



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **10TH DAY OF AUGUST, 2005** AT 9:30 A.M.

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

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

Item 894 was pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

COMMUNICATIONS	Disposition:
866 Request of Joseph Walsh to address Council to petition the Governor to fly the State Flag at half-mast (Communication)	PLACED ON FILE
867 Request of Freedom Child to address Council regarding issues with the Police (Communication)	PLACED ON FILE
868 Request of Jay Boss Rubin to address Council regarding Portlanders plunge into their local waterway (Communication)	PLACED ON FILE
869 Request of Pavel Goberman to address Council regarding fraud reports against him (Communication)	PLACED ON FILE
TIME CERTAINS	
870 TIME CERTAIN: 9:30 AM – Nature in Neighborhoods/Open Spaces Celebration Update (Presentation introduced by Mayor Potter)	PLACED ON FILE
CONSENT AGENDA – NO DISCUSSION	
871 Statement of cash and investments June 02, 2005 through June 30, 2005 (Report; Treasurer) (Y-5)	PLACED ON FILE

August 10, 2005

Mayor Tom Potter

Portland Development Commission

872 Authorize the City to act as fiscal agent to the Portland Development Commission for a \$200,000 U.S. Environmental Protection Agency grant for environmental cleanup of the planned South Waterfront neighborhood park site in the North Macadam Urban Renewal Area (Second Reading Agenda 836)

(Y-5)

179463

Commissioner Sam Adams

Bureau of Environmental Services

873 Authorize contract with Brown and Caldwell for professional engineering services for the Columbia Boulevard Wastewater Treatment Plant Facilities Plan Update Project No. 7847 (Ordinance)

**PASSED TO
SECOND READING
AUGUST 17, 2005
AT 9:30 AM**

874 Authorize a contract with Brown and Caldwell for professional engineering services for the Portsmouth Force Main Project No. 6902 and provide for payment (Ordinance)

**PASSED TO
SECOND READING
AUGUST 17, 2005
AT 9:30 AM**

875 Authorize a contract and provide for payment for the construction of the Hollywood Sewer Relief and Reconstruction Project No. 7817 (Ordinance)

**PASSED TO
SECOND READING
AUGUST 17, 2005
AT 9:30 AM**

876 Authorize a contract and provide for payment for the construction of SE Tolman and 69th Ave Sanitary Sewer Extension Project No. 7642 (Ordinance)

**PASSED TO
SECOND READING
AUGUST 17, 2005
AT 9:30 AM**

877 Authorize a contract and provide for payment for the construction of the South Airport Sanitary Sewer Project No. 6788 Phase I (Ordinance)

**PASSED TO
SECOND READING
AUGUST 17, 2005
AT 9:30 AM**

878 Authorize application to the Environmental Protection Agency for a grant in the amount of \$1,445,700 for innovative wet weather projects (Ordinance)

**PASSED TO
SECOND READING
AUGUST 17, 2005
AT 9:30 AM**

***879** Accept sub-grant from the Columbia Slough Watershed Council for habitat restoration to benefit Endangered Species Act listed species at Ramsey Wetlands up to \$50,000 (Ordinance)

(Y-5)

179464

880 Authorize cost share application for habitat restoration to benefit Endangered Species Act listed species at Ramsey Wetlands to the U.S. Army Corps of Engineers for \$400,000 (Second Reading Agenda 839)

(Y-5)

179465

August 10, 2005

<p>881 Amend Intergovernmental Agreement with the City of Gresham for laboratory analytical services (Second Reading Agenda 840) (Y-5)</p>	<p align="center">179466</p>
<p>882 Authorize an Intergovernmental Agreement with Portland State University to partner on a science education evaluation project to assess the learning methods and outcomes for K-12 Clean Rivers Education Programs (Second Reading Agenda 841) (Y-5)</p>	<p align="center">179467</p>
<p align="center">Office of Transportation</p>	
<p>883 Grant revocable permit to Neighbors West/Northwest to close NW 13th Avenue between Hoyt and Irving Streets on September 9, 2005 (Second Reading Agenda 843) (Y-5)</p>	<p align="center">179468</p>
<p>884 Grant revocable permit to Rogue Ales Public House to close NW 13th Avenue between NW Everett and Glisan Streets and NW Flanders Street between 12th and 14th Avenues from 6:00 a.m. September 10, 2005 to 9:00 p.m. September 11, 2005 (Second Reading Agenda 844) (Y-5)</p>	<p align="center">179469</p>
<p>885 Grant revocable permit to Restaurant Services, Inc. to close SW Oak Street between W Burnside and SW 10th Avenue from 11:59 a.m. September 16, 2005 to 3:00 p.m. September 17, 2005 (Second Reading Agenda 845) (Y-5)</p>	<p align="center">179470</p>
<p>886 Grant revocable permit to Roman Catholic Archbishop/St. Stanislaus Parish to close N Failing Street between N Interstate and Montana Avenues from 9:00 a.m. September 23, 2005 to 12:01 p.m. September 26, 2005 (Second Reading Agenda 846) (Y-5)</p>	<p align="center">179471</p>
<p>887 Authorize application to the U.S. Department of Housing and Urban Development for a grant in the amount of \$496,000 for the Portland Streetcar Eastside Project (Second Reading Agenda 847) (Y-5)</p>	<p align="center">179472</p>
<p>888 Authorize application to the U.S. Department of Housing and Urban Development for a grant in the amount of \$72,168 for the Portland Streetcar Eastside Project (Second Reading Agenda 848) (Y-5)</p>	<p align="center">179473</p>
<p>889 Designate and assign a portion of Gilbert Heights Park as public street and right-of-way (Second Reading Agenda 849) (Y-5)</p>	<p align="center">179474</p>
<p align="center">Commissioner Dan Saltzman</p> <p align="center">Office of Cable Communications and Franchise Management</p>	

August 10, 2005

<p>890 Consent to franchise transfer from Tyco Networks (US) Inc. to VSNL Telecommunications (US), Inc. (Second Reading Agenda 851) (Y-5)</p>	<p align="center">179475</p>
<p align="center">Office of Sustainable Development</p>	
<p>891 Authorize a Memorandum of Agreement with the Corporation for National and Community Service for \$10,080 to sponsor a VISTA Member (Second Reading Agenda 853) (Y-5)</p>	<p align="center">179476</p>
<p align="center">Parks and Recreation</p>	
<p>892 Authorize license with Portland Farmers Market for use of two locations in the South Park Blocks at designated times for installation and operation of a farmers market (Second Reading Agenda 855) (Y-5)</p>	<p align="center">179477</p>
<p align="center">Commissioner Erik Sten</p>	
<p align="center">Bureau of Housing and Community Development</p>	
<p>*893 Authorize Intergovernmental Agreement with Multnomah County Department of School and Community Partnerships for homeless facilities and programs for \$933,841 and provide for payment (Ordinance) (Y-5)</p>	<p align="center">179478</p>
<p>*894 Revise ordinance to authorize subrecipient contracts chosen to further the goals of the 10-year Plan to End Homelessness and provide for payment (Ordinance; amend Ordinance No. 179346)</p>	<p align="center">REFERRED TO COMMISSIONER OF PUBLIC WORKS</p>
<p align="center">Fire and Rescue</p>	
<p>*895 Authorize contract with Burlington Water District for fire prevention, suppression and emergency response services for FY 2005-06 (Ordinance) (Y-5)</p>	<p align="center">179479</p>
<p>*896 Authorize Intergovernmental Agreement with Metro for maintenance of a computerized mapping system for Portland Fire and Rescue emergency response vehicles not to exceed \$20,000 (Ordinance) (Y-5)</p>	<p align="center">179480</p>
<p>*897 Accept a federal award of \$227,592 from the Department of Homeland Security for Portland Bureau of Fire, Rescue & Emergency Services for additional equipment and training related to the Metropolitan Medical Response System (Ordinance) (Y-5)</p>	<p align="center">179481</p>
<p>*898 Accept donation from Belo Broadcasting to Portland Fire & Rescue for matching funds for learning center exhibits and broadcasting messages (Ordinance) (Y-5)</p>	<p align="center">179482</p>

August 10, 2005

REGULAR AGENDA

<p>899 Accept bid of Civilworks NW Inc., for the Macadam Avenue OR43 Street Improvement Project for \$1,123,179 (Purchasing Report - Bid No. 104348) Motion to accept the Report: Moved by Commissioner Adams and seconded by Commissioner Saltzman. (Y-5)</p>	<p>ACCEPTED PREPARE CONTRACT</p>	
<p>*900 Authorize lines of credit and notes to provide interim financing for the Portland Streetcar Gibbs Extension Project (Ordinance introduced by Mayor Potter and Commissioner Adams; Previous Agenda 859) (Y-5)</p>	<p>179483</p>	
<p>Mayor Tom Potter</p>		
<p>City Attorney</p> <p>901 Authorize the City Attorney to intervene and participate in the Oregon Public Utility Commission review of the application of Midamerican Energy Holdings Company for authorization to acquire Pacific Power & Light, dba PacifiCorp (Resolution) (Y-5)</p>		<p>36330</p>
<p>Office of Emergency Management</p> <p>*902 Amend contract with CDA Consulting Group, Inc. for continued services to support the Urban Area Security Initiative Homeland Security Grant Program and provide a time and payment extension (Ordinance; amend Contract No. 35123) (Y-5)</p>		<p>179484</p>
<p>Office of Management and Finance – Human Resources</p> <p>*903 Grant voluntary recognition as provided under ORS 243.666(3) to the Laborers' International Union of North America, Local 483 within the District Council of Trade Unions bargaining unit to represent the collective bargaining interests of City employees in the classification of Parking Collection Technician, Job Class No. 7569 (Previous Agenda 860) (Y-5)</p>		<p>179485</p>
<p>Portland Development Commission</p> <p>904 Adopt a Comprehensive Economic Development Strategy for submission to the U.S. Economic Development Administration (Resolution) (Y-5)</p>		<p>36331</p>
<p>Commissioner Sam Adams</p> <p>Office of Transportation</p>		

August 10, 2005

<p>*905 Amend an Intergovernmental Agreement with the Tri-County Metropolitan Transportation District of Oregon to provide funds for the capital construction of the Portland Streetcar Gibbs Extension Project (Previous Agenda 861; amend Contract No. 52369) (Y-4; Leonard absent)</p>	<p>179486</p>
<p>Commissioner Randy Leonard</p>	
<p>*906 Require recipients of tax abatements to provide financial data on an annual basis and require partial repayment or extended affordability if the project internal rate of return during the exemption period exceeds 10 percent (Previous Agenda 862; amend Code Chapter 3.104) (Y-5)</p>	<p>179487</p>
<p>City Auditor Gary Blackmer</p>	
<p>907 Assess property for sidewalk repair by the Bureau of Maintenance (Second Reading 865; Y1055) (Y-5)</p>	<p>179488</p>

At 11:03 a.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.

August 10, 2005

WEDNESDAY, 2:00 PM, AUGUST 10, 2005

**DUE TO LACK OF AN AGENDA
THERE WAS NO MEETING**

August 10, 2005
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.

AUGUST 10, 2005 9:30 AM

Potter: Good morning, everybody. This is the Portland city council. In case you're looking for something else, just as a double-check. Before we begin the actual official city council, we start off our meetings on wednesday mornings by asking a question to the community. The question is -- how are the children? We think that's a very important question because we think in communities where the children are health, they have adequate medical care, they have access to good nutrition, a good education, and healthy, caring adults in their lives, those communities are good communities. And so we ask that question to remind ourselves, why we're here and what our purpose is. And that's to, as adults, prepare the future for the next generation. We ask experts to come in and talk to us. It just so happens, all the experts are young people. Who better to ask, how are the children, than our children. So this morning we have a young woman. Josephine, could you come up? Josephine is 10 years old and goes to faubion elementary school. Thank you for being here. There you go. Talk into the microphone. Introduce yourself, josephine, and tell our city council what you would like us to hear.

Josephine Gamez-Reys: Well, as you know, I am 10 years old, but today's my birthday, so i'm turning 11.

Potter: Today?

Gamez-Reys: Yeah.

Potter: Wow. Happy birthday. [applause]

Gamez-Reys: You also know that I go to faubion elementary school. And that I live in northeast Portland and i'm entering the sixth grade. I've been selected as a class representative for the student council when I was in fifth grade by faubion elementary.

Sten: Happy birthday.

Gamez-Reys: I also play basketball at my school for Portland parks. And recreation, i'm the only girl on the boys basketball team. And I played in fifth grade. I'm going to play in sixth grade, too. I dance ballet, folks, mexican dancing, for four years, and I have performed at cinco de mayo, middle schools national night out at fernhill park, weddings and numerous community centers, and I do traditional dances from the state of mexico. I dance like -- well, and I also dance hip-hop with the blazers boys and girls club, high steppers drill team for the past four years also. So I started when I was 7. And i've danced in the why are rose parade, Multnomah county fair, nike community, nike go video, cinco de mayo, charity basketball game for kboo versus "the Portland observer," national night out, good in the hood parade, and i've been part of the opening ceremony at cinco de mayo improving a mexican mayor. As you know, maybe that I have gone to australia during the summer for 15 days. And I was -- I was a people to people student ambassador for Portland, and I was representing Portland, Oregon, while I was in australia. And basically that's all.

Potter: Now, josephine, you liked to be called jojo?

Gamez-Reys: Yeah.

Potter: Is there something we could do to make the city of Portland better for children? Is there one thing that you think is important for us to know?

Gamez-Reys: Maybe the schools.

August 10, 2005

Potter: That would be a good start, wouldn't it?

Gamez-Reys: Yeah.

Potter: Yes. We need to fund our schools, because we need teachers, we need classrooms that are small enough to where children can learn and succeed, huh?

Gamez-Reys: Yeah.

Potter: Yes. Well, thank you very much for being here jojo. Let's all give her a hand for her birthday. [applause] thank you. Thank you very much.

Gamez-Reys: You're welcome.

Potter: We would also like to knowledge that we have international visitors today. P.s.u. Sponsors a teachers program that has a partnership with the german/american institute, and has -- was set up after world war ii to foster relations between -- international exchange between our two countries. The participants are english teachers from german classic high schools, teachers colleges and postsecond area schools, they're fluent in english, and often teach each other subjects such as languages and history. The teachers come to Portland for three weeks to get a personal update on current daily life in the united states. They are housed with host families here in Portland. Could we have our guests stand up so we could recognize you?

Adams: Oh, my.

Potter: Wow. All right. [applause] thank you for being here. [gavel pounded] the city council will come to order. Karla, please call the roll.

Adams: Here. **Leonard:** Here. **Saltzman:** Here. **Sten:** Here.

Potter: Here. [gavel pounded] we'll first hear communications. Karla, please read item 866.

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

Item 866.

Joseph Walsh: My name is joe walsh. I'm a vietnam veteran, united states navy, 1962-1971. Mr. Mayor and members of the council, I come before you today with a simple request, to ask that you petition the governor to fly the state flag at half-mast until our troops return from afghanistan and iraq. The reasons for this request are many. I would just offer two. Let our troops know that every day we look at our state flag, it will remind us that they are in harm's way, and we will remember what a great sacrifice they and their families are enduring for our safety. And two, to let the federal government know that we are concerned about the treatment of the national guard by the department of defense. I know you are sad when one of our soldiers is killed in action. What I am suggesting is a simple way to tell them, before they go, we will never forget your bravery. I decided to limit my request to the state flag, because we control it. We don't have to ask permission from the federal government. We lower our flags for the dead i'm suggesting we lower our state flag for the living. I could have a bad package for you, and I thought about that, but I decided that you all have computer skills or your staff do. You can look on the computer and find out that there are hundreds of towns and there are other cities passing very strong resolutions about this war. I'm not asking you to take a position on the war. I'm only asking you to send a very simple message to our troops -- we know you're in danger, we know what you're doing. Letting them know that their sacrifice will be acknowledged, and when they return they will return in honor. I know normally you don't have questions, but if there is any, because I think some of you have a surprise look on your face, I would be willing to ask any question that you ask me.

Potter: Thank you, mr. Walsh. I appreciate your thoughtfulness and we will take it under advisement.

Walsh: Thank you.

Potter: Karla, read item 867.

Item 867.

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

Potter: Good morning. You know the drill.

August 10, 2005

Freedom Child: My name is freedom and I live in st. Johns. And the last time I was here on july 13, I told you about how shocked and upset I was when I read the police reports for the first time and discovered the police had written a report full of lies, designed to cover up and protect themselves for failing to follow appropriate police procedures. Two years ago on the night of august 2003, when they pulled up to me in an unmarked car, unmarked undercover police car and did not identify themselves and violently attacked me at my home, my "criminal trial" was scheduled for june 21, 2004. I had to hire an attorney because I knew better than to walk into a courtroom with two lying policemen. To prepare for my defense, I was forced to spend many, many hours carefully analyzing the lies and omissions contained in the police report and compare what the police alleged against what really happened and what the officers told my neighbors and what my neighbors witnessed, all of which contradicts and refutes the false allegations the police filed in their reports. I was told by many lawyers and people with whom I have shared what happened to me that the police lie all the time and get away with it, and that when there are two cops and only one of you, and you don't have a witness, and it comes down to your word against the police in court, the judges almost always accept the police version of events. Even there were only two of them, only one of me, i've been able to prove that what the police wrote in the reports was not the truth, that they perjured themselves at my "criminal trial" in order to cover up their own misconduct. Even if that meant putting me at risk of me receiving a criminal misdemeanor conviction for something I didn't do. I'm deeply concerned about the fact that these two officers were so cavalier about lying about an incident that they were entirely responsible for creating. I can't help but wonder what else these officers have lied about with such ease and nonchalance and how many people may have acquired undeserved misdemeanor or perhaps felony convictions because these officers have no reservations or wince of conscience about lying. If I lie to a police officer, that's a felony offense. While there are rules and regulations in place, such as Portland police bureau policy 310.50 regarding truthfulness that requires police to act in a truthful manner in rendering a report or giving testimony about actions they've taken and prohibiting police officers from making false statements to justify criminal charges they bring against members of the public, I would like to know why it is that when police do lie in the reports and then commit perjury under oath in a courtroom, other than filing a civil lawsuit, there's no watchdog or internal mechanism that monitors or criminally prosecutes officers that commit such a serious form of police misconduct as lying. Thank you.

Potter: Thank you. Karla, please read item 868.

Item 868.

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

Jay Boss Rubin: My name is jay boss rubin, testifying on the significance of swimming the river. Swimming a river is a basic human act, just a single step above eating, drinking and sleeping in the latter of basic necessities. You don't need a reason to swim river, but people swim them for a variety of reasons. One man swam across the amazon to show his solidarity with the leper colony on the other side. Another man swam across a river to discover his brother in bed with his wife. A man swam the length of columbia, hudson and charles rivers, he swims them for clean water. Let's talk about the willamette. The first time I swam across the willamette river I was taking the Portland challenge. August 21, 2005, will mark the third annual Portland challenge. The reasons for swimming across the willamette have evolved with the event itself. Originally we were swimming for exploration, the Portland challenge begin as a pagan tribute to the gods of the willamette. Then we started swimming for the house of peace and love project in tanzania. Each year local businesses and individuals contribute to raise funds for this specifically Portland-related orphanage in east africa. A cultural bridge is being built between Portland and them. Mayor Potter and city commissioners, I invite you to consider incorporating the Portland challenge into the official river renaissance strategy for the city of Portland. There's no better way for Portlanders to

August 10, 2005

get in touch with willamette river than literally by swimming across it. I also invite each of you personal to participate in the 2005 Portland challenge. We will meet on southeast eighth and stark at the slammer tavern, march down to the east side esplanade, plunge into the willamette on the south end of the hawthorne bridge, and wash in the cool water of the salmon street fountain and celebrate our crossing with a party on southeast ankeny street. Should the Portland challenge go on, who will go down as Portland's first elected official to take part in this civic challenge? [laughter]

Leonard: Don't look at me.

Rubin: Commissioner Adams, I think it might be you. I truly believe in the significance of swimming the river. It will clean up the river, build an orphanage and change the way the world works. This man to the left of me plans on swimming the entire length of the willamette river as soon as the ice melts next spring. He will be swimming for clean water, specifically for watershed restoration by way of installing more green roofs on buildingtops throughout the willamette valley. And if it completes this 200-plus-mile swim without using bridges, he will also have completed the Oregon challenge. , there's now talk of a linnton challenge, swimming to the terminal four dumping grounds. The linnton challenge is a nonpartisan and apolitical civic event. We're not swimming for this or against that, but I hope it renews linnton's strength and creativity in its battle to determine the course of its own redevelopment. Swimming a river can do something like that, if even if you have no reason at all. Thank you very much.

Potter: Thank you. And sam did volunteer.

Rubin: That's wonderful.

Adams: I'll be following mayor Potter and commissioner Leonard into the water.

Rubin: Looking forward to it.

Potter: Please read the next item.

Item 869.

Potter: Mr. Goberman, when you testify, state your name and you have three minutes.

Pavel Goberman: Yeah, I know. Thank you for giving me opportunity to talk. My name is pavel gobberman. I live in beaverton, but I talk to you because I file official document for united states representative, first congressional district, against david wu. Large part of west Portland belong to first congressional district. I applied for concealed weapons permit for my protection, but Washington county denied me permit because Portland police keep some record, illegal record, against me, make me criminal without any court order. As you know, I spoke a couple times before you, and you sent me mail. Thank you for mail. You wrote -- my complaint was taken very seriously. "you were never arrested by Portland police officers." also you wrote, "but police bureau is prevented from destroying records simply because they are containing inaccurate statements." then you wrote "the police are obligated to write a report if individual claims that a crime has been committed." what crime I did? That baloney. "unfortunately, inaccurate or false statement that you are made to the police find their way into the police reports time to time." why you take this false statement it violation of my civil rights, my civil rights, constitutional rights were violated. You made me criminal without court. Same time you could not destroy without court order. So why you take this report with court order? Whose report? Tri-met. I file lawsuit against tri-met. United states judge dismiss report as fraud. You trust this tri-met. Other report was by michael dean thoranburgh. This crook stole from me \$3,000. I tried to find his -- to take him to court. He hide. He lives and work in vancouver, but took business in Oregon. Thank you. Do you have any question? I think you violate constitution. Don't worry about ties. Take care of united states constitution. Do not make people guilty without court order. Thank you. Do you have any question about it?

Potter: No, we don't, mr. Goberman. Thank you for being here.

Goberman: Thank you.

Moore: That's all the communications.

August 10, 2005

Potter: Ok. We'll hear the time certain.

Moore: Do you want to do the consent agenda?

Potter: I'm sorry, yes.

Moore: Are there any items pulled?

Potter: I'm sorry. Any commissioners want anything pulled from the consent agenda? Does anyone from the audience wish to pull any items?

Moore: We have 894 already being pulled.

Potter: Ok. We'll hear that after the time certain and the regular agenda.

Moore: Ok.

Potter: Ok. Let's have a roll call.

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

Potter: Aye. [gavel pounded] we'll now move to the time certain.

Item 870.

Potter: Good morning, folks.

David Bragdon, Metro Council President: Good morning.

Potter: Thank you for being here. Was Jack Hoffman going to be here?

*******:** Yes. Jack is here as well. Come on up.

Potter: Thank you for being here. It's your show.

Bragdon: Thank you. We're here to update you on the tenth anniversary of the bond measure passed by the voters in 1995 and to express our appreciation for the working relationship we have, both with your council, but also at our staff to staff level. Most recently commissioner Leonard and I have been working closely together on a joint project at the lone fir cemetery in southeast Portland. It's a great example of where the agencies bring their different strengths together to serve the citizens that we have mutually in common. In that case you've been able to contribute funds for restoration of a site adjacent to the cemetery which we manage. And the county is going to be turning that over to our management, and by bringing the different resources, the different agencies together, I think we're developing a very good program. But that's symptomatic of how we've been trying to manage this program over the last 10 years. And with the tenth anniversary on us this year, we wanted to report to you on some of the accomplishments of it, talk about some of the next steps. In 1995, the voters passed a ballot measure that provided \$135 million in funds regionwide. \$25 million of that was distributed to local governments for on a per capita basis for your own parks capital needs. And so I think parks bureau has done an admirable job in spending that money and spending it in ways that are coincident with the things we've been doing regionally. Some of the regional accomplishments have been 863 acres added to forest park, the crown jewel, not just of the city of Portland, but of the recreation in a recreational and ecological sense. It already had 5,000 acres, and by adding 863 it's a pretty significant addition over the last 10 years. Some key parcels. There's a parcel at the intersection of skyline and germantown. This activated very much the friends of forest park, so there's been a great partnership with the nonprofit groups as well. We've also made purchases in other parts of the state. 58 acres in the tryon natural creek area, a partnership with the state, a state park, as well as with not just the Portland parks bureau, but bureau of environmental services as well. So again, real sense of partnership there. Lake Oswego, and counselor Hoffman is here from lake Oswego, also participated in a purchase with the city of Portland and city of lake Oswego at the mouth of tryon creek. So you have multiple cities involved. We also made purchases not far from the city of Portland, in the Gresham area, the buttes there, as well. So up in the north, the Willamette cove, this fits well with the speaker that you had talking about the importance of the river. We've really focused on riparian areas. Willamette cove is the last natural cove in the Portland harbor right by the railroad bridge. That's going to take restoration. That's going to be some of the next steps we want to take, but acquiring it and having it in public ownership is important. I want to touch on some of the local share. A lot of that being carried out

August 10, 2005

by your Portland parks bureau. A lot of land acquisition made possible by this regional bond measure that was turned over to the Portland parks bureau at their discretion to use on projects that fit part of this larger vision. There have been 35 acres that you've been managed to acquire along Johnson Creek, the greenway there. 15 acres in the Columbia Slough watershed. 32 acres up along Marquam and Terwilliger. 12-acre addition to the Hoyt Arboretum. Six-acre addition to the Leech Botanical Garden. Probably the thing that gets the most use and most notice is the Springwater on Willamette Trail. If you're out there every day of the week, every day of the year, there are people out enjoying that. That's a product of the 1995 Metro bond measure, a portion of which was turned over to the city. We're now working with transportation funds to extend that further.

Commissioner Adams knows that from his service on JPAC that we're able to use transportation funds to link the areas to connect it to the greater Springwater Trail and connect to the areas further west of Gresham. City of Milwaukie, City of Gresham, have been great partners in that as well. So that's the report on what we've accomplished. We're going to be doing some celebration. I'm going to turn it over to Council Burkholder to events we're having in September. You've just been invited to swim the river. We might not invite you to do things quite as adventurous, but we have fun things coming up in September that we'd like to you join us.

Rex Burkholder, Metro Council: Councilman Burkholder, resident of the City of Portland. There are a number of events we're putting on throughout the region, but a few in the City of Portland that want to make you -- make sure you're aware of. This is competing with Commissioner Adams' first Thursday event, a kickoff celebration at the photographic image gallery of photographs of the various open spaces acquired over the last 10 years. There's incredible places that I've had an opportunity to go visit and this will give people a chance to come see pictures of those. There will be a show on all month, but it will be the kickoff on September 1 at the photographic image gallery as I mentioned. September 3, we're hosting bicycle rides along Powell Butte along the Springwater Trail. Get out there and check that out. September 10, there's a hike to the Ancient Forest in Forest Park, which was partially helped to be acquired by these funds. Those are three items coming up. And then I want to talk about the future, then, too. Again, if it's something that's successful, as it has been, it's a good idea to think about how do we replicate that. In front of you you have a report there, which is the large foldout, which is a report of the last 10 years, and then the green thing is a publication we put out quarterly, both on the web and on paper for activities so people can get out, not just in the Metro areas, but also in other parts, we try to get people out into nature in a variety of ways. Now, the ballot measure is part of a larger effort that we have, which we call Nature in Neighborhoods, which includes some work on protecting habitat through regulation, an ordinance coming up before the Metro Council at the September that we've been working closely with your staff, Gil Kelley specifically, and the Office of Sustainable Development to come up with an ordinance, but there's other pieces to it as well that we're looking at and establishing programs. One is restoration program, ongoing monitoring of the quality of the -- of natural areas over time. The bond measure -- the past bond measure, and we're looking at another bond measure, which I'll talk a little bit about, education work with the public, setting some standards in terms of what kind of outcomes we want to see in terms of protecting habitat and nature. Then finally habitat-friendly or nature-friendly development practices, and looking at how can we maximize both values that we have. One is the economic development of the area, but also protecting the habitat and the natural areas that are around here. So these are part of a larger effort that's going on that we have called Nature in Neighborhoods. Many pieces are part of it. We're putting a million dollars in this over the next two years to fund matching grants for activities to restore natural areas. Now, the next steps are that the Metro Council is considering putting a ballot measure on the fall 2006 ballot measure, similar to the one done in 1995, to raise -- and we don't have a number yet, we're looking at what the needs are -- to raise some money to both acquire land regionally, like this last program, to provide a local share for local parks providers for their needs that they have, and also a new category that would be a

August 10, 2005

challenge grant that would be available, a segment of that money would be set aside for projects that we may not know that are out there in terms of what are some new ideas that would both -- to advance these issues and advance these goals. So that's a decision that we have yet to make in terms of putting it on the ballot, but we're in the decision-making process now of what it would look like and how much it would be, and we're looking hopefully for your support when the time comes for that ballot measure of. Part of this is coming back to you and reporting on what we accomplished the last time around. You can see from the list there, it's pretty significant. And the fact that we're able to do this regionally, most communities really don't have the resources to be able to do this, and yet we were able to, as the whole region coming together with a fairly small amount from each individual, we were able to do quite a bit, accomplish a lot, and actually exceed our goals quite a bit. The goal was to acquire about 6,000 acres. That's how much we thought we would be able to get with that amount of money, and yet we were able to actually purchase over 8,000 acres, all willing sellers, and it's all market rate. And except if we can get donations, which sometimes happens as well. We'd like to repeat that success again. With your help, I think we can do that. Thank you for the opportunity to bring you up to date on that. We can answer detailed questions about any of these pieces if you have any questions.

Potter: Thank you, councilman burkholder.

Leonard: If I can say a couple things about the lone fir project we're working on. I really appreciate the partnership we've had, but also wanted to point out to the council some of your other skills.

Bragdon: Don't include swimming.

Leonard: We had an event a couple weekends ago at lone fir cemetery that commissioner Adams and I attended, and it was a community event, an evening at lone fir, I think it was called, and there was a small band and refreshments and then there were people, trained different notables that are buried in the cemetery, and you portrayed socrates tryon buried in lone fir, and it was the best caricature of the evening. It was really very, very well done and very cool.

Bragdon: Well, the exciting part -- thank you, commissioner -- mayor Potter, commissioner Leonard. The exciting part of the evening to me was that there were hundreds of people there in an area that needs more greenspaces frankly. I live in that neighborhood.

Leonard: Right.

Bragdon: And that is an area that has been vandalized in the past. It's behind a big fence. I think it's mysterious to a lot of people. It's really been the nonprofits, the volunteers who have been working to restore that. So to have hundreds of people there enjoying that space on a nice evening, I had a landscape architect there as well who said, "this place is one of the most remarkable places just from a landscape architect's point of view in the entire city of Portland." the types of trees and species of birds that get counted there, it's really remarkable when you think about it in terms of it being a 30-acre greenspace in buckman. It's really, really extraordinary. So if we can continue to work with you to enhance that, I think it's a fantastic place. It was noticed in the "willamette week" today as the best place to bone up on history as well, because the many former governors, mayors, dr. Hawthorne, who was walking through there, you can see all the street names.

Leonard: Daniel boone's granddaughter.

Adams: I didn't know that.

Bragdon: And the firefighters, I thought it was very moving.

Leonard: Which there are a number of people wish I was in. [laughter]

Bragdon: You have members of the chinese community just being rediscovered in terms of that part of american history.

Leonard: Yes. Do you want to talk about that project for the council for just a moment, the vision of that, where the county building is being taken down.

Bragdon: Sure, with the mayor's permission.

August 10, 2005

Potter: Sure.

Leonard: Very exciting.

Bradgon: Mayor Potter, commissioner Leonard, we've been working on a site plan. As you know, lone fir cemetery proper, which we manage -- we inherited that from Multnomah county when we took oxbow, blue lake, the expo center, and bobby howell house, the 15 cemeteries came with that. Lone fir is probably the most notable of those. The county retained ownership of the building on the corner of 20th and morrison, which is going to be demolished. It's pretty much gutted now, and 90% of the contents is going to be recycled as well. That building will come down this month. So we've been working with the city as well as the county and the friends group and the chinese consolidated benevolent association to come up with plans for a suitable memorial. It turns out people were buried there without any notice or any sort of honor whatsoever.

Leonard: Under the current parking lot.

Bradgon: They were under the parking lot. And, you know, were brought to this country to work on the railroads in the 19th century. And really ought to be honored. So we're looking for ways to do that.

Leonard: And then, council, as you recall, authorized \$150,000 to landscape that area this last year, and to build a new fence around the perimeter of -- an iron fence that would be appropriate for the cemetery. So it's fun working with you on that and commissioner rojo de steffey. It's been a really -- an uplifting project.

Potter: Are there questions from the council? I really want to thank president bragdon and the rest of the council for your efforts to make sure we protect our environment. I appreciate the fact that you've built the existing local programs that Portland has and incorporated them into the nature in the neighborhoods plan. And I look forward to working with you folks in the future to ensure that we can hand this down to our children in the best fashion possible. I'm very pleased with the success of your 10-year plan. And I look forward to the next 10 years.

Bradgon: Thank you.

Burkeholder: Thank you for your time. Thank you very much.

Potter: Thank you.

Adams: Thank you very much for everything.

Potter: Councilor hoffman.

Jack Hoffman: My name is jack hoffman. I'm chair of mpac. I've had the pleasure of being with sam Adams, mayor Potter and commissioner Saltzman. We're the regional advisory body to the metro council to president bragdon, rex burkeholder and others. We've been helping the metro council, helping the staff, produce an ordinance as part of a functional plan. I'm here this afternoon just to talk -- this morning just to talk about some of the aspects of that program. Because the public notice is going out -- or has gone out on august 8, because the measure 56 ballot notice, the ballot measure 56 notices are required by statute to go out to all landowners whose property may be regulated with the new regulation. There's approximately 37,000 landowners within the Portland metropolitan region that will be receiving these notices, and your citizens count about 7,000. So about 20% of the landowners who are going to be affected by these new regulations, this new metro proposed program are in your jurisdiction. The nature in neighborhoods program that is being adopted and the process being adopt by metro council and approved by mpac is basically protecting the stream corridors. In november and last fall, the metro council made a decision to, instead of regulating both tree groves and stream corridors, to regulate the stream corridors only. So for example, to come up with a number of maps, and just quickly, for part of Portland, and I know the tv -- oh, yeah, the tv should be able to see this, but just generally the green, of course, is -- so just generally you can see that what metro has done is map the part of the Portland area. This is the -- the green of course is the wildlife -- or uplands habitat. The green is the corridors, stream corridors, and of course the river. And what's important to remember, that i've been stressing to all the

August 10, 2005

jurisdictions, i've gone to all the jurisdictions in the Multnomah county, clackamas county area, and what we're stressing is that this is really a regional program. And so probably the best map thinks map right here. It shows what metro is doing is taking a regional approach to environmental protection. You can the program extends from troutdale, wood village, wilsonville, Oregon city, out to forest grove and cornelius. And the metro program is designed to protect the stream corridors and to set a minimum standard throughout the region that we all aspire to, so that lake oswego will protect the streams the same way that Portland will, the same way hillsboro will, the same way that gresham will. So under the program, it focuses on repairing class one and two. There's five compliance options. Washington county has their own separate program. It's through clean water services called healthy streams initiative. It's a different program. It's substantially the same as the one that Portland, lake oswego, west linn, and gresham have, but in terms of compliance options basically metro is setting out in this program that the -- that the proposed ordinance will be acted on or proposed to be adopted september 22 is the final consideration of the ordinance. There were amendments made back in may. But the proposal is five compliance options. So you can take metro's map and metro's model ordinance that your staff, especially gil kelley was instrumental in developing. You can take the model ordinance and the metro map and you're done. You can take your own ordinance, modify your own ordinance and your zoning code and your environmental regulations, use your own maps, and then compare them to what metro would like to have. And if your program matches what metro is requiring, then you're good, and you're in compliance. Others way to do it is district plan. Also an alternative program, a districtwide plan, and also the tualatin basin plan. In terms of timelines, that's the most important thing, especially for the smaller jurisdictions. Not as important for Portland as the smaller jurisdictions, is there's essentially a two-year timeline. Assuming it's adopted in september, two years after that. Most jurisdictions will be looking at 2006 and 2007 to get this program in place, because it has to be adopted by january and february of 2008. The other aspect of the program is there's the measure 37 issues, because we all know that these new regulations, if they're put in place, may be considered by some to reduce the fair market value and trigger the measure 37 claims. And so as part of the functional plan, metro has -- has adopted a portion of the functional plan that will allow them to accept and handle measure 37 claims that arise out of this program. So we're really excited about this program. I just want to emphasize it's a real regional effort. All the cities have bought into it. Metro council has been really good at shepherding the different cities and different jurisdictions. Of course your staff and gil kelley and mayor Potter and commissioner Saltzman, of course, commissioner Adams and soon-to-be commissioner Sten will be participating in this project and process. The last thing I want to say is that metro has devoted staff time to assist the cities to come up with their programs, to comply with their program, and so we look forward to working with the cities, metro looks forward to working with the cities, and so does impact. So any questions?

Potter: Any questions? Jack, I want to thank you for your leadership at impact, and also helping a rookie mayor understand some of the finer points of what all of this is.

Hoffman: I appreciate your enthusiasm and interest.

Potter: I value you very much. Thank you.

Hoffman: I look forward to working with you in the future.

Adams: Thank you very much.

Potter: Gil?

*******:** Good morning, mayor, city council. I'll be very brief. I think we probably should --

Potter: Please state your name.

Gil Kelley: Sorry. Gil kelley, planning director. I think we should probably schedule a work session with council in october around this issue, because we will know then what the final metro action is and it will compel us to do certain things by 2008. So that will be a chance for us to get

August 10, 2005

into a bit more detail. I just wanted to make a couple of brief points today. One is that we're very appreciative of metro's work in this. It's been a number of years in the process, and although we vigorously debated certain aspects of the program with them, we're certainly a city that worked hard to help them develop that program, and we embrace the fact that it is regional and does set some regional standards and thresholds, at least for the near stream or riparian zones, if not for the upland habitat. And also embrace the notion that this ought to be a mixed tool kit as we implement the nature in neighborhoods program, just as we're doing that within the city. So the regulation, while a component of it, is only one piece, and that incentive, volunteerism, acquisition programs and others, are an important part of the mix. I do want to say that the may 12 action of the metro council did incorporate one of our basic concerns, and we want to reinforce that, which is to essentially not roll back or supersede existing local programs, including ours. We have the longest-standing and most comprehensive program in the region. It includes actually area outside of the riparian zones. It includes some upland -- a significant amount of upland. And so the nonrollback provision is extremely important to us. I did mention that by 2008 we'll need to comply with the new metro resolution once it's adopted. And of course we won't be starting from scratch. We have about 80% of the habitat conservation areas that are reflected on the metro maps already covered by our environmental zoning program one way or another. But we've got that last sort of 20% to evaluate. We'll also be needing to evaluate all of our codes and practices to make sure there are no barriers to habitat-friendly practices, and that cuts across a number of the bureaus and regulations. And we'll need to make use, in fact, of the tool kit that metro's provided in this. And specifically we'll be looking at doing specialized or customized riparian districts or planned districts for columbia corridor and the willamette river corridor. Those are new tools available through this program, and we think it allows us to customize an approach for dealing with industrial land and natural resource areas in a sort of win-win fashion or better fashion than we could in just a blanket approach. So we're looking forward to that. We're actually starting up efforts on those simultaneously with that. I also wanted to mention that we are improving our own existing environmental program in two fashions. One is that we are -- have been undertaking over the last year or so a major tuning-up of our habitat inventories and the readability, understandability, of our inventories on the one hand. The data is much better than the last time around. Much clearer, much more understandable. And we're also bringing forward to you, in fact next week, a whole cluster of amendments to our environmental zoning program that will make the rules that we do have in place more easier to -- to deal with for applicants. So those are coming to you shortly. I think i'll leave it there for now, and if we can schedule a work session in the fall I think it would be appropriate so we can get into more detail. Metro has or will be sending out notices of their program, their intention to hold a hearing in the fall and to adopt this. That is a requirement notice under measure 56. So again, about 7,000 or so Portland residents will be getting notices from metro that say the -- this new program could affect their property values. We anticipate we may be getting a number of phone calls on that, and so we've provided you by a memorandum of august 8 from me, a number of talking points you can use, how to field those calls and refer them and so forth. Again, this particular action of the notice doesn't expel the city to do anything immediate, but down the line we'll need to amend our programs.

Potter: Questions for gil? Thanks, gil. I'll take your recommendation in terms of having a council work session on this issue. I think that's very important, because we have to start preparing.

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

Adam: Thank you very much.

*******:** Ok, thank you.

Potter: Thank you, jack. Now move to the regular agenda. Karla, please read item 899.

Item 899.

August 10, 2005

Jeff Baer: Good morning, mayor Potter. I'm the acting director for the bureau of purchases. Before you you have a purchasing agent report requesting approval to execute this contract with civil works northwest for the project titled macadam avenue street improvement project through the Portland office of transportation. And the award estimate is just over \$1.1 million. To point out a couple of different things, this is a competitive selection process. We did a competitive bidding process, received a bid from civil works northwest, as the lowest responsible bidder. They do also - had indicated that they would have 17% of their full bid amount awarded to subcontractors for minority women and emerging small businesses. So and that represents a little over \$190,000 worth of work. So with that i'll stop and address any questions we have. The project manager from pdot here in case there are project-specific questions, too.

Potter: Questions from the council? Sam, you don't have any questions?

Leonard: I was thinking the same thing. [laughter]

Adams: Everybody looks at me. I have no questions, mayor.

Potter: Thank you, jeff. Is there anyone signed up to testify on this?

Moore: No one signed up.

Potter: Is there anyone who wants to testify who did not sign up? Ok. I need a motion to accept the report.

Adams: So moved.

Saltzman: Second.

Potter: Thank you folks for being here.

Adams: Auf wiedersehen.

Potter: Roll call.

Adams: I want to compliment you on a excellent memo dated july 20 that answers all my questions. I really appreciate it. I think it's excellent that we've achieved 14% w.b.e. and 3% m.b.e. Aye.

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

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

Item 900.

Potter: Testimony was taken last week on this item so there won't be any testimony taken today. Karla, please call the roll.

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

Potter: Aye. [gavel pounded] Karla, please read item 901.

Item 901.

Potter: Is staff here? Ok.

Moore: Is your mike muted?

*******:** I could respond from here.

Potter: Yes.

Ben Walters: Ben walters for the city attorney's office. The city has intervned in the previous applications by both -- well, scottish power to acquire pacificorps and in the enron application to acquire p.g.e. The application to sell p.g.e. to sierra pacific and northwest natural and texas pacific. So we're just following up on the city's routine practice of getting involved in these proceedings and inquiring into the ratepayer interest in the sale of the utility. We don't have any particular issues that we've identified with this particular application. We'll be monitoring the application.

Potter: Ok, thank you. Is anyone signed up to testify, Karla?

Moore: No one signed up.

Potter: Is there anyone who wishes to testify who didn't sign up? Does council have any questions? Are we ready to vote?

Adams: I have a --

Potter: Yes?

August 10, 2005

Adams: I guess it's just a comment when we vote.

Potter: Ok. Karla, call the roll.

Adams: I'm sorry for -- his name blanked, but commissioner Sten, maybe you remember the fellow who wrote a column in "brainstorm" magazine raising questions about the connection between berkshire, hathaway, and ownership of the mcclain trucking company. Rey going to -- and the concerns about how that relates to their purchase of pacific power & light. Are we looking at all that?

Leonard: "brainstorm" magazine is your source?

Sten: Since you read all those things, that was bill parish. He was -- he speaks better for himself, but he's drawing a link between the ownership of berkshire hathaway, warren buffett and wal-mart. It's an interesting issue. I'm not downplaying it. I think it's a political issue. It's a stretch to see how that would come in to the proceedings at the p.u.c. If his arguments, you know, are factually correct, and i'm not arguing that they're not, they're of great interest to a lot of people.

Adams: Ok. And the recent changes in federal rules governing ownership of utilities, what are your thoughts on that?

Sten: Well, among other things, congress just repealed the public utility holding act, and the president signed it, so it's gone. Essentially it means two things. One is I believe these large companies will be coming after local utilities in a much more aggressive fashion. There's no doubt, without federal restrictions in place, that you can profit more from these utilities. There's equally no doubt that you can only profit through rates or taxes, which come from rates being taken in the wrong places. And so I think -- you know, this solidifies any argument that anyone has that it's unlikely we're going to be able to succeed with locally-owned companies because they're going to get bought up and congress isn't going to stand in the way. The theory -- I won't be long-winded, but the theory behind the public utility holding act was simple economics, when you have a monopoly, you don't want large interest, in terms of where their economic interest is, things like, for example, and I don't think this is a big conspiracy theory, a large company may be interested in sending bonnevill power down to california where electric rates cost a lot more than they do here and the lines are in place. That's bad for Oregon, good for a big owner. That's why those types of arrangements were blocked historically. I believe they still should be block, but that's just an opinion that's worthless at this point because it's not the law. So what i'm leaning toward is that I think our intervention in this, and all of the community's intervention, becomes absolutely critical, because the p.u.c. Is the only line of defense left, that the federal government has bowed out.

Adams: Thank you. Aye.

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

Sten: Aye. Thanks for the question, sam. Aye.

Potter: Aye. [gavel pounded] Karla, please read item 902. Good morning, chief.

Item 902.

Dave Sprando, Fire Chief: Good morning, mayor, commissioners. With me is the interim manager of poem. I'd like to give background on this contract amendment and then chief mcguire's going to give the specifics about the value of it. The grant funded contract was originated in 2003 by poem to assist the five-county urban area strategic initiative managers --

Adams: Say that again fast.

Sprando: I'm not even going to try. We'll use uasi. The contract was amended in 2004 to perform additional work on the 2003 and 2004 grants. The previous poem directors had scheduled this amendment to come before you in july. This was immediately after we were asked to oversee the poem office the amendment previously included, or suggested by the previous directors, broadened the scope of the contract with an additional position that would have done some national emergency management i.c.s. training. We felt that that position, chief mcguire and i, after looking at it, we felt that position wasn't included in the original contract, and that there were better ways to

August 10, 2005

accomplish that. Chief mcguire worked with the five-county managers and they agreed to remove that position from the grant. As a result, the original amount was going to be \$349,000 instead of the \$236,000 that is coming before you now. And i'll turn it over to chief mcguire to talk about the specifics about the contract.

Mike McGuire: I'm mike mcguire, deputy chief with fire, currently assigned to poem. As the chief was talking, this contract originated with the 2003 uasi grant and was amended to include work for the 2004. And this now reflects the need of the region to continue with the efforts for the 2005 grant. C.d.a. consulting has been a important part of the grant process since its inception. It's been an important part of the process in our region's efforts to prepare, train and equip our responders and community for catastrophic event. And I think this is partly due to the efforts and coordination of c.d.a. The contract continues that progress by allowing the continued coordination, planning, and analysis of the 2005 grant. And currently there's no jurisdiction in the uasi area that has the staff or expertise to do this type of work. The 2005 grant includes 17 very specific projects that require coordination through a variety of disciplines and jurisdictions. There's real specific planning and timeline reporting requirements. Coordinating through 42 jurisdictions in seven different working groups. C.d.a. has been part of the entire grant process, and therefore it's built very good working relations with all of the uasi counties and the points of contact in those counties. C.d.a. also worked to develop the initial strategies, policies, budgets, it continues its strategic planning process, and generally keeps the whole entire grant process and the working groups on track. When I first came over to poem, I had the opportunity to meet with several of the emergency managers, and it was told to me that approving this contract and getting this work complete was a very high priority. So with that said, it's the unanimous recommendation of the five-county uasi points of contact and the Portland office of emergency management that we approve this ordinance.

Potter: Questions?

Saltzman: C.d.a. is a private consulting --

McGuire: Correct. It's a private consulting firm working within the grant.

Saltzman: Are they a local company, or national company?

McGuire: Local company.

Sprando: Any other questions? Thank you.

Potter: Thank you folks. Is anyone signed up to testify on this?

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

Potter: Is there anyone here who wishes to testify on this matter? Does council have any questions? Let's take the roll call.

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

Sten: Well, I wanted to thank the chief, particularly chief mcguire for stepping in very quickly and doing an outstanding job. Thank you. Aye.

Potter: I would like to thank both the chief and mike for their efforts. As commissioner Sten pointed out, they stepped in at a very critical time and I think the fire bureau's done a superb job of providing the leadership for this and I really appreciate it. Thank you. Aye. [gavel pounded] Karla, please read item 903.

Item 903.

Potter: Testimony was taken on this item last week, and testimony won't be taken today. Are there any questions from council before we proceed with the vote? Karla, please call the roll.

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

Potter: Aye. [gavel pounded] Karla, please read item 904. Good morning, folks. Thank you for being here.

Item 904.

August 10, 2005

Bob Alexander: Good morning, mayor. Bob Alexander, Portland Development Commission. Joining me is the project manager for this process, and Greg Peden from the Portland Business Association. We appreciate having your attention on this matter today. This issue, the comprehensive economic development strategy, was approved through an economic development administration grant a year ago. This grant initiated the process to go ahead and form the strategy. It needs to be approved by the four-county commissions, as well as the largest city within the jurisdiction, which of course is Portland. Multnomah County has approved this last week. It's coming before Clackamas and Washington counties and Clark County in the weeks to come. Metro has also weighed in on this particular issue and has passed a resolution in support of the formation of the district and of the comprehensive economic development strategy. The process is a planning effort that has been led by the public sector and staffed by P.D.C. and regional partners focused on assembling information relevant to making choices about economic development within the area. The document describes the economic conditions in the area, utilizes the plans that were developed by the various jurisdictions, and proceeds to set forth some broad strategies and actions that are important to our regional economy. A previous action by this Council today on the regional efforts relative to planning were indicative of the same kinds of regional cooperation we've gotten on this effort with the various jurisdictions around the table. As I mentioned, this was funded by an E.D.A. grant by the U.S. Department of Commerce. And the steering committee that was selected to do this was a collection of public and private employees that was led by Mayor Drake in Beaverton and had both public and private support during its process. So the resolution you have before you today is to authorize that process and allow us to submit an application for the economic development district. We're one of the few areas of the state that currently does not have one of those districts, and it will allow us certain preference as we apply for federal grants and so forth to assist us in helping with infrastructure. So with that, I will turn it over to Alyssa.

Elissa Gertler, Portland Development Commission: Thank you, commissioners. I'm Alyssa Gertler. I wanted to mention a couple of points about what's in this. Bob gave you good bound about how we did it, why we did, the process on economic development that's been going on for several years culminating finally in this document. The idea was to link this effort to existing and ongoing efforts around economic development planning. The framework is the same as the Oregon Business Plan, the four P's, and the effort is to coordinate both public and private sector efforts. Over the last several years, we've actually developed a regional consensus on economic development priorities, which represents a step forward I think. It's an evolving, changing discussion about what are other regions' priority for economic development. This gives us a framework to work with the federal government and regional partners to build on a regional consensus. The document and the E.D.D. are designed to be updated annually, and so this gives us a -- an opportunity to coordinate with anything else we might be doing, whether it's the Mayor's strategic plan and the vision efforts around economic development, whether it's the states look at goal nine, any of those types of things. Additionally, because the Portland Business Alliance is leading a similar private sector effort, the regional business plan, the intent is that these things really do coordinate seamlessly, so there's a public/private direction. So that's why Greg is here to talk about how we're coordinated and all of these things are going to come together perfectly and ideally for great economic opportunities. So Greg?

Greg Peden, Portland Business Alliance: Am I supposed to talk about -- good morning, Mayor and commissioners. I'm Greg Peden. Allie, you gave you background on the various efforts. Just by way of analogy, the Oregon Business Plan, which I think you're familiar with, at the end of the day, not only provides a good framework for the economics of the state, but also created a really -- a very successful in the last two legislative sessions a platform for public policy at the state legislature, and you have, if you've been to the Oregon Business Council annual summit, a lot of buyoff from the legislative leadership and the governor on a variety of proposals. We hope to

August 10, 2005

replicate the same thing here. The process has given us a great seminal document on the efforts. Our regional business plan effort to try to unify the private sector around the region, around public policy, to coordinate that with the public leadership, the five of you, the other jurisdictions in the region to talk about the larger economic objectives for the region. One of the important things that we think about, is based on the research that our well-known local economist talks about, is in a global marketplace we as a region are competing with other regions in -- for jobs, and it's not really Portland versus the suburbs or Portland versus the rest of the state, but Portland versus singapore or pittsburgh, and it's important that we look at that as we look at our regional economy. That's sort of the focus. I will say bob and elissa and the folks at p.d.c. have done a great job of providing the leadership to get this thing rolling and produce this. It wouldn't have happened without p.d.c.'s role in this. I thank them for that. Any questions?

Potter: Questions from the council? Thank you folks very much. Appreciate the effort. I did read the document. It's kind of long, but -- it's very consistent, I think, with the Oregon business plan. I look forward to seeing how we can integrate that into our community and how that fits with our visioning process. Thank you very much.

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

Potter: Is there anyone signed up to testify?

Moore: No one signed up.

Potter: Is there anyone here who wishes to testify that didn't sign up? Does council have any questions? Karla, please call the roll.

Adams: Well, I want to thank elissa and bob and your partners in completing this effort. I think the regional scope of the effort is needed and a change from past directions. I think your efforts to compile and synthesize sort of the existing economic aspirations of various jurisdictions in the region is very laudable. But when we met, this will be of no surprise to you, I view this -- i'll vote for this because we're on a deadline and it's a requirement for federal recognition, and I think that's very important, but i'm voting for -- for this only because I view it as a starting point in what is truly needed for our economic development strategy-making efforts. I view the document and efforts to date, including the Oregon business plan, as laudable as they are as incomplete and lacking in accountability. No documents contain numeric accountable goals and our top economic goal should be improving the individual and family prosperity median incomes, family incomes, and we do that by making sure that our businesses have more success. Our goals must be quantifiable and what you've captured in doing the work, which I think is accurate, there's a lot of feel-good goals, and it does produce actually legislative initiatives that I think absolutely have been important, but I think the competition that you noted internationally for our region is cutthroat and getting more competitive and that we need to hold ourselves to a higher level of regional accountability. And so for instance -- i've been around long enough to know that a lot of these feel-good goals have been repeated. You have a goal -- or you've recognized a goal -- not you, but the document -- to foster a strong entrepreneurial culture. The blue ribbon committee in their october 2002 report states the city of Portland should develop services and systems to support an entrepreneurial environment. There's a similar statement in economic development strategies around the region. While I agree with these goals, and who wouldn't, they are not a real definition of economic success because they do not have anything that's measurable. And so again, no surprise to you, you've heard me talk about this before, I came in late to this, being elected, and being sworn in in january. This is a good starting point. It recognizes good work under way, but also memorializes that we need to take it to the next level of accountability. So with those -- with that proviso, I vote aye.

Leonard: Aye.

Saltzman: Well, I want to thank you for your work. I'm glad to see the clark county -- to see that clark county is part of the final plan. I know one time there was an issue about whether clark

August 10, 2005

county would be part of this. It's good to see that they are, because as you say, we are truly one region from an economic development point of view. Aye.

Sten: Good work. Aye.

Potter: Aye. [gavel pounded] thank you folks. Karla, please read item 905.

Item 905.

Potter: Since testimony was taken on this item last week, testimony won't be taken today. Does the council have anything to add? Please call the roll.

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

Potter: Aye. [gavel pounded] please read item 906. Commission Leonard?

Item 906.

Leonard: We had the hearing on this last week and took testimony. So unless there's any questions, we have mr. Warner from p.d.c. that can answer any technical questions any of you might have. Other than that, we can just vote.

Potter: Any questions from the commissioners to mr. Warner? Because testimony was taken on this item last week, testimony won't be taken today, however I think there's a note here that commissioner Saltzman, did you have any additional questions?

Saltzman: No. There's some issues i'm going to look into that came out of last week's discussion, but nothing that is going to affect this ordinance in front of us right now.

Potter: Is council ready to take a vote? Karla, please call the roll.

Adams: I just want to acknowledge the good work of commissioner randy Leonard and his staff on this. This is an issue that, when i'm out and about, especially in neighborhoods, is brought up continuously, and I think this goes a long way toward addressing the issue of fairness. So thank you for bringing this forward. Aye.

Leonard: I hope what this does, as a -- kind of a template for future requests for abatements, has caused those applying for them to recognize that it's very important when they apply for the abatement to make sure their numbers reflect their best knowledge of what their projects will actually do, because if they don't, the effect of this ordinance is to require repayment of foregone taxes, if they receive more in income than what they projected to justify the abatement. It's a good template to use for abatements in general. I do want to alert the council, however, that i'm rethinking some of what we have agreed to in the past in terms of abatements that we said we would approve if there were a certain amount of affordable housing in them. We have an abatement coming up that I have serious concerns about in the next couple of weeks that frankly there's no -- the abatement request meets our guidelines, it does what we asked the developer to do, so I have no quarrel with that. I do have a question about the policy of awarding abatements for a project that would appear to benefit 85% of the occupants of that project unfairly. Market rates as high as \$2500 a month for rent will have people live in them that clearly are in the upper income levels of our city that will not be paying taxes on the building. In exchange for that we get 15% of what are called affordable units that really are designed for one or maybe two people that are at 80% of about \$43,000 a year. I have concerns about that policy. And I hope -- I share this in advance, because I hope the council shares questions. Again, I think this sends a bad message to our community, the appearance of people living in penthouse apartments, of which this has some, that pay no taxes, while some low-income seniors live in houses that they pay full taxes on. It causes some equity concerns. Frankly, they are equity concerns that I agree with. And I think we need to really question that policy. But that's the next debate coming up. I'm hoping this one avoids having some of those debates in the future by causing maybe some requests for abatements not to come in the first place. And I want to thank john warner from p.d.c. He's been exceedingly helpful and generous in his time and advice to me in crafting this ordinance so that we made sure we didn't inadvertently hurt programs that I do support. Commissioner Sten's work on the senior housing in the pearl, which is a permanent low-income senior housing that was abated, I support projects like

August 10, 2005

that. As John and I discussed in lents, ironically, I'm advocating that the community embrace abatements to cause development in lents. So I not only understand abatements, I actually advocate too them in limited circumstances. But I'm afraid we've kind of lost our way a little bit with some of the abatements and how they're being used. Aye.

Saltzman: Well, I appreciated your comments, commissioner Leonard. Appreciate your work on this abatement policy. I know it's been a couple years, I think, since you first started working on this. I appreciate the -- the thoughtful manner in which you did approach it with p.d.c.'s assistance to get the various financial interests, consumer interests, business interests around the table to have a chance to come up with what I think is truly a workable policy, one that will work in terms of making sure there's a -- a decent rate of return on these projects, but also the certainty that banks will in fact lend on these projects, too. The last point you touched on similar to what I raised last week, my concern, or what I want to look into, is the 15% of the units that are affordable I believe should mirror the composition of the entire building. In other words, we should have affordable units that aren't all studios or one-bedrooms. We should have family-sized affordable units, if in fact the building does have family-size market rate units. That's sort of what I'm interested in exploring with everybody here about possibly refining that, and so I think we may have common interests there.

Leonard: Uh-huh.

Saltzman: Nevertheless, this is a good policy and good one to have in place. Aye.

Sten: Well, I really want to thank commissioner Leonard for digging in on this. Very nice to have somebody else getting expert on these tax issues. They're tricky, and this is exactly the right policy.

And I think we started with a good, excellent goal, and didn't have a great mechanism. And commissioner Leonard really hung in there and helped come up with a better mechanism. The yearly trueup thing we were doing was going to cause more problems. This is a simple, easy way to get to the same solution. I appreciate that. I would love to continue discussion on the tax abatements. Just two thoughts as we're starting that. I instinctually lean toward two things. The council has to land on a policy and hold it for some amount of time. The policy you're raising questions about is the policy the council adopted a couple of months ago and we've got a developer who's spent a lot of money based on our policy, and we cannot do business that way. We have to pick a policy and stick with it for some period of time if we want to incent development and test the results. I think we ought to update it yearly, but not much sooner than that. The other piece that I think is just -- I think this is a very important discussion -- is -- and I don't want profess to have the exact answer to it. I really don't. I think it's a community decision. It's either 10-year tax abatements on 100-year-old buildings. The trade is to give a little bit of room to get some more affordable rental units in without putting cash in. I fully understand the tax abatements are cash. I don't think this building gets built without the tax abatement. I think it ends up being high-end condos. That may be fine. I had a meeting with a developer and said why don't you build high-end condos, pay the taxes, make a lot more money. There was an argument that needs to be done in public in this chambers with a lot of people, that the 10-year investment -- this is not my argument. I'm sharing it from the development commission and others -- was that the 10-year investment in the rentals getting some affordable units, but not the kind you get when you actually subsidize it, not the real affordable ones, but also rentals into that area as opposed to a neighborhood that's strictly condos. Without this policy what you'll see is 100% condos. The market can fill north macadam with condos. That's what you'll see. There's a public policy benefit in getting rentals in it. That's the argument that was presented to me, and I think it needs more debate, but I think it has subtleties to it, so I look forward to it. Aye.

Potter: I'd also like to thank you, commissioner Leonard. I think it's an excellent idea whose time has come. I would like to see how we implement this. I agree with you, commissioner Sten, in terms of when we -- owe when we have policies and our developers work under those policies, that

August 10, 2005

I think it's that we should honor those policies, that I think this is an appropriate mechanism to begin that change process and have the discussions publicly as to the purpose of tax abatements and who should be getting them. I'll be providing information to you this week on the amount of money Portland gives up in taxes as in Multnomah county. It's very large numbers. We'll be refining them and I'll be getting to you this next week sometime. It's a good first step. I'm looking forward to improving on it as we move along. Aye. [gavel pounded] please read item 907.

Item 907.

Potter: Ok. This is the second reading. We'll go right to the roll call.

Adams: Well, I've been assessed for a sidewalk, but I asked for them to come out, since I'm the commissioner in charge of transportation, I asked them to come out and see if my sidewalks met code. They don't, so I'm going to be one of those that gets assessed. Aye.

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

Sten: I always believe it's better to turn yourself in. [laughter]

Leonard: I'm glad you said it. I was thinking it.

Sten: Aye.

Potter: Aye. [gavel pounded] I think we have one pulled item.

Moore: Yes. Item 894.

Item 894.

Sten: Mayor Potter, I would just like this referred back as there's an error in it that needs to be fixed.

Potter: Ok. Is that fine with the council? We'll pull it and return it. Ok? That's the last item for the morning. We're adjourned until next week. [gavel pounded] we're adjourned.

At 11:03 a.m., Council adjourned.