bikes through the events. It gives police officers the ability to tell people, don't bring the dog into the event, don't bring a skateboard or ride a bike through the event. The lists as you look at are very practical. Are there tools designed to stay well away from first amendment speech rights, because we want and are committed to protecting those rights. But we do have some practical housekeeping issues that we also need to deal with as well. Thank you.

Potter: Any other staff here?

Auerbach: We don't have more staff. We do have jeff curtis from the Portland rose festival situation. I don't know if the blues festival was able to send a representative or not. Oh, ok. So we do have more representatives.

Adams: Can I just asking a clarifying question regarding guns?

Potter: Yes.

Adams: Can you just spell out verbally how this -- how handguns are treated as part of this?

Auerbach: Yes. Handguns are not permitted in parks, except that -- except that we cannot -- under state law, we cannot prohibit a person who has a valid concealed handgun license from bringing a concealed handgun into a park in accordance with the terms of the license. So the under age -- it's a weapon, and weapons are generically anything specifically designed for and presently capable of causing or carried with the intent to threaten or cause bodily harm to another. A gun is one of those things. So you can't bring a gun into a park, into a permitted event. Can't bring it into a park under park rules, existing park rules, but you particularly won't be able to bring it into a permitted event, unless you have a concealed weapon permit.

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Leonard: How can they prohibited from being allowed in the county courthouse? Is there a specific exclusion?

Auerbach: Yes. The legislature does not treat everybody and --

Leonard: That's true. [laughter]

Auerbach: This will come as a surprise to you, commissioner Leonard, but cities are treated less equally in this regard than other agencies.

Adams: Hmm. Interesting. Thanks.

Potter: Other questions? Thank you, staff. Jeff Curtis, could you come forward, please?

Jeff Curtis: Good morning mayor Potter, distinguished commissioners. Jeff Curtis, executive director of the Portland rose festival association. I represent the rose festival as a completely self-supporting nonprofit charter to produce special events in our community. And to stimulate economic activity in Portland. Certainly one of the leading special event producers in the nation, and we have 98 years of experience, and certainly a lot of experience in working with security issues and special event issues. Certainly public safety is our number one priority, as well as maintaining the integrity of an event and their intended purpose, which is to bring people together, in our case, bring people together for the purpose of celebrating what's great about our quality of life. But safety certainly is our number one priority. With that said, on behalf of my board of directors, I wanted to show my support for this ordinance. The simple fact is that large events need to maintain reasonable measures of participant behavior. They're at significant risk if we don't have the ability to do so. When you have thousands, if not tens of thousands of people coming together in a city park, all for many reasons, but certainly 99% of it is for the enjoyment and entertainment, an event producer must have the ability to ensure their safety and also to protect why they're there, which is to have a leisurely time and to have celebrate an entertaining experience. Certainly the examples of the ordinance are designed to do so, and do so in a reasonably and responsible manner, and us as the association certainly takes that with a great deal of responsibility and have for many years when we did have rules of conduct to dictate to allow us to have a safe and reasonable events in parks. All are simple measures that allow to us maintain adequate public safety in the park, but also to maintain the integrity of an event from an entertainment perspective. All are managed through a good event producer, like ourselves. And there's a lot of them in Portland. We also hire special security as well as work with the police department to ensure the safety of our guests, and that is paramount, and certainly this ordinance helps in our ability to do so. So in the interest of ensuring adequate safety in our parks during special events and the continued viability of special events in our great city, I ask that you support this ordinance. Thank you.

Potter: Thank you. And also, Jeff, I'd like to thank the rose festival association for putting these events on. It's a great thing for our city. It's good for our economy. And I think it certainly builds community here in Portland. And I, along with you, toured the waterfront village, used to be call the fun center, and I was so impressed with the security that you had there, as well as the really strong effort to make it a family-focused event. And I think you folks did a great job with that.

Curtis: Thank you, mayor. Really appreciate it. I'll pass that along to my board.

Adams: And I really enjoyed the parade this year. Yeah, it was useful.

Curtis: Thank you very much. I appreciate that.

Potter: Thank you very much. Does the blues festival have a representative to come up?

Rick Gustafson: Good morning, mayor, members of the council. My name is Rick Gustafson, the chair of the waterfront blues festival advisory committee. With me is Susan Stone. And Clay Fuller the event manager for the event for the Oregon food bank, and I'm on the board of the Oregon food bank. It's our premiere event each year, and we've enjoyed a tremendous relationship with the city in being able to put on one of the best blues festivals in the country. We'd like to invite you to our barbecue on the fourth of July. When I had a Rio Owe we have a reception for partners and sponsors

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for the festival. It nets too the food bank annually over \$300,000. And it is a very, very significant event for us in participating in feeding the hungry in the state of Oregon.

Leonard: I have to pay sam's way, because he won't have the money. [laughter] i'm going to get a raise. So I can afford it.

Adams: Oh, you're going to pay for that comment.

Gustafson: We're here to support the rules. Obviously, the ability of the customers to enjoy themselves, and the nature of our event as -- as a voluntary contribution event, to provide management issues in the park, and these rules are extremely important for us. And we appreciate your cooperation in implementing them quickly so that we can apply them to the event coming up. We've provided with you brochures and background. We have an absolutely fantastic lineup.

Potter: Great. Thanks.

Adams: Thanks.

Potter: Thank you very much.

*******:** Great.

Auerbach: We have a special olympics representative.

Linda Kirkland: Good morning. I'm linda kirkland, the c.e.o. for special olympics Oregon. Special olympics holds every year the bite of Oregon. This will be our 22nd annual event coming up this august. Last year we put a lot of work in, and we more or less reinvented this event. It had turned into kind of a large carnival, which was nice, but we wanted a serious culinary event for the state. So we went out and selected the best restaurants from around the state, and we pulled together what we thought was a really exceptional culinary event, and those are our plans again for this year. On saturday last year, though, of the event, we had kind of an unfortunate incident, and I think that the -- the ordinance we're talking about today would help with that. One of the street preachers came, and he picked the busiest time, of course, on a saturday, about 7:00, and he also picked a very busiest spot at the bite and the skinniest spot at the bite, and he began to yell at people who had food in their hand, you, you know, you glutton, you're going to hell. And if the person had a beer, you drunk card, you're going to hell. And he was yelling at women he thought were lesbians, telling them they were going to hell. He was yelling very loud and pointing them out.

Leonard: What district did he represent in the legislature?

Kirkland: I didn't ask. [laughter] people stopped and it completely heeded people going around him. Nobody wanted to pass him. It also took all the business away from the vendors that he was standing in front of. In that case, one of the vendors is probably not coming back this year because of that -- because of that incident. Lost a lot of business. And we were really at a loss at what to do. We of course asked him to move to the free speech area, and he would not go see it. He wouldn't move. He wanted to stay right there and continue to shout at people. And i'm not convinced that this ordinance would in any way block that kind of thing happening, but it is an example of what can happen just in an instant at an event, and, you know, many people -- I mean, they were very, very put off. We're going to lose a vendor and it was an unfortunate experience for everyone. And of course we went to court on that a number of times now. So I just wanted to speak in support of the ordinance and thank you very much.

Potter: Thank you.

Adams: Thank you.

Potter: Thank you for the brochure.

Auerbach: To underscore linda's point, this ordinance will not have an impact on the speakers, unless they actually interfere with the event.

Potter: Is anyone signed up to testify?

Moore: We have teresa e.a. Teeter.

Potter: When you testify, would you mind signing up just so we know who's going to be here?

*******:** I'll try to do that.

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Potter: Ok, thank you.

*****: Good morning, mayor, commissioners. You'll have to ebay that hat so you can come up with your money for the barbecue.

Adams: Thank you for the idea.

*****: Yeah. Sell it to Leonard. I'm a member of Portland Peaceful Response --

Potter: Please state your name.

Teresa E.A. Teater: Teresa e.a. Teater.

Potter: You have three minutes.

Teater: Thank you. I'm a member of Portland Peaceful Response, Jobs with Justice, and we've been at some of the events, and last year at the Rose Festival that pretty much the last day when we tried to parade through to show our support of the war, that the event person didn't have his permit on him during the whole Rose Festival, so any exclusions that happened during that event probably may have gotten thrown out or something. They said it was across the street in the office. I said, my gosh, I used to get those, and you're supposed to have that on your body at all times, and the person has a spare one so that the police can enforce it. So you might want to get that out there, remember to have that puppy on you. My concern is, I haven't been able to see what is and what isn't excluded. I have issue with dogs running up to baby strollers and stuff. If dogs are permitted in it, I'd like to see really short leashes on these babies, and I'd like to see dogs not drinking out of water fountains anymore at events or in the city in particular. It's really gross. Sorry. I don't want to put my mouth there afterwards. I don't know what's on the exclusion, so I'd like to make sure there's no pandering, no signage at events. I notice people are setting up jewelry stands along the sidewalks, into the events, and I was hoping that there would be something like within no -- no selling blanket sales two blocks within the events. The gentleman, the religious gentleman, we've had him at a couple of our events, and he did the same exact thing on May Day, he got right in front of our thing, front and center, and screamed at everybody as loud as he could. So I do issue with that, that he was -- last year he was sequestered in Pioneer Square with a bunch of kids encircling him, yelling satanic things at him, so his ordinance was he had to whisper in Pioneer Square, so everybody left him alone. Probably figured what was good for the goose was good for the gander. If you yell back at him, eventually -- he has a lot of energy, let me tell you. And let's see. I think that about covers -- oh, service dogs. Obviously service dogs are allowed in, but a lot of people say their brand-new puppies with their children are service dogs, because the child has to have it. I'm wondering if there's something on your thing that says they have to have signage on their bodies, or it's in the mail, or some kind of service animal permit on them, because I'm seeing way too many dogs at events that are permitted and unpermitted, especially at Saturday morning with all the food around and everything, dogs lunging at food and children's hands. I'm also a member for Stand for Children. That's why I do the children thing a lot. Ok, so that's my concerns. Oh, wait, wait, one more thing. I'm sorry. If there's homeless people within the areas, like living where some of these events are going to be, if people are using events under the bridges and stuff, can the police department give them a 48-hour warning to get out of the area for the event and not necessarily invite them back, but I'm sure they'll be back, so they don't just get yanked out without their rights and everything. Thank you.

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

Mike Dee: Mike Dee, Liberation Collective. I think it's great that you're trying to observe human rights and all that. I find it concerning that we're working on ordinance violating people's rights and being found unconstitutional. I also think it's interesting that the city attorney came up to testify. So who does that job when the city attorney's pushing for unconstitutional ordinances and provisions? While I don't necessarily agree with the street preacher, maybe that you're referring to, I do agree with the part where he takes the stuff to court, finds it unconstitutional to get the rights back for the people. For example, this person can go to Pioneer Courthouse Square and set their sign

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down on the -- on the bricks and not have an issue. In fact, maybe even have a guard, or with there somebody there at the square, make sure everything's fine or just not pay attention to him, but if some other group does that, put their sign on the ground, it may be considered an obstruction and they'll have to remove it or something. As far as the city parks, I attended an event for Vernon Allen, a Vernon Allen memorial. He was involved in the officer shooting -- officer-involved shooting at, what, fifth and Burnside just within the last month or so. And it was a memorial, and the police chose to shut down the police memorial. They taped it off with yellow tape and escorted everybody up there. I think the alleged crime was that a little 3-year-old girl dropped her gum and took a couple -- you know, took almost a minute to pick it up or something. I'm not quite sure. And then there was a -- a -- an attempt to do some chalking, which has been permitted in the city of outlines of people who -- representing people who had been killed by police in officer-involved shootings. As far as -- the blues festival people came up and testified real quick, so I want to talk about Safeway, and for them to label their genetically engineered food. Back to the park stuff. I think we need to be careful what restrictions or wishes we -- we're putting on free speech and freedom to assemble, and was wondering where free speech zones were at some of these. Somebody mentioned a free speech zone. I don't think I've seen those at the events that I've attended. I think this is an opportunity that you could address, but ask you to do it constitutionally.

Potter: Thank you. Anything you want to reiterate?

Auerbach: I will say that animals are prohibited by this ordinance, except for service animals, and unfortunately there's a limited -- we have a limited opportunity to question whether animals are service animals or not. But that's required by the federal Americans with Disabilities Act. And none of this is directed at speech or at homeless people. It's all conduct.

Potter: Ok. Any further questions? Anybody else signed up?

Moore: No.

Potter: Ok. This is an emergency vote. So if council is ready to take a vote, Karla, please call the roll.

Adams: Well, I just shutter to think what would happen to our community if -- if we didn't do everything we constitutionally could to support the success of these kinds of charitable events. So I want to acknowledge the work of the city attorney's office and the partners that worked with him on putting this ordinance together. I vote aye.

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

Potter: Aye. [gavel pounded] this is a second reading. Vote only. Karla, please read item 649.
Item 649.

Potter: This is the second reading. Let's take a vote.

Adams: Again, reiterate congratulations and good work to commissioners Sten and Saltzman on this. Aye.

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

Sten: Just wanted to mention in thanking people again, just I've heard a tremendous amount of community pride from citizens about the fact that we're making progress on greenhouse gas, and I think for that reason it's really something we should keep letting people know about. I think as opposed to a few years ago when I mentioned that people were interested in the actions but didn't hone in on global warming, people get this now, and I'm so proud of what this community has done. And we'll keep going. Aye.

Potter: I think this is great for our community. I think it builds our community's self-esteem, and also makes our community even more aware of how important our environment is to daily lives and how to maintain that environment, not only is good for our city, but for our children and families. Aye. [gavel pounded] let's see, Karla, please read the next item, second reading. It's a second reading. Let's take a vote.

Item 650.

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Adams: Somebody has their hand up.

*******:** I just have a quick question about future readings. In the future, could we have an opportunity for public comment?

Leonard: It's the first reading.

Potter: It's at the first reading. You know, the public has an opportunity to provide input. It's at the first reading. This one -- it's a legal issue, so we vote only. We don't have public testimony. Karla?

Adams: You know my concerns and my requests. Aye.

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

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

Item 651.

Potter: This is the second reading. Let's take a vote.

Adams: Aye.

Leonard: Unfortunately, when we began working on this it was more of a theoretical issue, and now it appears to be something that's very practical to get in place, and so I appreciate all the work and what now ends up being a very timely update to our tools at o.n.i. to protect our volunteers. Aye.

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

Potter: Aye. This is our last item for the morning. We're recessed until 6:00 p.m. this evening.

At 11:18 a.m., Council recessed.

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JUNE 15, 2005 6:00 PM

* * * [roll call]

Potter: Please read the 6:00 time certain, item 652. I'm going to turn this over to commissioner Leonard. This is his resolution. We'll let him handle it.

Item 652.

Leonard: Thank you, mayor porter. I'm going to make a few brief comments, and then the purpose of tonight's hearing is to listen. I'm not going to ask the council to vote on this resolution tonight, because I think that there has been a lot of good discussion in the community of late how we should administer our development agency. And I don't know that any one solution at this point is the answer, including my resolution. But what I do want to do is encourage discussion and most of all debate in the community about the future of our development agency. In my opinion, the Portland development commission has lost its way. They were created in the charter as a separate public entity from the city to shield them from the direct influence of the public via the city council. And unfortunately, they have evolved into an entity that is not therefore accountable to the city council. One month ago when I filed this resolution I was asked repeatedly why I would call for a charter change to make the p.d.c. responsible to the city council. Initially I made the case that my tenure on the council had convinced me that p.d.c. is in dire need of a cultural overhaul that can only be sustained by the continual and direct authority of the public through its elected representatives on the city council. But more recently, as some of you may have read, my explanation has been muffled by the roar of the p.d.c. making the case for me. I would like to make sure that i'm clear about why I believe this discussion is necessary. In the course of my tenure on the city council, it is no secret that I have experienced firsthand summit p.d.c.'s unreeling -- some at p.d.c.'s unyielding resistance to general accountability. To give just a few examples, the budget this time commissioner Saltzman and I were responsible for developing the Portland development commission budget for the council. We never had submitted to us the entire time of our deliberations, including during the budget talks specifically to the p.d.c. of a written budget from the p.d.c. for over two years I worked with p.d.c. to develop language to put restrictions on tax abatements. And for over two years there has person resistance from some in the agency to assist me in developing language that needs to be crafted carefully, thoughtfully, and specifically to the issues i've raised. Requests for information from my office and others have been consistently ignored. P.d.c. employees have not been empowered to answer questions without first clearing it through their chain of command. Public -- in the area of public outreach this past december, commissioner Sten, myself, and separately commissioner Saltzman sent to the p.d.c. a letter asking that the Portland development commission open up its process and include the public in developing a recommendation for the bridgehead development proposal. We were concerned that a couple of dynamics was occurring. Not enough actual involvement of the public, and it was happening over the christmas holidays and people weren't able to attend some of these very important meetings. As some of you may recall, they did appoint, and I applauded them at the time, an advisory committee made up of members of the community, and when the recommend education came back from that advisory committee for a specific development, the p.d.c. commission ignored that and chose another one. I think that kind of activity creates more cynicism amongst the citizenry than nearly any other thing we can do. I am an elected official to the city council, liaison authority over the p.d.c. If these are the experiences i've been having as a representative of the people of people, how must others be treated? What is at stake in this discussion is the public's faith in their government, not just the p.d.c., but in their government. Mayor Potter has invigorated this council to pursue a city whose bureaus uniformly operate that -- in a matthew neyhart their puts the citizens they serve

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at the core of their missions a was -- as we move forward with 34 bureaus, it cannot be lost on us that every day citizen is not aware of the nuance in the charter that makes p.d.c. a separate entity from the city. Instead, they view each under the umbrella of government. And the consequence is that the public perception of the Portland development commission is then by association cast on the city in general. So despite our best efforts to move in a positive direction with 34 bureaus under our direct authority, if the p.d.c. is viewed by the public as wasteful, arrogant, unaccountable, and having internal checks and balance issues, then so is the entire city. And our strong effort is undermined by one single action of an entity that the council has no direct authority over. This dynamic has an impact that goes to the core of the health of this community. If the citizens lose face in their government, they are hard pressed to support paying for the levies that support our schools, our children, and our parks. And as the p.d.c. adds to its troubling reputation, the questions about what the city will do about this problem become no longer rhetorical. With this resolution I intend to set the stage for this council to answer the question one way or the other. With that said, i'm not married to any particular solution, but the outcome should not be negotiable. The p.d.c. will get on board with the citizen approach that the rest of the city is on one way or another. Some have said that perhaps a leadership change at the p.d.c. will resolve the problems in the organization. I do agree that the right leader for that organization could well achieve that end. I would urge those that will be talking with the candidates who are applying now for the position of the executive director of the Portland development commission to look for above all of the qualities, a demonstrated ability to cause cultural changes within large organizations. In a word, a change agent. Having said what I just did, I also want to commend the front line staff of the Portland development commission that they do on behalf of the citizens every day that is so important to Portland's future, and in fact, were the Portland development commission has been unfairly blamed for problems not of their making, I have not hesitated to defend them publicly. The latest example is in the lents community, where I believe there would be an unfairly blamed for the lack of success in the lents you're ban renewal district. And I said publicly are terror the public that the public had not worked well with p.d.c. And it created conditions that almost ensured p.d.c. would fail. Because of that dynamic and the excellent work of the staff at the p.d.c., I warn to emphasize that again, the excellent work of the staff that i've worked with -- worked with day-to-day, we're changing that dynamic and lents will be in my opinion the next hawthorne district as a result of that. Thank you, mayor. And i'd like to if we could, open this up now to comments. Certainly we have the executive director don mazziotti here, I would like to be able to give him the opportunity to testify first if you'd like, or later.

Potter: Do we have a sign-up list?

Moore: We do.

Potter: You have the courtesy of calling the people you want first and then we'll go to the sign-up.

Leonard: I'd ask don to come. Is there anybody else here from the commission?

[inaudible]

Leonard: Before don starts, I want to say a couple things about don. Don and I have developed what I consider to be an absolutely fabulous relationship. One of which I appreciate. I think that don is working within a system now that -- will constrain any person, given the limitations of the charter, given the limitations of what one can do within an organization that has some of the qualities i've just described. And I do appreciate the work don has done in some very, very difficult circumstances.

Don Mazziotti: Thank you, commissioner. Commissioners and members of the public, i'm don mazziotti, for the record. For the next eight days the director of the development commission. I appreciate very much commissioner Leonard you offering me the opportunity to testify first. I hope I don't go too long, and if I do, please cut me off. By my appearance i'm not necessarily agreeing to

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what you have laid out, I think you can appreciate that. But I think it does frame an important discussion, and I think it certainly worth having, and it's one I know the mayor for example and perhaps other members of the council intend to have during the charter review process, which I think the citizens should look forward to. There are really two things that I'd like to speak to. First, the current environment at the development commission, which you referred to. And then your specific resolution to abolish the development commission. First with regard to the current environment. There have been weeks of news stories concerning a contract issue, which is still under investigation, that has created concern and anxiety within and loss of credibility without p.d.c. This is not the first time there have been public contract issues in the public debate. I think we all can remember when there have been such discussions, and they deserve intense inspection and study. What is clear to me after the work that we've done is that mistakes were made, and to the extent that the errors were due to poor management, inadequate controls, or unauthorized action, I acknowledge that such errors were made. I also take responsibility for errors or actions which were under my control, related to these concerns. I face them squarely and take responsibility for them. For those errors and others which I -- which have or which might occur, I apologize, to you and to our stakeholders. I owe that to you, and I give you my apologies to the accident that I can extend them. Having said that, it's important to know that mistakes are opportunities in disguise. By examining them carefully and drawing rational conclusions, past errors can be corrected. Having discovered the mistakes, we have taken steps to examine our internal controls. An audit of contracts has been set in motion, and an investigation of employee complaints has been initiated. One of the employees in question has been put on administrative leave, and as additional facts become available, subsequent action will take place. That's the only way that I know to manage circumstances of this kind. If they're inadequate, I'd like to know. Our commission and p.d.c. management are committed to finding and fixing the problems which have been written about, and all I can say is we're on a course to make those kinds of corrections. We take the need for our credibility very seriously, and the current environment impairs our ability to work and focus on what we should be doing to focus on our mission. Second, with regard to the resolution to abolish p.d.c., I have a very different view. My different view is based on several themes I want to call to your attention first of all, the city club. I think by all accounts the city club is an in-depth critic of the Portland development commission. Having made 52 recommendations based on a two-year study, recently voted to reverse its 1971 recommendation that the p.d.c. be abolished and a new department created. Individuals interviewed for the report said p.d.c.'s separation of city hall or from city hall allows it to make good judgments based on financial merits of proposals rather than on the political calculus of the moment. I think it's an extremely important point and one that does in fact benefit the citizens. With regard to work that we do for our stakeholders, I want to make certain that we talk about not just the citizens of the city, but Multnomah county, Portland public schools, the port of Portland, the Multnomah county educational service district, and the rest of our taxing partners, each of whom contributes a portion of the valuation upon which bonds are floated, which are then used for improvements in the city. We try to work with all of those folks, we regard them as our partners. When we ask them the question, should a new industrial district -- renewal district be created, they said unanimously yes, it should. When we asked them if the downtown waterfront should be extended, they said unanimously, yes, it should be, under specified conditions. And so we hope we're following the direction of our taxing partners and obviously we're seeking or making efforts to communicate with the public at large. I think that I can speak with regard to the achievements of urban renewal. I know we're not here to discuss that, but the resolution at hand. But because the commission has the flexibility, the speed, the know-how, the staff, and the freedom from shifting political actions, at some of the recent projects that would not have happened but for our structure, and the agency's ability to deliver the public good include things like redevelopment of Meier & Frank, something very close to Commissioner Adams. The interstate max line would not

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have happened without p.d.c. The airport max, fire station one redevelopment, south waterfront aided greatly by the plan developed by gil kelley and the folks at bureau of planning. The construction or repair of homeowner assistance that provided 6,794 repaired homes in the last four years. The retention or recruitment of almost 7,000 jobs in the last two years. 1300 of which were small businesses. The development of the east bank esplanade. New lighting in lents park. Street improvements in m.l.k. and along interstate. The holman building in central east side. All of these and hundreds of more projects, whether it be pioneer place or pioneer square, or much of the investment that we make in the city but for our ability to partner with the city, we would have been unable just in this fiscal year alone, to have participated to the tune of \$22 million in city budgets through i.g.a.'s so those agencies could accomplish objectives within renewal districts. On the point of transparency and accountability, in the past several months we've taken a number of actions to respond, commission, to your -- and those from other commissioners about public participation. We develop public participation for 16 of our major projects. They're in place, they have been completed, they will be executed. We've developed a public involvement policy that's been under review now for six months, and is about ready to go in public -- for public review. We've worked on a public involvement handbook to show our staff how to get involved with the public and stay involved with them. So I think I would say that we are attempting to respond to the advice attitudes of today. But I think the most important reason that the development commission ought to remain quasi independent, or semiautonomous, is because lincoln stefans wrote, "the danger of elected officials engaging in real estate transactions and that danger is very, very serious, indeed it's the reason that the Portland development commission's charter was written and structured. It's the reason chapter 457 was passed and is found in o.r.s., is to attain the separation that is necessary to marion county certain that agency can be effective in its redevelopment mission, and at the same time be part of a city government that's attempting to redevelop itself over and over. We may not have the sweet spot, we may not have the right amplitude, we may not have the same tune for the times, and we need to know what that should be, because we want to be on the same frequency as the citizens, as the city, as our taxing partners are. We warn to continue the 48 years of history that have been largely successful. We want to fulfill the mission that we repeatedly instruct our colleagues from around the nation and around the world when they come to Portland to study the Portland development commission and how we do what we do. I come most recently from philadelphia. In philadelphia, which has been around for about 320 years, a good deal more experience, has a redevelopment agency. It has a \$17 million budget. It can only do development projects on a block by block basis. In the fifth largest city in america. By contrast, the Portland development commission, because of the tax increment financing structure, has a \$251 million budget, and consistently produces results that are contained in the renewal plans that you pass and approve. Maybe we need to sharpen those plans, maybe they need to be more specific, maybe you need to add goals that we ought to achieve or targets that we ought to shoot at. But I believe that the structure is fundamentally sound, I believe the commission form is fundamentally right, I believe that the culture perhaps is jaundiced, perhaps it needs to be looking at seriously, perhaps my successor can do that. But everything in, i'm extremely proud of the work that we've done, and the history that we have. I'm no apologist for p.d.c. Or any process that is broken, and i'm open and I think our commission is open to any change that would improve us. That's what I have to say.

Leonard: Thank you, don. I'm sure there might be questions, I just want to say I really appreciate what you said. Very thoughtful, and there's a healing effect to hear someone be as candidate as you were, and acknowledge where improvements can occur, and it means a lot to me.

Mazziotti: I appreciate that.

Leonard: I know from you it's very heartfelt. I appreciate that.

Mazziotti: It definitely is. We've made mistake, i'm sure there will be more that will be recorded, but we'll learn from them.

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Leonard: Thank you.

Adams: I want to also thank you for your service to the city as executive director of the Portland development commission, and also appreciate the comments that you made today. I wanted to if I could just ask a few questions to get maybe -- for you to expand a little bit. In quoting the -- making the quote from the shame of the cities and citing that as evidence as a need to have a separate development commission, could you expound a little more on why exactly that separation is necessary and why having city commissioners or city councillors making development deals would be a bad thing?

Leonard: And can I add to that, compare and contrast Portland and the state of Oregon as the only city that has a separate independent development commission.

*******:** I didn't know that.

Leonard: And others, the council can be the development commission, they may have development commissions separate from the council, but they serve at the pleasure of the council. So maybe in answering sam's question you can compare and contrast with those other entities.

Mazziotti: We're the only agency in Oregon that does not have the city council as its governing body. In the u.s. There are many independent bodies of this kind that were established in the 1950's, most as i've said have come to relatively small budgets, relatively little impact, relatively little consequence in the cities in which they operate, but there are certainly exceptions. What I mean by what lincoln stefans wrote about is the temptation of elected officials to become involved in real estate transactions to the benefit of their constituents or their supporters, or those people with whom they have relationships that are primarily political in nature. History is littered with such examples. He wrote a book about pittsburgh and what happened in pittsburgh with their development and redevelopment and real estate transactions where elected officials got directly involved in real estate transactions. The temptation is very great, it has nothing to do with expertise or intelligence or anything like that. I think we, commissioner Adams, try to work very closely with you and with all the members of council when you have an idea, a notion, a possibility, and we do that, we do that we hope effectively, try to make certain that we have a balanced approach in accomplishing that, and that we are rigorously following conduct that we believe fits the commission and commissioners. I think that's working. I think a transaction that you brought to us three months ago, which I will not describe in any detail, was appropriate. We're working hard to hopefully make it happen. I don't think anybody crossed any lines that shouldn't have been crossed, and i'm proud to be involved in doing it and making it happen. Commissioner Leonard already referred to a circumstance that you're engaged in, which has been helpful, mobilizing the citizens in the lents area to work on a particular issue that's been an obstacle or a barrier to redevelopment. That bears on a policy issue,

policy question. But only you can work on it. I cannot. I'm not a legislator. I'm not a policymaker. My job is to implement. That's been enormously helpful. I don't think you should be involved in the real estate transactions, nor have you suggested that you should be.

Leonard: Thank you for saying that. [laughter]

Mazziotti: Nor has commissioner Adams suggested that. But I can assure you that if you did, I would stop the engagement. I think you know that. That's not to say that commissioners necessarily are wrong doers at all. You're right-doers, you're trying to help constituents get done what they need to get done, and what they want done. But I think the barrier is an important one, especially in real estate. It's a slippery business, it's not amateur hour, and you're not amateurs, but it's not amateur hour when you come down to closing or making transactions ordeals. And we're hired as professionals to do a job, and I think we do a great job. Are we perfect? Absolutely not. Am I perfect? I make mistakes every day. I've made plenty in my tenure.

Adams: One suggestion that the council will be considering that would hopefully apply to p.d.c. as well, and that is to establish for the city of Portland and p.d.c. a program and a policy to register

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lobbyists and to remember that they report their efforts of lobbying, and that would cover folks that are seeking to lobby the p.d.c. commission and the p.d.c. leadership as well. I think that that kind of additional transparency would give comfort, greater comfort to the citizens as well. Sort of -- it's in keeping with the quote from the book that you talked about.

Potter: Other questions? Thank you, don.

Mazziotti: Thank you, mayor.

Potter: Thank you for your service to the city of Portland.

I appreciate it.

Leonard: Karla?

Moore: Come up two at a time.

[inaudible]

Sue Thomas: My name is sue thomas, i'm currently the chair of the advocacy committee from the sierra club of Portland, and was -- city club of Portland, and was chair of the [inaudible]

David Mandel: Mr. Mayor, city council, my name is david mandel, ways member of the city club study in the and i'm on the advocacy committee as well.

Paul Meyer: Paul meier, member of both committees. Together with david we're the primary authors [inaudible]

Thomas: Thank you very much for giving us the opportunity to speak to you tonight. We are here representing the city club's advocacy committee, formed to advance the recommendations of the p.d.c. research study. The study focused on the governance, structure, and process of p.d.c. and its role as development agent for Portland. We wish to speak to commissioner Leonard's resolution as it seems to alter the governance and possibly the structure of the organization. First I will share the city club's overall concerns regarding urban development and p.d.c.'s role in it, next david will address specific issues related to facts increment financing and paul will speak to the relationship of p.d.c. to the city council. And we would be happy to entertain questions once we've all spoken. Through the research process we uncovered several areas of significant concern regarding p.d.c.'s work. Some are connected to the internal functioning of the organization and its management style, many chief foxworth have been covered in the press, and may be precipitating factors in this proposed change. Although important, we ask council to also look beyond these issues to the larger and more complex questions. We feel genuinely threaten the future of Portland's development, such as the sustainability of development funding, the drain on the budgets of other taxing jurisdictions that compete with urban renewal for tax dollars, the difficulty of making urban work in residential areas such as lents, the loss of affordable housing as gentrification increases, the concentration of affording a housing, and the challenge of truly stimulating economic development in the city and the region. These are the deeper issues that if left unaddressed have the potential to negatively impact the quality of life we enjoy in Portland I it is apples tempting to address problems by tinkering with structure and exerting more management control. We believe this is a superficial solution motivated by surface level issues. When city club recommended in its recent port that, quote, city council should exercise stronger legislative oversight of p.d.c.'s activities, end quote, we were asking for more holistic guidance, long-term direction and consist antidepressant over sight, not micromanagement. Though there are many internal improvements needed, some of the challenges p.d.c. Faces are outside its direct control and involve other sectors of our community and our local government. It should be counsel's -- council's role to address the needs of the community as a whole by providing a comprehensive vision for citywide decks -- at a minimum, periodic performance audits conducted by the auditor should be a component of council oversight of p.d.c. activities. Ideally clear direction from council, adequate resource force planning and public participation, and regular effective communication between all agencies should meet the needs attempting to be met by the evolution of the commission.

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Mandel: I just want to begin by thanking you for giving us the opportunity to speak before you today. As Sue Thomas mentioned, I'd like to use my time to address some important issues around the funding of urban renewal. We the city club of Portland urge that any reform of the Portland development commission or of its relationship to city government as a whole take into account the role of tax increment financing and fund -- in funding, directing, and shaping development in our city. We also urge that you, the city council, in your role of approving new urban renewal areas or renewing existing ones take seriously their financial impact on other city service and on the services of your other governmental partners. My goal is to remind you of four basic facts about urban renewal. Fact that's I hope no one forgets as this conversation continues over the coming months. First, TIF money is not free. Even if there are long-term revenue benefits after a district is paid off, during the lifetime of an urban renewal area, other taxing jurisdictions, including the school districts, the county, and, yes, your own general fund, bear some of the cost. Second, the value of your urban renewal, whether it's east bank esplanade or storefront improvements in gateway, needs to be measured in terms of teachers and police never hired, rivers never cleaned, and roads never repaired. Third, urban renewal can at most reach only 15% of the city at a time. We also need to think about the more than 85% of the city not covered under the urban renewal magnifying glass. Urban renewal is a tool for focussing on certain parts of the city, but it shouldn't become an excuse for neglecting the rest. A goal of urban renewal has

always been to address inequalities between different parts of the city. This is the reason why a finding of blight is necessary before an urban renewal plan is approved. With TIF funded development, especially post measure 50, may sometimes augment rather than reduce such disparities and I think for evidence we have to look at the difference in the relative rates of growth between Leas and the river district. We hope that any changes to the Portland development commission ensure a wise stewardship of these tax increment dollars. We also hope that you, the city council, keep these facts in mind when approving urban renewal districts. Over the years of our study and the almost six since -- months since our report was first released -- such as the county when improvement districts -- something that Mr. Mazziotti I spoke to. We have also heard about efforts to improve reporting on the financial impacts. However, we believe there's still more work to be done on both these fronts. For the public to decide, for the county and school districts to decide, for you to decide, there needs to be even, clear information about these financial impacts. The impact statements must not only address the long-term consequences, but also the short-term costs and by short-term I mean the 20 to 40 years it may take to pay off these bonds. Our goal in focussing on the often hidden cost of urban renewal has not been to decenter the many investment that's it's made possible. Portland has a long tradition of looking towards and investing in the future. We want to continue on this path, but with our eyes wide open. Thank you very much.

*****: There are good reasons why the city club concluded that P.D.C. should remain as a separate commission. One, as an independent commission this, is community -- the business community perceives it as more accessible than other city departments, which makes it more effective in forging public-private partnerships, which is the essence of its mission. Two, by removing the council from making day-to-day decisions, the process is insulated to some extent from political pressures more easily imposed on the council. Three, the five-person commission consisting of dedicated and competent volunteer citizens spend as vast amount of time on exercising its functions. It is difficult to imagine the members of this council spending the 20 or so hours each week that members of the P.D.C. commission spend on the details of that one city agency. Indeed, this independence is viewed by cities throughout the nation as what makes Portland a model for urban renewal agencies that work and for a city whose title and motto is "the city that works," that's not a bad thought. That having been said, there's a serious disconnect between the planning department and P.D.C. It's been standard as describing planning -- prospectively determining the course of our

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city's growth and development and that p.d.c. Is the implementer of those plans. However, with its greater resources, the agency is frequently proceeded without adequate consultation, having both p.d.c. and planning under the management of the same commissioner as they were under mayor katz did not solve these problems. While there's been recent improvement in the ralph chacon between the two agencies, the city council itself must establish the structures, procedures, and funding required to ensure effective coordination between p.d.c. parks and plan. Significant disputes between them should promptly be brought before this council for resolution. Most important role for any legislative body such as the city council are budgeting and long-range strategic plans. During the last six months, you commissioners for the first time in recent history have had an opportunity to approach budgeting from an objective citywide perspective, and not from the parochial view of representing individual operating departments, as none of you have -- new which departments you might be called upon to administer. But too little has counsel itself as a legislative body taken the time and resources necessary to engage in serious and sustained long-range strategic plan can. Part of the council's failure in the past to exercise stronger legislative oversight over the conflicts between p.d.c. and planning is directly attributable to this life. In addition to greater legislative oversight at p.d.c. by the city council, the p.d.c. commission itself must find the time to establish and supervise implementation of p.d.c. policies that read to transparency and greater public participation. An interesting example of why some cultural change may be appropriate in p.d.c. was in its proposed public participation policy, which has just been established. For the most part, this draft is an excellent response to return concerns, but never theless, it contain add glaring flaw as originally proposed. When it concluded, and I quote, the board of commissions has tell dated authority to the executive director to revise and update this policy as necessary. First, p.d.c. Commission should never delegate final responsibility for adopting policies because they're an executive director. Second, revision of those policies as well, periodically monitoring their implementation must remain the obligation of the commission itself. We are pleased to report that as a result of the -- city club's advocacy committee on p.d.c., the staff proposal was changed. -to-accommodate our recommendation. P.d.c. is now experiencing is in fort lewis of new commissions and the hiring of the new executive director. The city has a new mayor, and there is increasing public and media focus on an awareness of p.d.c. We hope that the city club's p.d.c. Report and its recommendations will be studied closely as our community comes together for our civic pattern. Thank you very much.

Leonard: Excellent presentation. Thank you.

Potter: I'd like to thank the city club for the report on p.d.c. As a candidate and new mayor, I read it from front to back, and it was very interesting reading, and I really appreciate it. Thank you.

Leonard: Has anybody else been promised time?

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

Bruce Wood: Bruce wood, this is going to seem a little out of turn, because I have to run to another meeting over in northeast Portland. This might seem a little out of place, because this is in response to something that might come later this evening. I'm here representing opus northwest, and I want to thank you for the opportunity to discuss our thoughts about the establishment of another citizens advisory committee for the burnside project. It's in committee in my mind that's already been committed to by the p.d.c. commissioners, so I want to make four points that I think is kind of redundant that we do another one. It's time to put aside our differences and work in a collaborative variety. I was confused when I read the article in yesterday's tribune and the quote said we're moving on the next battle. That was really frustrating for me. I've been at this now since last november. That attitude is very difficult, because we worked so hard to overcome that. Our firm has never approached working with the community with an adversarial attitude, and we've worked very hard to overcome that. In fact, the opposite is the case. Collaborative relationships are what we strive for and expect and we've worked throughout the selection process to build

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relationships with those interested in the project. If the objective is to have a project that is shaped by public input and a project that the public buys into, in addition to what we've already proposed is redundant. One of the most critical keys to success is to have a public input on a regular basis from the beginning so the benefits of the knowledge and input can be incorporated effectively and efficiently into the project, especially in a project of this size. You can't go back, it costs too much.

In our submittal, we proposed a plan for an unprecedented level of public input, included in this commitment were biweekly meetings with anyone who wanted to attend. Have you a copy of the plan, and we've made copies of the document available at all the p.d.c. public meetings, and it's available on the website. Nothing will be lost in this additional committee is not established. We believe it is -- in-- to have any one group serve as a filter for information for the rest of the community. Third point. It would further complicate this process and project and from a developer's perspective, isn't difficult to implement. Once influence on the outcome of this project will not be based on a membership in an organization or committee. It will be based solely on the quality of the suggestion and the viability of the suggestion when viewed through the prism of a responsible development. We're prepared to commit \$40 million of equity to the project and we need a clear defined road map and certainty of outcome and process. For example, the project will have zoning and traffic issues that will be analyzed and process via other public forms already in addition to those associated with the project. As you are aware, these issues are often involved -- resolved -- impact by another additional layer. Mr. Mayor, 4th point. Within a short period of time you will have appointed three new commissioners. Their responsibilities include policy oversight and guidance among other things. Why not allow the people you've appointed to the commission do the job you've appoint the them to do. In closing, if the council establishes this group, especially without a long and just a real thoughtful process, on the parameters and composition, it could be a very polarizing action and one that in my mind is unnecessary. Now that we are where we are in the process, everyone involved needs to take a deep breath, relax, and focus on what needs to be done to move ford in a collaborative, efficient, and effective process that will offer the highest probability of success. We look forward to starting work and plan to make it one we can all be proud of. We believe our proposal was more inclusive and more broad based than that which is being proposed and would appreciate being given the opportunity to demonstrate its effectiveness. Thanks for your time.

Roy Jay: Good afternoon. Good evening. Roy jay, 7739 northeast 21st avenue, on behalf of -- i'm wearing a couple of different hats. Half african-american chamber of commerce, and small business liaison to p.d.c. on behalf of commissioner randy Leonard too. I've heard randy's testimony, and i've heard don's statements, and I actually came prepared to go into this long elaborate presentation, but I don't think it's necessary. I think personally to don I appreciate your comments of what you said, and understanding that the agency definitely does need to move forward. I do need to bring to your attention some of the problems that have -- that have been faced over the past year or so as just trying to get basic information out of the agency. I was approached in 2004 by small businesses trying to get access to information from p.d.c. to help their business grow. They claim they ran into some problems and walls and roadblocks and things of that nature from the agency not necessarily directly from don, but the way the system worked. These included native american businesses, small businesses of all races, and african-american businesses. One of the things that had been brought to my attention, it was -- the information in reference to all the real estate transactions and why they weren't apart of this -- the big deal that was going on. I made just a simple public records request not in my official capacity, but in a private capacity, asked for certain information which goes back to september of -- 26 of 2004. Real simple, two-page request asking for all these details. To this day I think I received four pages. We probably received more information outside of p.d.c. Than what we received from within p.d.c. I don't know if that's just the way the system works, but there are a lot of businesses that are very frustrated at the way the

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process works, and I don't know if the answer is to totally overhaul the agency and bring it in within the city, or some other method. But I think it's important for the commissioners to understand that in agency does need to be responsive to every request that's out there. I intend to vigorously pursue this now again, now that my schedule permits, and i'm hoping p.d.c. Will be able to provide this information. I had some conversations with staff people over the past several months, some of which I got a half-page fax, I got some emails, I was told about the computer sis temperatures were down, we can't get the information, I was told about a warehouse in east Portland that they couldn't get the key to get over there to get this information, and it became frustrating which I understood as being the liaison for commissioner Leonard, which I did provide you with some of that information that that's why a lot of these small businesses are frustrated when they show up on the door. So it was important for me to come here even though I do have sort of a flew,d -- flu, but I wanted to pass that along. I have no real problems against the agency, but I it this does need to be elevated to a whole different level, and I thank you for your time.

Potter: Thank you.

*****: Any questions?

Potter: Please state your name when you testify. Have you three minutes.

Mike Howard: Mayor Potter and commissioners, my name is mike howard. I'm a janitor at the wells fargo building a couple blocks down the street. And a member of s.e.i.u. local 49, which represents janitors and Oregon and southwest Washington, and I live in the city of Portland, and i'm here to talk with you about the future of the Portland development commission that concerns that s.eiu has with the the way the current commission is operating. As a community member, I believe urban planning and low-income housing in our city is vital to continue the long tradition of sustainability and livability in the city of Portland. Unfortunately, as a janitor who works in the downtown commercial building, I know that the benefits of this planning have not reached everyone in our city. Many of the downtown very muchers who are receiving benefits and tax abatements provided by the Portland development commission enable property in our communities by employing contractors who pay low wages, do not provide affordable health insurance for their employees and are refusing workers a voice on the job. We are concerned that there is inadequate public input in the p.d.c.'s decisions and that most of the development deals that are made happen behind closed doors. Now we believe the p.d.c. is undermining the city's prevailing wage standards a standard that has been set to keep workers out of poverty. Seiu local 49 is deeply concerned that a city commission is to undercutting a standard of living in our city by attacking prevailing wage standards. We believe that public moneys should benefit the public good, and that the current efforts by the Portland development commission do not meet that standard. We urge the city and the Portland development commission to adopt fair and adequate labor standards that include prevailing wage, a voice on the job, and the right to a neutral grievance procedure before any public dollars are given or loaned to new or redevelopment projects in our city. Thank you.

Potter: Thank you.

Irwin Mandel: Good evening. Irwin mandel. Before I start, commissioner Leonard, if you'd like an example of what can happen when politicians get involved in real estate, let me go back to my former city of new york and talk about tam any hall very briefly, and the ill tameny court house, a brilliant example of a marble palace being built because politician got involved in real estate. I'm not impugning any of the people sitting here, even any who will come, but it's best to leave temptation out of a mix and keep real estate separate from political involvement. My wife and I came here to Portland about 12 years ago. And we started visiting in 1991, we took a look around, walked through the city and said, wow, she'll testify on this -- is this place ripe for development: And we've watched the development that has occurred over these past 12 years, as a result primarily of Portland development commission stimulus. The city has grown marvelously, sophisticatedly. Let's not stop something that is doing well. I think with the advent of three new commissioners and

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a new executive director I think they've got it. I think they all understand that things have to change, that more transpar -- transparency in the operation within the commission and the bureau have to occur. They've been responsible for what i've regarded as sort of a stable smell emanating from some of the operations. When you have that, what you do is clean it out. Don't burn down the barn. I understand that commissioner Leonard has put forth this proposal to become a talking point. Thinking point, really, about what to do. It needs that. I also could see that since the mayor plans to look at charter revision of the city charter, perhaps revision of the charter, perhaps of a different form of government, but we'll discuss that later, I can see two issues on the ballot. Commissioner Leonard's proposal to bring Portland development commission into the commission form of government as a bureau, and mayor Potter and perhaps others idea of abolishing the commission form of government. This might get to be a little difficult for voters to vote on at all. I think you've done us all a service, commissioner Leonard, by proposing this issue for everyone to think about, talk about, and I do think Portland development commission has gotten the idea. I don't think it's necessary to burn down this barn. Thank you.

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

Emily Simon: Emily simon, I am a spokesperson for the organization the association for responsible inner eastside neighborhood development there. Are over 100 small businesses that are affiliated with a friend, and multiple neighborhood associations. We are the public that you have been talking about this evening. Both mr. Mazziotti as well as commissioner Leonard, as well as the other members of the city council and the -- in the questions that you have asked. We are here tonight because we have been fighting this battle since march of 2004 when the p.d.c. staffers came around and said to us individually in our businesses and our residences, that there would be a home depo that would be at the corner of the burnside bridge head and wouldn't that be great. We do see this as an ongoing battle, and the reason for why it's an ongoing battle for us is because of the problems that have existed with p.d.c. We will live with this development long after there is a change in personnel. And it is because of that that we believe there needs to be a structural change in the way in which p.d.c. Does transparency, "ability, and oversight." and it is as if those words have now become a mantra without any actual proposals that are attached to them, which is why we have a proposal for a citizens oversight committee as a separate agenda item and passed as separate ordinance by the city council. The reason for why we feel that this is necessary will be further developed this evening by other members of our coalition who will be testifying. There are eight of us. The primary reason is because this is our neighborhood as i've indicated before, and we need to know in a way in which right now there is only the good graces of perhaps the very -- on the situation, but we need to know in a way that can be reported back both to the commission as well as to the commissioners, meaning p.d.c., the exact issues relating to the numbers. I can give you a particular example. There is this discussion about the funding gap and how much the funding gap is. Frankly, gentlemen, that changes from report to report. If there is enough of a funding gap and there is a discussion again about, we need that some way, and we need another large scale national retailer, for example, home depot, to come back in, you are going to have people who genuinely feel that promises have been broken. I'm going to say one more sentence because I know my time is up. The exact terms and conditions of what we are proposing and what we are asking the council to vote on has been sent to commissioner Leonard as this was his particular proposal. We do have additional copies that we will be forwarding to the rest of the commissioners as well as to the mayor for your consideration. We would hope that you could act on this as soon as possible. My time is up. Thank you.

Linda Nettekoven: I'm Linda nettekoven. Before I talk in more detail about how a community oversight committee might look and work, I warn to stress that we're seeing this as an interim safeguard for the bridgehead project while the community takes the time to have a more thoughtful reason discussion -- reasoned discussion about the future of p.d.c. So we're seeing this in a sense as

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a stop gap or a model that we can try and we hope will serve the community well in moving the bridgehead project forward. The things that we would like the bridgehead c.o.c. to do would be to provide a public oversight and accountability function for p.d.c. And the development team, to ensure the final project meets the objectives of the r.f.p. and does this within the existing framework of adopted community plans. We'd like to report regularly at least quarterly to the central east side urban renewal advisory committee, which has its hands full looking at the larger work of the entire district to the city council and to the p.d.c. board on the project status. To include at a minimum neighborhoods, local businesses, artists, skateboarders, the central east side urban renewal -- and as many voting members as the project evaluating committee we'd like to serve. We'd like to see it provide financial transparency for the public, ensure that the team's participation will translate into more job creation per public sector dollar per square foot than the original opus proposal. Other features of the c.o.c. include p.d.c. staff playing a support administrative role for the committee, not driving it. P.d.c. Staff will not have a vote on the committee, unlike the evaluation committee in its early days. Any disputes between the developer and the c.o.c. will be resolved by the p.d.c. board, and city council could rule on any appeal of the p.d.c. Board decision if you set this group up by ordinance. Some of the c.o.c.'s additional duties will include coordinating ongoing appropriate release of information on the progress of the development, eliciting responses from the development team to citizen inquiries about the project, hosting all project updates and related discussions at regularly scheduled meetings, facilitating discussion and interactions to find common ground if that should be needed. And we would note that the c.o.c. corn september differs from an existing urban renewal advisory committee in the following ways. It provides accountability for the community, it is not just advisory, and it cannot be ignored or set aside by the development team, unlike is often the case with u.rex, who -- it reports regularly to decision makers -- two more points. May i? It reports regularly to decision makers without staff as an intermediary, it speaks for itself. It has access to financial dating -- data. It exists independently of the decision to extend the central east side urban renewal area, unlike the urek, which would go out of existence, and it includes and builds upon the expertise of the evaluation committee already convened. Thank you.

Simon: Any questions?

Potter: Not yet, thank you. Commissioner Adams has to leave, he has a previous appointment.

Adams: Thank you, mayor.

Mary Ann Schwab: Mary ann schwab, a private citizen. I do have quite a resume of community involvement. I am here, i'm offended, i'm outraged at what i'm reading in the newspaper today. I'd like to talk about what i've learned today about the blatant misappropriation of funds by those Portland development commission employees who approved and signed off on the 39.2% salary increase of terry smith. I fully expect they would face penalties. It gets worse. According to the Oregon metro page where tracy has been placed on paid leave, i'm curious at her old salary of \$67,500, or the illegal salary at \$94,000? And that -- and it's \$4,000 higher than she requested. And why not issue the same paid leave for the agency's deputy executive director, wayman winston, who in my opinion failed to be an administrator of integrity when listening to the newly hired consultant in the first place, regarding her plea force a pay increase at 39.2%. How did he get hired without having the skills to do the job without the assistance of \$131,000 consultant who according to report can hardly handle his own financial affairs. In my opinion, that \$131,000 consultant fee would have been better spent sending administrators back to classrooms at Portland state university, or to purchase every p.d.c. employee a desk reference, seven habits of highly effective people. From what I understand, after working a year with the finance committee, and their affairs, and our fund-raising committee, there appears to be no parity with salaries between the Portland development commission, civil service, and those serving the public under the o.n.i. contract with southeast uplift, who got a 0% salary increase. The question should be. The city of Portland extend the cost of living to its subcontractors? My opinion, until o.n.i. staff get a 2.7% salary increase, hopefully

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those serving on the city council will join commissioner sam Adams in not accepting theirs. Again, just last week during p.d.c.'s first review of their new public involvement policy and manual, I heard a supervisor at p.d.c. stress that christina egan had her certification in public involvement. Yet it appears the higher one goes toward the head office the fewer skills needed to dot job. In response to one hired, the p.d.c. executive director don maryland rot i's highest priority was -- yet it took nearly four years to get started. And it took me nearly five weeks to get a copy of this report, and i've already put four hours into it, and I plan to talk about this next week at p.d.c. In closing, I would -- in addition to the city council review of the city charter and civil service, they also invite the friendly oversight committee to review those for professional technical contracts issued for temporary office staff, short-term engineers, and to the expensive mentor hired to teach administrators how to do the job. I'm curious to see what i'm going to find tomorrow in the newspaper. Thank you.

Norman Chusid: Good evening. Norman chusid, I own ankeny hardware on southeast stark, i've had privileged of living in, working in the southeast side my entire life. I have to comment on things I have already heard in this meeting. In my business I well come my customers and noncustomers, giving me suggestions on how i'm to prove my operation that I can better serve a community. And I find it interesting that bruce wood believes very strongly in citizen input and involvement, but he didn't welcome a citizen oversight committee to assist his project in running smooth limit it doesn't make sense. I appreciate the job that p.d.c. was created to do. But I find it interesting that it's easy to come before you as their executive did to apologize, with only a few weeks left on the job. The things that have occurred shouldn't have occurred and a an apology wouldn't have been necessary. I don't make anywhere near the salary of the people who have been mentioned in the newspaper recently that work for p.d.c. So obviously salary and ethics and honesty don't have a lot in common. But I believe like to believe the majority of the people we deal with at your level have those ethics and honesty and dot right thing in dealing with p.d.c. As far as it being autonomous or under your control. When the shame of the cities is mentioned, it made me think it's become the shame of Portland. If p.d.c. staff had done their jobs professionally, we really wouldn't have to be here today dealing with what we're dealing with. The people that talked to me in the central east side basically tell me there's no confidence in the competence of p.d.c. now, mayor Potter, you talked about transparency when you ran for mayor, and as some of the other commissioners also have, and when it comes to p.d.c. I believe the transparency best is cloudy, and at worst is like one of those foggy nights have you at the coast when you can't see a foot in front of your hand. There hasn't been an adequate process until now in dealing with what the central east side has dealt with in regards to the burnside bridgehead. Emily spoke about the funding gap, the numbers seem to be like a shell game that keep getting involved around. Our concern is em-- as emily also said, is part way true this project the finances are going to show we need a big box store, everything that was commit and promised, all of a sudden rears its head again. We believe there needs to be a citizen oversight committee and it has to be included in the development agreement. It has to be done by ordinance. Without this, there's no adequate citizen oversight, and no promise things will go as they're supposed to be going. We believe the p.d.c.'s continually ignored the community wishes and concerns. I'm not speaking for myself, i'm speaking as a member of a friend. I'm almost done, please. P.d.c. made the comment that they want to show the same tune with the city and we're not even on the same record label. [laughter] I believe it's important that what is done is kept in mind that the people of the central east side have an active role through an oversight committee to make sure that the promises have been made for the burnside bridge head are maintained, and I want to thank all of you, because I believe it's been your honesty and integrity that's made the p.d.c. Situation come to the head it has now and be involved.

Potter: State your name when you testify. Have you three minutes.

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Susan Pearce: Susan pearce, I am meeting with you tonight as a member of a friend. I also am a member of the hosford abernethy neighborhood association board, and as served as the representative from that board on a number of central east side industrial district urban renewal advisory committee committees and past and current. Related to that project. I want to talk a little more about the citizens oversight committee, why we should have it and why it should exist as a separate entity, not as a subcommittee of the urban renewal advisory committee. I also want to point out that I am speaking as a member of a friend and don't speak for the urak or hosford abernethy neighborhood association, this is just how I see things. Back on april 14, a friend requested to p.d.c. that a memorandum of understanding between p.d.c. And the developer be developed, including a citizens advisory committee. At that time that's what we were asking for, for the duration of the project. That it recognize the expertise of the current evaluation committee and the need for continuity, that the c.a.c. be formed by expanding the current evaluation committee, this was the evaluation committee looking at the r.f.p.'s, to include representatives from a friend, neighborhood associations, social service agencies, and bicycle, pedestrian, and disability advocacy groups. At the time, the p.d.c. staff recommendation to the commission regarding the r.f.p. included recommendations against the c.a.c. The p.d.c. response to the recommend education for the c.a.c. Was that it be vetted through the u.r.ak. In discussion with the representative from opus, after opus was given the urak go ahead, one of the opus reps in speaking with one of the a friend people was noncommittal about whether such a committee would be honored and whether it would exist, and in just what form would it exist. It is because of that that we have gone on to recommend rather than a c.a.c., the creation of a community oversight committee. If I could just make one more comment, I think that should be separate from the urak, because as previously stated, the urak may dissolve in a year, when the existing urban renewal area comes to an end. This committee should continue on as the project continues. Additionally, it should report to the urban renewal advisory committee so that we can operate together. But it should not be a subcommittee of that urak which has much broader focus.

Potter: Thank you.

M'Lou Christ: Besides southeast residents and business examples i've been speaking to, it seems to have be that even here in city hall areas there's quite a bit of a buzz about how wrong p.d.c. was in its process and its decision. And that all of that has added to p.d.c.'s recent vulnerabilities we keep reading about. It seems to even be threatening things like finding a great new executive director, which is really scary. But vulnerability and bashing isn't a goal, and certainly not of a friend, and I speak as a member of a friend. I think we really have to act quickly to help restore some community trust and support for p.d.c. and its work. That said, I realize the p.d.c. charter is woefully inadequate, or an appeal process and the process problems that have manifested with bridgehead project, and I have to admit I was really disappointed when I heard that mr. Molson withdrew his appeal and agreed to a pretty lopsided offer in a negotiation set up. I know it will be good for him to be part of the project, and -- but I was really sorry that he was offered just such a small portion of the project. But i've come to realize that I think his acceptance can leverage not only previous community testimony and efforts and p.d.c. promises, and it can help salvage this project, and begin revamping p.d.c. So I add my thanks to that of many others to the mayor for making those negotiations possible, having them come about, and including them as part of the development team. Toward that end we want to remind the council why the community overwhelmingly supported beam in the first place, and that is because their approach all met the goals of the urak. The basic tenet of jobs, jobs, jobs, and we're not bringing this up, I don't think this up as sour groups, but because we believe that a citizen oversight committee, assist with assuring that the development of the project meets that -- of the whole project. My request is that you hold p.d.c. to its often it rated caveat, that they were not choosing -- that they were choosing and contracting with a development team, they weren't choosing specific buildings and projects and

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uses therein. I hope that you will make it clear up front that there will be a c.o.c., that unless the c.o.c. can sign off on negotiations of how this project evolves, that you will withhold selling the bonds necessary for the project. Minor zone changes, whatever it takes. It may seem like an unnecessary affront to p.d.c -- and an affront to p.d.c. or opus, but I believe that's the only way we, begin leveraging from where we are back up to a position of community trust and support. That's really important to this city.

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

Martha Peck Andrews: Martha peck andrews, 205 southeast grand. I'm also a member of a friend. I wanted to thank commissioner Leonard, we've had some terrific testimony tonight, and I think you really have brought this very critical situation to the forefront in public discussion, and whatever the outcome is, i'm not actually here to support abolition of the p.d.c., but I am here to certainly have this good discussion and the outcome will be a better product. As mr. Mazziotti said, there's a marvelous things about the city that we're all very proud of that p.d.c. Had an important role in, some are signature projects, and some are very mundane, like home remodels and restoration in the neighborhoods, and that's all very good for the health of the city. As a friend intimately involved in the discussions about the bridgehead project, 29 bring up a couple points. We are ready to move forward, we -- as you know we're not necessarily thrilled with opus proposal, but we think there's -- with a project that's good for everybody. There's a few key element that's are critical for getting a good project in the eastside. Jobs, jobs, jobs. It's important. We don't want the central east side to just have a bunch of ordinary retail suburban shops and housing. We see the central east side as needing to continue to be that incubator space, the catalyst that has a lot of cheap productive, creative space, jobs, light manufacturing. Beam teams proposal had some affordable live, work spaces, and the key word there is affordable. They have to be affordable for more than just that first generation that gets in at the front floor. There has to be some mechanism to assure the affordability through subsequent residents or tenants and -- that's very key. In the testimony that a friend provided to p.d.c., we did talk about that affordability, and we think there's some good mechanisms. We like seeing the creative class people, and any of you who attended some of those meetings will realize people were attending that had never showed up at a public sort of city type meeting before, but they were very excited about it. Perhaps a contemporary crafts gallery can still be part of the project. We're hoping beam and opus can pull that off together. Maybe a grocery store, maybe we can get sheridan fruit to expand. We want to be pro project, we want to promote the really good features about the beam and the opus projects. We're pro east side, we are pro jobs, we don't want to be just anti-opus. Again, we hope that you will endorse the concept of a citizens oversight committee, and also reexamine the structure of p.d.c. And let's move forward. Thank you.

Ron Murray: My name is ron murray, I represent the united association of plumbers and steam fitters of the united states and canada. We have over 5,000 members in Oregon, southwest Washington, and northern california. And I wish to make it very clear that i'm here to ask this mayor and this council to take direct control of a Portland economic development commission. I was born in the city about the same time as commissioner Leonard, and have fared a little better, probably. [laughter]

Leonard: Not as far as your hair goes.

Murray: And I have never seen a mayor or a council that was so adamantly for the citizens of this city that could marion county change. And that's what we're here to ask you to do. I represent people that work for a living. They get upper day and they put on work clothes and they put on boots. They put on clothes like a firefighter or a cop or somebody that works for the water bureau. New asked your constituents if they knew that their tax dollars were spouting -- supporting a Portland development commission that regularly upholds prevailing wage laws, that their tax dollars were used to sue the very state agency, the bureau of labor and industries, to undermine

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community standards, I think they would be stunned. And I think they would say they want you are terror have that oversight. I think it's an insult to come to this council and say that you don't have the ability or the knowledge or the desire to run economic development of the city. Because I think you do, and I think that the people of the city have given you that task. I ask how a public -- a public servant could defend making a statement that there should than be public oversight of that their position. I think that in our democracy, that's the key, is that we do have a transparent system, and I know all of you, those were the platforms that you ran on, that you would let the citizens of this community speak. And that's what we're asking for. We're asking for change. And we're asking for the people that built the city of Portland. The people that get upper day and go to work. And that's what we're asking you to do, is to take that responsibility. So I thank you for this opportunity. I apologize for my slight to commissioner Leonard. But I too am from north Portland, so --

Leonard: I take that more as an observation of fact. [laughter]

Murray: Thank you again.

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

Larry Norton: I'm larry norton, a resident of old town. I'm with the neighborhood association board. I am speaking on behalf of myself. I have attached my one sheet presentation, plus some -- part three from the city club report. That's -- i've got pictures of old town. P.d.c. was organized under the capacity 15, but it's also responsible for urban renewal under Oregon statute 457. The -- what's happened is p.d.c. commission and management, not necessarily the staff, have strayed from the intent and spirit of the charter in the statutes. Chapter 15, 103, states two basic commissions for p.d.c. urban renewal in the traditional sense, eliminate blight, the others promote industrial expansion in locations. The problem for me is i'm a member of old -- a resident of old town, is that it's -- the p.d.c. has focused more on the latter than the former. In carrying out these missions, p.d.c. has isolated itself from the mayor, the council, and the public. Of course in return months we know p.d.c. has become very vulnerable to its critics. I write a web log old town on the Oregon live, i'm a frequent critic of p.d.c. The -- i'm in opposition to commissioner Leonard's suggestion that the functions ought to be transferred to the city. Mainly because transfer of those functions doesn't necessarily defense of marriage straight that the public will be better served by direct oversight by the council. It may be a disservice. Likely that whether we like it or not, you guys will always be here, and whether or not I think you do a great job, in other years there's going to be different people in here that will have different ideas on how p.d.c. should run. They still should be isolated somewhat from the city council. I think the alternative, and we heard from the city club's advocacy committee, and I support that. I think they found the middle ground. Don't abolish p.d.c., but adopt some findings. They made an excellent report, the mayor said he read i.t., and I have probably read it a couple times. Its findings, conclusion,s and recommendations are excellent. It gives us the public at large a good basis for discussion in going somewhere. I think the implication -- implementation of the city club's position would suffice to give the city extra insight and give the public greater input. I would hope you would, and i've got a political interest in old town, I think old town has been ignored from the central eastside people, at least they can talk about having a developer to spar with. We don't. We would like to develop, we have residents there now, and we're working more organized, we'd ask you not to let p.d.c. Forget us. Thanks.

Randy Miller: Randy miller, city resident, and the longest tenured p.d. c. volunteer on earth. [laughter] I have been going steadily one capacity or another for 28 years almost, as a commissioner initially and through their loan programs, and ambassador programs, which you're familiar with. You might ask why in the world I would last that long, in this position. A lot of it has to do with the huge apartment of respect I have for the agency and the come accomplishments i've seen. I think there's always going to be issues, I hear a lot of these criticisms before over the seven executive directors with which i've been involved in terms of the overall agency, i've seen a lot of

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situations which have been compromising at the agency, yes, and have there been some recurring issues that have arisen, yes. None of this really is too new in terms of this, because when you have an agency that's that visible, it's going to happen. However, I think in terms of its independence, quasi independence as well as the current structure, it's not only appropriate, it's its greatest strength. The ambassador program takes what we call our best practices trips around the United States. We look at other communities as they try to redevelop their community and also establish an agency similar to theirs. And they are just absolutely in awe of what this agency has been able to achieve. They've been here as well several times, many of them, most of them have however, the unfortunate part of being a bureau, so they have to dissect through the politician that causes the problems that have already been described here. The independent status of this agency is its greatest strength and allows the best efficiency and also permits integration with others outside of the out of city hall and all the political process in an effort to achieve these results. So I'm really supportive of this, and of the current status of the board, and I believe there's been a lot of good ideas that have been thrown out tonight. Not just the city club report, but I think you got all the ammunition you need. You've got an effective process, you've got new commissioners, you've got new opportunities to give more of an oversight in terms of philosophical. You demand the accountability you're requesting, demand to have those answers in a timely and responsible way. You've got the structure to do it. You don't need to take it outside. I think have you the tools, and I think we should all be pleased to have them. I'm the only one that beat the bell. [laughter]

Mark Rosenbaum: Mark Rosenbaum, a week ago we were sitting in this same location, I can't thank you enough for the responsibility you've added as one of the new three commissioners to my life. I'm hard pressed to decide which way to go in terms of the testimony you've heard tonight and what's person going on over the last three or four months, except to say that I'd like to start with an oversight that so people have talked about, which is just how phenomenally well the development overall has gone for this city over the last 30 years. And I would begin by saying, I'm very cognizant of the issues that the community is looking to us to address, but I would begin by saying, commissioner Leonard, as you end in your comments, the work force at p.d.c., the outcome, the output, the enthusiasm on behalf of those employees, as you've just begun to know them. Really extraordinary. We have an excellent team with which to build as we move forward, and I -- one of the reasons I'm enthusiastic about the future is because I know that that resource exists, and I know that you agree. One of the things I think is critical and has been mentioned a couple of times relates to much closer coordination in terms of the broad planning perspectives for the city. Not just as it relates to public process and input, but as it relates to broad policy development and choices between area a and area b. And I look forward to conversations in that respect in a significant way. I mentioned last week as well that Portland development commission is apparently charged with the idea of overlaying a communitywide set of priorities relative to housing, jobs, and economic development which must be then translate in addition specific action and specific areas. One of the areas I think p.d.c. missed the boat on in the bridgehead process and maybe in a few others, they did not specify exactly how to weight priorities as they gave the local neighborhoods the task of assessing various projects. And so as the neighborhoods went about their job of assessing what they thought was appropriate for the neighborhood specifically, they did not have an advance any indication from p.d.c. how it felt those priorities ought to be weighted. If they had had it in advance, perhaps some of the tension that we feel here might have been eased to a certain degree. Finally, I recognize that the overwelling need in this agency is one of restoring trust. The commentary you've heard today reflects such an extraordinary depth of lack of trust, that that is the number one job as far as I'm concerned in terms of the new commissioners and the new executive director. And in terms of public process and accountability. The type of transparency you're asking for is certainly possible, and it's one that this agency has demonstrated to a certain degree and can be expanded on going forward. I just want to reiterate with you, I'm proud and look -- I

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look forward to building on it and to working with you and very -- in very close manner going forward, and with the community.

Randy L Knop: Randy knop, I live at 10245 southeast holgate boulevard. I'm here tonight basically to reiterate that I don't believe the p.d.c. Continues to have the trust necessary to perform the function that it originally was charged with. I do concur and believe that the council, mayor, should take that authority and develop over a period of time a new p.d.c. That's responsive to the general people, the public, and the taxpayers of this city. As we continue to grow in our economic efforts in this community, I believe that more and more of the citizens demand and have a right for the elect -- elected officials, they vote in office, to be the ones to be held accountable for the actions of the p.d.c. And with that said, i'll close. Thank you.

Bob Shiprack: Good evening. Bob shiprack, executive secretary of the Oregon state building and construction trades council. I reside at 4406 southeast 76th avenue in Portland, born and raised in the city of Portland. I'm here tonight to talk about a couple specifics directly related to the resolution that's in front of us tonight. I certainly support in my affiliates support the main function of the p.d. c. which is to develop our neighborhoods and create jobs and clearly we've had a million pay days as a result of the activities of the Portland development commission. However, there are problems here in river city related to the p.d.c. That i'm going to direct to you. First of all, that this council, if you do anything, you have to get control of the policy making. You are elected as policymakers. Make no mistake, they make a lot of policy over their -- at the p.d.c., and i'll give you a couple of examples. Over a year ago I was contacted by the Portland development commission to work on a special work force rules for the south waterfront project. It was discussed with staff and myself a couple of months, there was citizen input. There was concern at the time about the number of women and minorities in construction on the p.d.c. projects in questions about union recruitment. I showed the staff at p.d.c. voluminous information about the efforts and successes us in the union apprenticeship programs have done that was in fact there was a statement made that they didn't believe these numbers which are collected by the bureau of labor and industry for the federal government by steve simms, an african-american who runs the state apprenticeship program. They dismissed his own figures. I then shared with the staff at p.d.c. our own city of Portland's work force recruitment employment program. I've been a mayor of the -- a member of the mayor's forum for eight years, working on these issues, ably chaired by sam Adams for those eight long years, showing him the progress we have made in the city of Portland on construction sites in the recruit of women and minorities. It's all documented. Everything is here, it's well done, it was totally dismissed. Didn't want to hear about it. We want our own program. I said, we've been working on this program for the city of Portland on this very thing. You want to carve out something special, what about all the other projects for the city. It doesn't matter. The port of Portland is entering a huge development in construction prom of program. It's in northeast Portland. I said, maybe these folks would like to work close to home. Didn't matter. I'll leave it at that. Second thing I want to talk about is the prevailing wage issue, it's already been touched on, another policy decision I felt has been made at the -- at the p.d.c., every politician talks about family wage jobs. P.d.c. puts programs together, they put public r.f.p.'s out to the public, they short list developers. They put requirements on how many apprentices we're going to hire, how many women and minorities we're going to hire, how many minority contractors will be on the job, things we all support. Everything that you find in o.r.s. Chapter 279, which is our public contracting statutes, except for one. And that's the pavement of the work mans wages and fringes on those projects, wages that have been established by the state employment department, bureau of labor and industry, overwhelmingly show what those wages and fringes should be for these people and they have ignored that. And in fact, as is mentioned, in fact sued the very agency that attempts to enforce that. We've got small commissions like the port --

Potter: Your time is up, sir. Could you finish your statement?

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Shiprack: Two points, the two points I want to make, you need to get control of the policy making. So they have clear policy over at the p.d.c. The second thing that -- the second point I cannot understand is why the city council or perhaps the mayor's office doesn't select the executive director. You're going through a process right now that is baffling to many of us as to why you're having this selection process by the very people picking their own director, and I think clearly picking the management of that agency is important. We have a very big problem were one of the people that was selected. I won't go into it right now, I wish I had the time. I'd love to. But you have a person selected there, karen williams, who has actively been working against the prevailing wage provisions at the state capitol, luckily due to my efforts, most of it's person debunked.

Potter: Thank you, sir.

Leonard: Thank you. This was, as mr. Mandel pointed out, what I consider to be a vehicle from which we should have the discussion, hopefully the first of many discussions that we had tonight. Just a couple of thoughts, and I certainly would entertain any others from my colleagues here, it hits me to hear the argument against elected officials being responsible for development, much as the f.b.i. Telling me and the mayor and the council that we really shouldn't know what our police officers are doing on the joint terrorism task force. I understand the concern raised on the one hand. On the other, I do really believe that in our system of government, those of us here are elected to be responsible for decisions that are made by the public. They expect us to be responsible for those decisions. And they do not take kindly when any of us stand in front of them and say, I can't really be responsible for the p.d.c.'s decision, because I don't control them. Because if I was in the public I would be thinking, hmm, maybe i'll elect somebody to replace you that could figure that out. And I think that's a fair criticism of us. Having said that, I think some of the things said here tonight, one of the last things that was said by bob shipwreck about either the joint hiring from the mayor or some form of that, some kind of mixture of those kinds of authorities, I find intriguing, and something I want to learn more about and talk more about. I really appreciated mr. Rosenbaum's presentation tonight. And i'm cautiously optimistic about the course that you're heading in. But having said that, I appreciate the patients and -- the patience of the council and the mayor for having this hearing. I think it's an important public discussion to have, and I intend to keep this going. And ask questions, like on the prevailing wage issue, I am deeply concerned that the Portland development commission is developing a hostile condition towards working class jobs. And it is something that if I need to, I will focus a lot of energy on. I'm hoping I don't have to, but it is a concern I share that we've heard here tonight as well. So thank you, mayor Potter.

Potter: Commissioner Leonard, do you choose to take the resolution back to your office?

Leonard: I would ask that we could refer back to my office, because I would like to, based on the testimony tonight at least prepare some modifications that could be a point that would be then folded into the discussions, mayor Potter, you've indicated we'll have on a charter review.

Sten: Could I make a brief comment?

Potter: Please.

Sten: I just wanted to make a couple of comments, mainly because we've had so many people tonight testify so eloquently and with so many passion, I feel i'd like to just briefly it's getting late, but give you a sense of where i'm at on this and what I think of your comments, which I think were terrific. I start this discussion the same place I end it, with a similar sense of commissioner Leonard, that we need to have this conversation. Many of you whom i've worked with for a long time, this is a conversation i've been pushing for with you for actually many years in different capacity. And I did start from the opposite conclusion that commissioner Leonard started from in that I believe it's better to reform the structure than to abolish it. And I have actually found that belief listening to your testimony tonight. That being said, if we can't reform it, we should abolish it. So I don't say that as a way to say, ok, let's just keep it. And the -- I could go on for a long time about this, i'm not going to do that. But I want to make two points I think are for me the book ends

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of where we need change. One is on the policy level, bob shiprack said something similar to my thought, which is that -- I want to build off what don mazziotti said, he said, my job is an implementer. It's my belief, and I think the council should own some of this as well as the community, that the policy has not been made as clear or as specific as is necessary for an implementer to be successful. And not to go with the hot topic of the day, but I think a perfect example of this is the burnside bridgehead situation. If the policy is redevelopment, and we are designating to the commission the ability to figure out what needs to be re-- how to redevelop that area, and that's the entire policy, then the commission is acting appropriately. I would argue very strongly that policy probably includes things like do we support a big box in that piece, that's a discussion we've never had at the council level. It's not a real estate issue. Where I might differ with the way things are work, but the not the theory that don is pushing, is keeping the council out of the real estate negotiation makes common sense. Pushing that up to a level that we're completely out of the process and policy means redevelopment as opposed to policy means we want jobs, we want local jobs, we would prefer to have the issues like the prevailing wage need to be debated as a council level, those are policy issues that affect things. And I think if the council is more involved in those discussions, and is setting clearer parameters which I think we need to do, then I think we can hold the p.d.c. accountable in a way that we cannot. An example of that, if you look at the housing department, which I think you've heard no comments that were negative about tonight, they have a very clear no net loss housing policy that was negotiated in public and was pretty tough. Originally the commission had a certain view on what the housing policy should be, i'm looking at debbie, we've ham erred out a policy we hold them accountable to each year. And it's very specific. And they either perform or they don't. Soy think we need the same type of specificity in the other areas. If we had that, I think you'd see a different result. To be fair to the commission, I would say the commission I think does at times like a vague policy. It gives you more room to work. But the two sides need to define that better and it needs to be through regular communication between the council and the commission members and we need to in the front end frame the issues well ahead of time and say, these are the things council is going to be debating in public with the commission there and create decisions that then we'll expect the commission to implement. On the other end of the spectrum, I think clearly, and i'm not going to go into the reasons I think this is, everybody has their views, but clearly we have lost confidence of the key people which are the taxpayers, the citizens of Portland. And to say everybody's mad at the p.d.c. Probably isn't accurate, but to say there's widespread community support is not the case. So I think we need a better set of mechanisms, and it's ironic that those were coming forward from p.d.c., i'm not sure those are the ones i'd pick at a time when this had already begun to below up. If you look at the burnside bridgehead piece, if you have a citizens advisory evaluation council who votes unanimously one way and the commission overturns it with a unanimous vote the other way with very little explanation process or tie to policy, you will not have trust or support. And for that reason, I am interested in the idea of a citizen oversight committee. Because I think if an advisory committee can be overturned that easily, and then I actually made the discussion that the city council take the appeal. I made that as a much more friendly suggestion than it came across, because I felt like the commission should be in the position of depending its decision, not judging the mayor of an appeal against itself. I know of no body that can hear an appeal against itself. That does no knock on the development commission, I would say the same thing about this body. There's no way we can listen for hours and hours of tough testimony, make a decision and objectively hear an appeal of our own decision. It makes absolutely no sense. And so what i'm getting at is, we need mechanisms that allow citizens to participate and then treat this commission the more independent it going to be, the more they're there has to be a mechanism to make sure citizens advisory committees are either listen to and followed to, or clearly explained why it was changed, and there has to be an extraordinary circumstances fits going

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to be independent and if the council is not going to have the ability to step in to deal, it has to be appealable in some way or another. Not on everything, not on little deals, but on things like the burnside bridgehead, there has to be some way for the citizens to appeal. Otherwise you're not going to have citizen trust. So these all add up to me that we need at the grass-roots and citizen level a way to reconnect with people that's both structural and public relations. We need public relations, we need discussions, we need public input, but we also need structural ways for citizens to mediate. One of the reasons that -- and they don't always have faith, but there's more faith in the council process, it isn't just because we're elected, it's because everything we do has a defined process that you have to flow into in a certain way and that you have avenues if you don't like the way it came out. And we're held to those to follow those procedures, and I think they help us immensely. Those seem to be lack in the development commission structures. So I said I was going to be brief and in has not been, but I could have gone on for quite a bit longer. I meant brief by my p.d.c. Standards. So what I would say to myself is I am going to support for the time being attempting to reform it, but I think from the citizens' side and from the policy side, we need change in how we're going to work together of they need to be predictable. I will work with the mayor and the rest of the council to put those in place and with the commission with director mayor katz and I whoever his replacement is and the staff at the commission. I'm not one to go after them to get no those things, I believe there's no good reason we've got a great person in mark rosenbaum that we can't solve these problems. If we cannot, however, I may end up in commissioner Leonard's point of view. So that's where I am tonight. Just felt like I owed you that discussion, because you've shared a lot of your time and thinking with me.

Potter: Commission Saltzman?

Saltzman: A couple observations. I am a strong supporter of the notion of an independent p.d.c. I don't think this would be well served by folding them into the city economic development department. However, I stand subject to seeing what a charter review process that takes the time and the insights and the luxury of time to see what kind of recommendations they come up with. But I think on balance, speaking of a person whose grandparents' home and parents' s home were demolished by the p.d.c. In the 1960's, they've come a long way. And I think it's a good thing to have a development attitude with -- to have a development agency with an attitude. And I think that's the type of economic development approach we need. And we have appointed five commissioners, the mayor has appoint, we have approved five commissioners, and we put them in a position to lead. And I am concerned about all the discussion about metastasizing that process into more process. Sometimes decisions get made, people get unhappy with the decision and they want more process. At some point especially in the economic world of developing and changing the landscape of the city, creating jobs, creating housing, decisions have to be made, invests have to be made, and you got to move forward. And like I said, I think that obviously p.d.c. needs to polish its image, this is probably the worst possible time in its history right now, that we're having this type of a hearing, so it's easy to sort of pig pile on the agency, but I think we've got to look at the big picture, and the big picture is, there's been a lot of good work done, particularly in the housing, jobs, and development are bound a I think the structure is sound. I'm open to suggestions by an elaborate and sound citizen process that could lead to charter reforms, but i'm certainly not willing to throw out this model at this point. I think as randy miller said, we have a lot to be -- that other cities envy about this process, and we have a lot to be proud of. And I think that needs to be said. I would not support abolishing it.

Potter: I want to thank all the folks who showed up tonight. Even those that have left already. [laughter] I think it was important for the city council to have this hearing. I -- when randy first talked to me about -- excuse me, commissioner Leonard first talked to me about this, I told him I was opposed to the -- taking this to the charter as it was written. On october 1 we're going to initiate a citizen charter review commission that will look at the city charter, the most

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comprehensive look at it seasons it was created in 1913. And there are four areas i'm interested in the charter commission looking at, and i'm sure they may have other ones, and the city commissioners may have additional areas. But one of those areas is the role and function of p.d.c. P.d.c. is very important to our community, it's important to our future economics development, and I took heed from the city club report that said that it can't be about opportunity, it has to be about a plan. And that you use that plan to capitalize on the opportunities. But not the other way around. And I think that's very important. But in order to do that, the city has to have a long-term plan. Currently we don't. So there's -- when there are fingers to point, there will be plenty of objects to point out, and what I want to do with the city charter, and I think it's the feeling of the commission, is that when we look at that city charter, we want to see what we need to do to make our city better, pure and simple. And that it will be citizens doing it, coming back with recommendations to the city council. This is one of - - Public meetings over the role and responsibilities of the p.d.c. to the city of Portland. Having had the opportunity to know don mazziotti the last 5½ months, I have to say that i've come to develop a lot of respect for him. And it may not be popular to say in front of everybody, but you know, it's how I feel. I think that he's done a difficult job. I can't imagine very few more difficult jobs than that in our city of trying to develop the potential for a community. I think that he like everybody else is human, and that as we look toward a new director, I want to tell you, don, I appreciate what you've done. And I want the next director to clearly understand that there role is as a change agent, and bringing more light to how the Portland development commission functions and ensuring that citizens are involved at the front end of projects so that they have a very strong role in the development of our community. That our long-term strategy plan addresses development in a way that clearly guides the decision-making not of just the Portland development commission, but our own planning bureau and the city council. So I see a lot of opportunities ahead of us. And I understand democracy as messy. And that this is one of many meetings that will occur over the next year or so as we go out and we ask the community what you would want to see for our future. And what your priorities are and how we establish the governance of this city in accord with the community's priorities. There are many steps along the way, and I look forward to taking those steps with our community, and this is one of those important steps. I thank all of you for being here. The city council is now adjourned. [gavel pounded]

At 8:09 p.m., Council adjourned.