



CITY OF  
**PORTLAND, OREGON**

**OFFICIAL  
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **1ST DAY OF FEBRUARY, 2006** AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Potter, Presiding; Commissioners Leonard, Saltzman and Sten, 4.

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

<b>COMMUNICATIONS</b>		<b>Disposition:</b>
<b>104</b>	Request of Paul Phillips to address Council regarding America (Communication)	<b>PLACED ON FILE</b>
<b>105</b>	Request of Richard L. Koenig to address Council regarding City premises open to the public (Communication)	<b>PLACED ON FILE</b>
<b>106</b>	Request of Bruce Broussard to address Council regarding tax funding solution on City and County public schools (Communication)	<b>PLACED ON FILE</b>
<b>107</b>	Request of Jim Evans to address Council regarding need for reform of public sector and inclusion of all voices (Communication)	<b>PLACED ON FILE</b>
<b>TIME CERTAINS</b>		
<b>108</b>	<b>TIME CERTAIN: 9:30 AM</b> – Accept Phase II of the Diggable City Report on urban agriculture in Portland (Report introduced by Commissioner Saltzman)  <b>Motion to accept the Report:</b> Moved by Commissioner Adams and seconded by Commissioner Saltzman.  (Y-4)	<b>ACCEPTED</b>
<b>109</b>	<b>TIME CERTAIN: 10:00 AM</b> – Recommend a North/Northeast Enterprise Zone boundary expansion (Resolution introduced by Mayor Potter)  (Y-4)	<b>36373</b>
<b>110</b>	Amend the North/Northeast Enterprise Zone contract form (Resolution introduced by Mayor Potter)  (Y-4)	<b>36374</b>

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<p><b>111</b> Authorize North/Northeast Enterprise Zone contract with Kraft Foods Global Inc. (Ordinance introduced by Mayor Potter)</p>	<p align="center"><b>PASSED TO SECOND READING FEBRUARY 8, 2006 AT 9:30 AM</b></p>
<p><b>*112</b> <b>TIME CERTAIN: 10:30 AM</b> – Remove conditions of a zone change on property at SW Lancaster and Stephenson between SW 19<sup>th</sup> and 25<sup>th</sup> Avenues (Ordinance introduced by Commissioner Leonard; LU 05-132348 PUD LDS EN M; amend Ordinance No. 167766)  (Y-4)</p>	<p align="center"><b>179903</b></p>
<p align="center"><b>CONSENT AGENDA – NO DISCUSSION</b></p> <p align="center"><b>Mayor Tom Potter</b></p> <p><b>113</b> Appoint Levia Friedman, Dennis Leland and Carole B. von Schmidt to the Portland Utility Review Board for terms to expire February 1, 2008 (Report)  (Y-4)</p>	<p align="center"><b>CONFIRMED</b></p>
<p align="center"><b>Government Relations</b></p> <p><b>*114</b> Extend the term length of a contract with Ball Janik LLP to promote City priorities within the Federal government (Ordinance; amend Contract No. 32542)  (Y-4)</p>	<p align="center"><b>179894</b></p>
<p align="center"><b>Police Bureau</b></p> <p><b>115</b> Accept a \$40,000 grant from the Oregon Department of Justice Victims of Crime Act Program for a Police Administrative Specialist for Victims Assistance Services (Ordinance)</p>	<p align="center"><b>PASSED TO SECOND READING FEBRUARY 8, 2006 AT 9:30 AM</b></p>
<p><b>116</b> Apply for a \$250,000 Gang Resistance Education and Training Local 2006 grant for program expenses from the Bureau of Justice Assistance (Ordinance)</p>	<p align="center"><b>PASSED TO SECOND READING FEBRUARY 8, 2006 AT 9:30 AM</b></p>
<p><b>117</b> Amend contract with Michael Kemp to increase scope of work and compensation to train officers in use of firearms and less lethal weapons (Second Reading Agenda 84; amend Contract No. 35520)  (Y-4)</p>	<p align="center"><b>179895</b></p>
<p><b>118</b> Amend contract with Donnoe and Associates for additional assessment centers for officer promotions (Second Reading Agenda 85; amend Contract No. 35716)  (Y-4)</p>	<p align="center"><b>179896</b></p>
<p align="center"><b>Commissioner Sam Adams</b></p> <p align="center"><b>Bureau of Environmental Services</b></p>	

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<b>119</b>	Authorize grant application to the Bonneville Power Administration for fish study in the Willamette Watershed in the amount of \$1,268,674 (Ordinance)	<b>PASSED TO SECOND READING FEBRUARY 8, 2006 AT 9:30 AM</b>
<b>120</b>	Authorize grant application to National Oceanic and Atmospheric Administration under the Open Rivers Initiative for fish passage and habitat restoration work at Errol Creek in the Johnson Creek Watershed in the amount of \$210,756 (Ordinance)	<b>PASSED TO SECOND READING FEBRUARY 8, 2006 AT 9:30 AM</b>
<b>121</b>	Authorize a contract with CH2M HILL for professional engineering services for the Columbia Boulevard Wastewater Treatment Plant Dry Weather Primary Clarifier Expansion Project 6905 (Second Reading Agenda 86)  (Y-4)	<b>179897</b>
<b>122</b>	Authorize a contract with David Evans and Associates, Inc. for engineering services for design of an upgrade of the Umatilla wastewater pump station and influent sewers Projects No. 6240 and No. 6872 (Second Reading Agenda 87)  (Y-4)	<b>179898</b>
<b>123</b>	Authorize a contract with David Evans and Associates, Inc. for professional services for design of the Harney wastewater pump station upgrade Project No. 8065 (Second Reading Agenda 88)  (Y-4)	<b>179899</b>
<b>124</b>	Authorize a contract with West Yost & Associates for engineering services to prepare a preliminary design report for the upgrade of the Ankeny Wastewater Pump Station Project No. 7833 (Second Reading Agenda 89)  (Y-4)	<b>179900</b>
<b>Office of Transportation</b>		
<b>125</b>	Grant revocable permit to Jake's Famous Crawfish/McCormick & Schmick to close SW Stark Street between SW 12th and 13th Avenues March 16-18, 2006 (Ordinance)	<b>PASSED TO SECOND READING FEBRUARY 8, 2006 AT 9:30 AM</b>
<b>126</b>	Grant revocable permit to Paddy's Bar & Grill to close SW Yamhill Street between SW 1st Avenue and SW Naito Parkway March 17-18, 2006 (Ordinance)	<b>PASSED TO SECOND READING FEBRUARY 8, 2006 AT 9:30 AM</b>
<b>Commissioner Randy Leonard</b>		
<b>Bureau of Development Services</b>		
<b>*127</b>	Authorize a temporary event entertainment by the Cirque du Soleil (Ordinance; waive Title 33)  (Y-4)	<b>179901</b>

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**Commissioner Dan Saltzman**

**Parks and Recreation**

- 128** Authorize an Intergovernmental Agreement with TriMet to accept \$150,000 to offset cost to construct the McLoughlin bicycle and pedestrian bridge to accommodate future Light Rail (Ordinance)

**PASSED TO  
SECOND READING  
FEBRUARY 8, 2006  
AT 9:30 AM**

**City Auditor Gary Blackmer**

- \*129** Authorize Intergovernmental Agreement with Metro to provide information related to economic and demographic trends in Urban Renewal Areas as part of a performance audit (Ordinance)  
(Y-4)

**179902**

**REGULAR AGENDA**

**Mayor Tom Potter**

**Office of Management and Finance – Bond Counsel**

- 130** Authorize revenue bonds to finance various sewer system projects (Ordinance)

**PASSED TO  
SECOND READING  
FEBRUARY 8, 2006  
AT 9:30 AM**

**Commissioner Dan Saltzman**

**Office of Sustainable Development**

- 131** Consent to transfer of Wooten Sanitary Service, Inc. residential solid waste and recycling collection franchise to Portland Disposal and Recycling Service, Inc. (Ordinance)

**PASSED TO  
SECOND READING  
FEBRUARY 8, 2006  
AT 9:30 AM**

At 11:24 a.m., Council recessed.

## February 1, 2006

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,  
OREGON WAS HELD THIS **1ST DAY OF FEBRUARY, 2006** AT 2:30 P.M.

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

Commissioner Leonard arrived at 2:40 p.m.

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

<p><b>132 TIME CERTAIN: 2:30 PM</b> – Accept Staff Report and Recommendation and Order of Council for Uptown Associates Ltd., Measure 37 Claim (Report introduced by Mayor Potter; Claim No. 05-153584 PR)</p> <p><b>Motion to accept the Substitute Order of Council:</b> Moved by Commissioner Saltzman and seconded by Commissioner Adams. (Y-4, Leonard absent)</p> <p><b>Motion to reject the Staff Report and Recommendation and Order of Council:</b> Moved by Commissioner Leonard and seconded by Commissioner Adams. (Y-3, N-2, Sten and Potter)</p>	<p><b>Disposition:</b></p> <p><b>CONTINUED TO FEBRUARY 8, 2006 AT 2:00 PM TIME CERTAIN</b></p>
<p><b>133 TIME CERTAIN: 3:00 PM</b> – Accept Staff Report and Recommendation and Order of Council for Torpet Subsidiary LLC, Measure 37 Claim (Report introduced by Mayor Potter; Claim No. 05-157733 PR)</p> <p><b>Motion to accept the Staff Report and Recommendation and Order of Council:</b> Moved by Commissioner Leonard and seconded by Commissioner Saltzman.</p> <p>(Y-4)</p>	<p><b>STAFF REPORT AND RECOMMENDATION ACCEPTED; ORDER OF COUNCIL ACCEPTED</b></p>

At 3:33 p.m., Council recessed.

**February 2, 2006**

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,  
OREGON WAS HELD THIS **2ND DAY OF FEBRUARY, 2006** AT 2:00 P.M.

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

Commissioner Saltzman arrived at 2:06 p.m.

Commissioner Leonard arrived at 2:26 p.m.

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

<b>134</b> <b>TIME CERTAIN: 2:00 PM</b> – Adopt and implement the Division Green Street/Main Street Plan (Previous Agenda 1605; Ordinance introduced by Mayor Potter; amend Comprehensive Plan and Title 33)  <b>Motion to accept amendments A and B in the Planning Staff memo:</b> Moved by Commissioner Saltzman and seconded by Commissioner Adams.  <b>Motion to accept amendment C:</b> Moved by Commissioner Adams and seconded by Commissioner Saltzman.  (Y-5)	<b>Disposition:</b>  <b>PASSED TO SECOND READING AS AMENDED FEBRUARY 15, 2006 AT 9:30 AM</b>
<b>135</b> <b>TIME CERTAIN: 3:00 PM</b> – Accept State of the River Report 2005 (Previous Agenda 72; Report introduced by Mayor Potter)  (Y-5)	<b>ACCEPTED</b>

At 3:36 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.

**February 1, 2006**  
**Closed Caption File of Portland City Council Meeting**

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

Key: \*\*\*\*\* means unidentified speaker.

**FEBRUARY 1, 2006                      9:30 AM**

**Potter:** Before we begin the official part of our council proceedings, i'm going to ask the question that I ask every council meeting, and the question is, how are the children? And in these days when people are arguing about how to fund our schools, i'm concerned that perhaps we have forgotten why we're even talking about these things, and it is about our children. We know when our children are well, our community is well. That some of the best things we can do for our children is to give them the best education possible in order to open up the portals of the future to them so they can have choices. And today we've got some experts to come in and answer the question, how are the children? And i'd like to invite them up. Perhaps you'd like to introduce these folks.

**Judith Gillan:** My name is Judith gillan, we are representing the society for habilitation arts and culture. We are a nonprofit organization. We do a lot of activities with the kids. We have education programs with the haitian, creole, and french, we have arts, we have so much stuff going on every other saturday. They enjoy it, and they were excited to come today to the city kids council. For our first speaker is deana.

**Dina Dely:** My name is dina, and i'm not really sure what to talk about, but I want to know if you have any questions for us.

**Potter:** What do your initials stand for?

**Dely:** Society of haitian arts and culture.

**Potter:** Good. And what does that group do for you. You're all wearing the t-shirts, but what do they do to help make your life better?

**Dely:** They teach us right from wrong, and what we should do, once we grow up and everything, like they teach us how to do different things, because like some people know how to do a little bit of things, but they teach you how to do more, dancing, how to draw, how to do sewing and everything like that.

**Potter:** How about -- were you born here in the united states?

**Dely:** No.

**Potter:** Do you remember much about the haitian culture?

**Dely:** Not really, because I left haiti when I was 1.

**Potter:** Are they also helping you remember some of that culture and how to appreciate it as you become an adult?

**\*\*\*\*\*:** M-hmm.

**Potter:** Good. And what do you like best about the haitian culture?

**Dely:** I like dancing.

**Potter:** Good for you. There's a lot of people in this room that would probably say that. Thank you for being here. Tell us your name and a little bit about what you'd like us to hear.

**Yolandita Andre:** Yolandita andre. I was wondering, do you have any questions for me?

**Potter:** Oh, you guys: [laughter] pretty sneaky. I'd like to ask you, what has this group done for you, the haitian group?

**Andre:** It's inspired me to be who I want to be, and make right choices, and don't let kids tell you what to do, because peer pressure is going on in this world a lot, and while they teach us how to

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stand up for ourselves, and how to do the right things, and see that there's not only one culture, there's more cultures out there and we should learn about them.

**Potter:** Good. And what do you want to be?

**Andre:** I want to be a singer. And go to "american idol." [laughter] but mostly of all I want to go to law school and do criminal -- be a criminal lawyer.

**Potter:** We need more singing criminal lawyers in this world. [laughter] that is great. And I kind of hear a theme, dancing and singing. So let's move over to this young man. Can you tell us your name?

**Gutimbert Moise:** Gutenberg. The same thing, I wonder if you have any questions.

**Potter:** I'll ask you the same questions I asked them. What do you get from belonging to this haitian culture society?

**Moise:** They help me to remember my culture and that's my second year here, so they help me a lot to remember the creole that I speak. Yeah.

**Potter:** How would you say "hello" in creole?

**Moise:** Same thing. Hi. Hello is hello.

**Potter:** Oh, ok. That's great that they're also teaching you about being your own person and not allowing other people to make choices for you. Unfortunately a lot of children tend to be influenced by their peers, and sometimes some of the choices they have aren't very good. So you remember that as you become older and grow into adulthood. Thank you so much for being here. I came out to your dinner to the haitian dinner, I just thoroughly enjoyed that. Wonderful, warm people. Thank you.

**Gillan:** Thank you for inviting us. And we have gifts for you you too.

**Potter:** I hope they're cheap. [laughter] otherwise we're going to have to report them. [laughter]

**Potter:** Thank you much for being here. We really, really appreciate it. [applause] aren't they great? That's our future. [gavel pounded] city council will come to order. Karla, please call the roll roll call. Roll call.

**Potter:** Please read the first communication.

**Item 104.**

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

**Paul Phillips:** Yes. I'm paul phillips, and I spoke here some two weeks ago, and I wanted to make myself more plain and clear. This february 1, i've been talking about injuries and fatalities on the job, and -- in the united states, if you remember I spoke that since my injury of 24 years ago, 150 million americans have been injured on the job. That is more or less, 150,000. More or less have died, and I dare say that even with 28 days in this month, february, that here in the greater Portland area, 1.7 million total population, that this number two would be the occurring deaths in the course of the statistics from last month that I don't have the names of the people or how many was killed on the job here in Portland, but there's also some 2,000 people a month, quite a money maker for hospitals and doctors, to be able to get paid and nobody else when they get injured gets paid. And of course if the people would like to go to room 140 to pick up the c.d.c. Document that i've been stating my facts from, 17,000 people a day injured on the job in the united states, and 16 that are fatalities, each and every day, they can go to room 140 and receive a copy of this. That's again from the center of disease and control. And just also to state I had mentioned in previous sessions with the city council and even asked the county commissioners, mayor Potter, and sam Adams said that they hadn't heard of anybody with growth rings before, I was told this by an orthopedic hand surgeon, and even wrote a letter, an open form letter to governor john kitzhaber, and mentioned the growth rings, and met the man personally, and all that was said in his response to me as governor and him being a doctor too, is that I was injured in idaho. Well, with sam Adams and mayor Potter to let the public know what the score is, that's 40%, seems to know what a tree is, and other 60% I



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guess they could figure out for themselves if they know a board, if they'd see one or not. Is my time up?

**Potter:** You have seven seconds.

**Phillips:** Well, i'll be talking next week as well, and i'd like to leave the c.d.c. document with the secretary here.

**Potter:** Ok. Please give it to Karla.

**Phillips:** Thank you.

**Item 105.**

**Richard L. Koenig:** Good morning, city of Portland, city council, and mayor. My name is richard koenig. I hope to clarify, or get an update that the premises between the front door and the counter of the city auditor's office have been reopened to the public. Is that -- to everybody's knowledge -- larry? Is the premises between the front door of the building and the city auditor's --

**Potter:** You're here to make a statement. Make your statement, please.

**Koenig:** It was to get clarification on whether --

**Potter:** Why don't you do it through the procedures that have been given to you instead of wasting our time.

**Koenig:** I believe it was to talk to the chief criminal suspect, harry auerbach, and he hasn't been responding.

**Potter:** The city attorney harry auerbach.

**Koenig:** Until I receive a response from that criminal suspect in regard to my open letter of january 11, i'll exercise my right to petition city council for address through you. In as much as my grievance is in regards to hiring and training of police officers, you may exercise your prerogative to seek counsel from harry auerbach. Business I intend is to obtain compensation from the city in an amount calculated to be a deterrent factor to unconstitutional conduct of police bureau personnel in the future and to cause reform in hiring and training policies so as to keep morally bankrupt and constitutionally impaired individuals out of positions wherein they may violate the public trust. In pursuance of this business, I propose to use well established principles of the uniform commercial code such as guide our day-to-day good faith negotiations and relations. If at any time you city council have any problems or objections, I expect you to frankly state those for the record so that any offer that's on the table between us can be redrafted. In the event that you as city council express no objection to a particular faith in our negotiations that are going to be going on from here, then your silence shall conveniently constitute agreement. How are we doing, dan? At the outset, let us agree that my goals are yours, and as far as well-trained and lawful police bureau goes, your goals are mine. Further, let us agree that since the law at o.r.s. 336.057 requires that schools teach a course in the united states constitution and u.s. History, that -- that begins no later than the eighth grade and continues through graduation, that officers have at least the knowledge of the constitution that every Oregon student is required to receive. This means that every officer -- . [gavel pounded]

**Potter:** Time's up, sir.

**Koenig:** Excellent. Thank you.

**Potter:** Please read the next.

**Item 106.**

**Potter:** Welcome, mr. Broussard. Please state your name when you testify, and display that button more prominently.

**Bruce Broussard:** Bruce broussard, north jantzen avenue. I wore this sign purposely because in all due respect, i'm thinking about the fact that i'm going to look and refer to the mayor today as a coach, and he is our elected coach for the next four years, he's got three more years, and I wanted to recognize that. I'm looking at it from the standpoint of team play. And that's -- i'm looking for more time. Normally i've got three minutes here. Phil unrine but i'd like to have more playing time, coach. I understand there are two seats that are going to be open very shortly, and i'm going to be

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working really hard to do that. I might add also too I really appreciate your compassionate, that's one of the reasons I supported you last time when you ran for mayor, and I will make this statement for both you and nate mcmillan. Our lives begin to end the day we become silent about things that matter. That was dr. Martin luther king. I think that can be recognized. I'd like to recognize coretta scott king. She recently just passed away, and "the Oregonian" did quite a job as fred stickles team, led by bob cart well, and i'd like to spent a -- spend a couple of minutes and read that piece. I thought it was very appropriate at this point in time. Can I do that?

**Potter:** Can it be within the time requirement?

**Broussard:** Coretta scott king, the powerful respected widow of martin luther king jr. Is mourned -- children in the choir at Portland martin luther king jr. Elementary school work hard last year preparing to sing for coretta scott king on a visit to Portland. This was our mixed choir kindergarten through sixth grade, says the principal. Did they practice, and practice. King suffered a stroke and couldn't make it to Oregon. That didn't stop the children at northeast Portland school named for her husband, the great civil rights leader. They went ahead, dedicating the program to coretta scott king and sang their hearts out. Tuesday morning those children and their classmates sat in somber silence at the grade school's morning assembly after her death was announced. I was a scene that played out across the nation in hundreds of classrooms where king like her husband, was a revered symbol of peace, hope, and human rights. I'd like to just go, i've got about 50 seconds left, would I hopefully suggest to the city that maybe we might do the half mass of the flag, maybe not between now and the ceremonial time when she would be recognized, but maybe just on that day and maybe invite these kids to come to city hall and sing with all the kids of Portland public schools, just to recognize it. I think it's very important that we could do this. And ordinarily I wasn't going to talk to you about maybe an idea about solving the school budget problem, but I got a videotape that hopefully you can take on your trip, ok? Thank you very much.

**Potter:** It looked like a box of cigars for a minute.

\*\*\*\*\*: It is. Smoke 'em.

**Potter:** Thank you, bruce. Please read the next communications.

**Item 107.**

**Potter:** Thank you for being here. Please state your name when you speak. You you have three minutes, sir.

**Jim Evans:** Thank you, mayor. Jim evans, i'm here to speak about public sector reform and to hear voices in the -- in impunity. I think it is appropriate to give a little background on myself, because my experience when i'm talking to decision makers, they usually want to know a little bit about the person who's talking to them. I was born here in Portland. Grew up here on the southwest side of Portland, and I went to school at wilson high school, graduated from wilson high school, I played sports there, football, wrestling, track, that gave me an opportunity to go to the different playing fields and gymnasiums and gave me a chance to look at Portland. I went to salem at willamette university for undergraduate school, and I ended up working in salem for 11 years, so I was out of town for a long time. But I was kind of like a separated lover. I love this city. It's a beautiful city, and I came back to the city, and I think it is really important, and I just want to say now thank you for offering this time for people to come forward and speak in front of the council, because I think it's really important that we have all kinds of voices be able to speak in this community. We need dialogue. Dialogue promotes the reason, and in sharing that we can come to our best solutions. I would submit that the mayor, that you were right, that we do need reform, because the status quo is not working right now. I appreciate your comments. They were blunt comments, honest comments, but we're going to end up neating a surgeon and do some surgery, and ultimately when you have a surgery, you have one surgeon, you don't have a committee or a board or a commission that does surgery, you have one talented person doing that, and in this case we have five talented people that are here as our leaders. And you're going to have to make decisions in regards to that. I

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would suggest that in terms of reforming our public sector in this community, there are some examples out there today that we need to look at hard and see if we can do something a little different. If we can do it better. I think in that sense we need to be, although passionate in some sense, we also need to be dispassionate in able -- and that will enable us to discuss our differences in a polite and gentlemanly fashion. I hope that this council -- this is an opportunity right now to start doing the reform we need in the public sector. And I do appreciate your allowing me to come speak today. Thank you.

**Potter:** Thank you, mr. Evans. I'm going to move to the consent agenda. Do any commissioners wish to pull any item off the consent agenda? Does anybody in this room wish to pull any items off the consent agenda? Please call the roll.

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

**Potter:** Aye. [gavel pounded] let's move to our 9:30 time certain. Commissioner -- go ahead and please read it.

**Item 108.**

**Potter:** Commissioner Saltzman?

**Saltzman:** Thank you, mr. Mayor, members of the council. We're pleased today to present the diggable city report phase ii. This is an exciting project that started in november of 2004 when the city council adopted a resolution calling for an inventory of city-owned land that's would be suitable for community gardens, pocket parks, and other agricultural uses. It really started from the theory -- it actually started when we adopted a community garden in sellwood that was on top of property owned by the bureau of environmental services, the bureau of environmental services has infrastructure beneath the surface, but above it was a nice grassy area that is now one of our newest community gardens. So it got us to thinking why don't we inventory what other cities throughout the property might be possible as use as open space or agricultural uses where something may be going on underneath the surface, but above the ground it could be used for something else. So working in conjunction with my office, a group of graduate students from Portland state university produced the diggable city, making urban agriculture a planning priority, which the city council unanimously adopted in june of last year. This was groundbreaking work, and was recognized with a 2005 american planning association award. It's also being featured in a documentary film produced by members of the Portland state university team that will premier this week as part of the pine film festival. So as a follow-up to this report, we as a council directed the office of sustainable development and the Portland Multnomah county food policy council to advise the council on how best to proceed with the diggable city report. This attracted many interests to the table, including decreasing our dependence on oil, increasing our availability of local fresh foods, and providing economic development opportunities for historically underprivileged communities. The diggable city assists in this effort by providing opportunities on city-owned land for community gardens, farmers markets, community supported agriculture, and other food system projects such as the 60th avenue growing gardens, a project commissioner Sten and I introduced last month. With the attached report, the diggable city phase ii, the food policy council proposes that the city increase the presence of and improve access to a broad range of urban agriculture opportunities on suitable land within the city of Portland, and you'll hear about three specific pilot projects in a minute. The report also details existing barriers to utilizing city-owned lands, identifies possible solutions, and recommends the city council direct city staff to, one, identify suitable land for urban agriculture, two, create pilot projects, three, test land management plan, and four, explore policy changes to remove barriers. So i'd like to thank all of those who participated in the formation of this report, many of them are here today. I especially want to thank paul sunderlin of the food policy council, who hided up the technical advisory committee, we have a distinguished panel, and I will invite them up first, but I want to ask brendan finn from my office to give a quick overview of bureau involvement and our panel.

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**Brendan Finn:** Good morning. Mayor, commissioners, you may remember over the summer we were meeting across the street in the Portland building and I asked you a very poignant question -- could you dig it? You dug it: [laughter] and now we're going to show you how we're going to grow it all around the city of Portland. I think you told me I was shovelling it, sam.

**Adams:** Yeah, you did. You gave me so many openings with that line.

**Finn:** I know.

**Adams:** Please continue. I'll refrain.

**Finn:** Appreciate it. As commissioner Saltzman mentioned, we've -- this has been a great community effort, getting a lot of parties involved. But also there's been great coordination and collaboration with the bureaus, and I think that's really worth mentioning before we move forward. From the outset when we adopted the original resolution to do the inventory, the bureaus had been there with their property managers and g.i.s. specialists, basically working through some of the issues that might be evolving around some of the properties. I also met with the development directors and they've also assigned someone to work through this next phase. So we really appreciate your bureau's support and your support for this project. I especially want to thank commissioner Leonard, who has led the effort along with some east Portland community leaders, to bring the first community garden east of 82nd avenue, which is a real great thing. [applause] it deserves a little applause. So bravo, commissioner. You must have went to Portland state university. [laughter] go vikings.

**Leonard:** We've talked about my attendance already today.

**Finn:** I just would like to thank the bureaus for their involvement. We'll be hearing from a gentleman from the water bureau, and I also want to thank the technical advisory committee, and if the members that are here today could please stand just to be recognized, I appreciate it. [applause] and also the members of the p.s.u. team that put together the first report that won the american planning association award, and the film this friday at the p.s.u. cinema, at 7:00. If you could just stand real quick, I really appreciate the hard work you put in on this project. So now i'm going to turn it over. We have a quick panel that's going to talk a little bit about some of the pilot program and how we're going to move forward with this. The first three folks I want to bring up is first of all marcus, the cochair of the food policy council, paul, head up the technical advisory committee, and maria, who is a board member of one of the pilot projects. We have three people who will be coming up after that. Thanks.

**Marcus Simantel:** I believe i'm scheduled to go first. Marcus, cochair of the Portland Multnomah county food policy council. Rachel bristol as cochair of the council could not be here this morning, sends her regrets. She's busy out there running the Oregon food bank. I want to thank commissioner Saltzman's office and brendan for the excellent work that they did with us at the food policy council to move this project forward. Paul I asked to head up the technical advisory group, and he didn't let me down. Thank you so very much. Hundreds and hundreds of hours have been put in on this by some very qualified people. And I specifically want to thank marie johnson from Portland planning who did an awful lot of the work analyzing zoning and codes, and it's a large report, I would ask you to especially look at the zoning and planning analysis sections, especially pages 26 and 27. Because a lot of technical work went into that, and some action eventually will have to be taken in order to move this ahead. I'd like to spend just a minute on why we should be concerned and why we should look at urban agriculture. As a retired farmer this, is very close to my heart to see that people in the the city have an interest in agriculture, and so the first reason I would point out is that it connects urban residents to their food supply and helps bridge the urban rural divide. I think that's an important aspect. I was pleased when I moved into Portland from rural Washington county to see that there is a lot of interest in agriculture. And this certainly points to that. It also increases awareness of the importance of Oregon agriculture as part of our economy. Oregon agriculture is the number two industry in traded sector as far as Oregon's economy. One

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out of 12 Oregonians work in agriculture in one sense or another, processing, distribution, etc. So it's a huge -- in fact, farm gate along in 2004 was 4.1 billion dollars. So it's a large street and we should be paying attention to it, and i'm pleased that we are. Three, urban agriculture promotes the local economy by increasing direct marketing opportunities for regional growers. The kind of production I did in hillsboro, I sold direct to the consumer about 40% of what we produced on the farm. The farmers' markets, farm stands, hopefully a public market, not too many years down the road here in Portland, that all helps the regional local farmers to have a place to sell direct. Small farmers like that cannot compete on the commodity market. It increases cultural exchange wendy verse communities. I think as part of the diggable city report we included something on immigrant farming. And that's another very interesting subject to look into. It promotes health and nutrition by expanding access at all income levels to fresh, local fruits and vegetables. And again, last night on the news I saw something about obesity here in Portland, in Oregon, and the school children. So anything we can do to promote better nutrition is certainly worth it. And last, it engages communities and promotes self-reliance. And I would hope we are successful thisw this program so some of those goals might be realized. At this time i'd like to turn it over to paul. Paul did the basic -- most of the work on this project, and I would like him to make a presentation. Thank you.

**Paul Sunderlund:** Thank you, marcus. Paul Sunderlund, member of the Portland Multnomah food policy council, chair of the urban ag subcommittee. In my day job i'm a broker for the Oregon state university extension service at the food innovation center. Back in june, june 8, wow, some good times have passed and a lot of good work o june 8 I shared with you in my testimony then that this is really big. And I just want to reiterate that this project and this opportunity is really big. The more I travel and the more people that con-- have contacted o.s.d., myself, the university, there's just talk not just in Portland, but around the country. So what's this diggable city? So the word's getting out. It's my pleasure and privilege to share with you this morning our report. And I want to start off by the quote that's on the second page of your report which says, "to forget how to dig the earth and to tend the soil is to forget ourselves." and I couldn't think of a better quote that helps really move forward the diggable city initiative. This report really is the outcome of work done by the urban ag subcommittee, other food policy council following a work plan that we developed in the summer of 2005. I do want to note the members of that committee, marcus, mike, member of the f.b.c., leslie, director of the Portland community gardens program, mike moran, student at p.s.u., paul, amanda rhodes, all students of p.s.u., and involved in the initial inventory team. And able staff from o.s.d., steve cohen and matt. Many of them are here, and I just wanted to acknowledge their efforts. [applause] this was a team, and you -- I appreciate the recognition earlier with the entire team, and that's -- this report represents a significant work of the subcommittee's technical advisory committee. That was over 20 people who came together for over the past three months, their names are listed in the appendix, who gave specific focus to the areas of land use planning and zoning, immigrant farmer programs, community supported agriculture and opportunities, community garden opportunities, public involvement and the role public involvement plays in this process, as well as looking at other urban agricultural uses. The report particularly focuses on recommendations one and five of the initial diggable city report. Recommendation one was to develop an inventory management plan, recommendation five was to conduct a comprehensive review of policy and zoning obstacles of the diggable city, making urban agriculture a planning priority in that initial document. I want to say that our committee fully endorses the other recommendations that came in that initial report, but as we looked at our time we felt our priorities meteed -- need to be focused to particularly recommendations one and five. This report makes four recommendations. Those recommendations focus on important next step, if you will of the -- that the city can take in the evolvment of the diggable city. The first recommendation is to identify suitable rand for urban agriculture. That's been done through the initial inventory. Our recommendation now is that the office of sustainable developments, sustainable food coordinator,

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which we are indebted on having on board, thank you very much, this was as a result of budget enabling from this land fiscal year, and it's great to have steve on board and working in part on behalf of the food policy council. We appreciate that. With steve's help to coordinate -- to collaborate with city bureaus to identify parcels of land in the diggable city inventory, most suitable for urban agriculture and amenable with the bureau's future goals, and you heard earlier from brendan that that process is already begun. And we appreciate the bureau's collaborative interest in nature in this entire effort. The second recommendation is to test the land management plan. This report recommended elements after land management plan that includes a public participation component and a competitive process to grant access to and the management of the land. These elements can be tested in part through the pilot projects that you're going to hear about, and aid in the development of the long-term plan. The third recommendation is to explore policy changes to remove barriers, marcus alluded to that. Work here with the bureau of planning and development services to assess zoning barriers to urban agriculture in Portland and to undertake specific actions to address them. Also to explore with the the water bureau how urban agriculture may complement and serve as an integral part of the development of its hydropark program. Lastly, we recommend the creation of three pilot projects. On plots of land identified in the urban ag inventory. These projects will move forward if agreements can be reached with bureau landowners, with surrounding neighbors, and with the nonprofit partners. Funding strategies will be considered on an individual basis and serve to inform future ventures, and as diverse projects may learned themselves to totally different kinds of support structures. Again, steve cohen, o.s.d. Sustainable food coordinator will help lead that process. Now I would like to introduce to you individuals who represent those three projects that we put before you for acceptance. First I would like to introduce and call upon Multnomah county commissioner maria rojo desteffi who sits here as a board member of a nonprofit organization proposing the verde plant nursery. This is proposing on parks property that would serve a diverse community in the cully area and enable development economic.

**Maria Rojo de Steffey:** Thank you. Good morning, mayor Potter and commissioners. It's my pleasure to be here today as a board member of verde. As you know, several years ago the idea of hassenda c.d.c. was hatched in my living room between myself and my friend. She was telling me about the galaxy apartments and the atrocious living conditions. The rain was coming through the roof, there were rats and cockroaches, there was prostitution, there were drug dealings, and in the midst of that were living some wonderful families, families with children and families that were just trying to get along. And she said, you know, we have to do something about this. And so in our ignorance and naivete, we said, we'll just start a c.d.c. That sounded very simple. It took some work. But the rest is history. You know about hacienda. And because of my early relationship with hacienda, I say verde as a natural outgrowth, and very proud to be a board member of this organization. The diggable city project that's perfectly with -- fits perfectly with our mission. Low-income people of color are not included in the sustainable movement. The verd native plant nursery offers them that opportunity. And it meets the three parts of sustainability that we like to talk b. The environment, economic development, and social justice. The people who work for verde are being trained in green nursery products and how those products support a healthy environment. They will be included in community environmental issues through job creation and training, and entrepreneurship. Verde provides assistance for folks to grow and to build their careers and their lives. The economic benefit that's are offered will support economically disadvantaged people to become self-sufficient and stronger members of this community, and I know that's what you want in this community. The diggable city project offers a strong commitment by you to support the growth and development of people of the city. I'd like to thank commissioner Saltzman certainly for bringing this forward and thank all of you for your support on this project. It really is my pleasure to support verde as a pilot project through the diggable city project. Thank you.

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**Sunderlund:** You would -- I would now like to call the executive director of zinger farm, and linda robinson, vice-president of the hazelwood neighborhood association.

**\*\*\*\*\*:** These are our next two -- they represent the next two pilots. This is with another piece of bureau environmental services property that would allow growth of the sustainable agriculture and agricultural education programs, the zinger farm, and i'll let wisteria talk more about that.

**Wisteria ?:** Thanks for having us. Especially want to thank the commissioners and the mayor for being interested in urban agriculture. I think this planning looking comprehensively at how we can expand urban agriculture in Portland is one of the most exciting things going on. As most of you know, the farm is a historic dairy farm. It was purchased by the bureau of environmental services in 1994 as part of the johnson creek watershed management plan. The friends of the farm, of which i'm the executive director, has been leveraging the city's investment since 1999, running education programs for youth, emerging farmers, and community members. Focused on sustainable agriculture, environmental stewardship, and local economic development. The pilot project that we're interested in partnering on with the city as part of the diggable city sort of experiment is an extension of our current acreage, so if you know the farm, it's sandwiched in between foster road and the spinning water corridor trail. There's a b.e.s. Property across the spring water corridor trail that is called the fury property after the previous owners, that was also purchased as part of the johnson creek watershed management plan. And there is a one-acre forced wetlands section that's very close to the spring water corridor, then there's three acres of open space beyond that. And we proposed essentially to extend our acreage across the spring water trail and the vision is essentially right now our farm is -- abut up against the trail, but it doesn't have a connecting trail up to the spring water. So there would be a connecting trail across our current wetland, through the forested wetland and up to the open acreage up above. The idea would be to expand our youth education programs and also our emerging farmer programs, so the youth program would be able to travel across the wetland seeing different environments, and the emerging farmer program would expand on to the open acreage up above. Primarily serving an apprentice program for young farmers and most interesting I think probably to the commission is our program with immigrant and refugee farmers giving trainings, hands had oppenheimer funds trainings in agriculture production techniques and also direct marketing. So I thank you very much for your interest in the project, and we look forward to partnering with you.

**Sunderlund:** Our third project is a project that is an east side community garden. Linda robinson vice-president of the hazelwood neighborhood association, this pilot project is suggest on water bureau property that could support commissioner Leonard's plan on hydroparks and could support an underserved community by establishing the first community garden east of 82nd street.

**Linda Robinson:** As a member of the hazelwood neighborhood association, we're excited. We are a park deficient area. We have no community gardens in that area at all, and we -- when we did the outer southeast plan and the haze wood plan, we identified some of these former water district properties as place that's might be -- make good parks and small parks, some of them are quite small, others are larger. So we're really excited about the possibility to do this. It's on nevada 117th between halsey and glisan. Former hazelwood water district property, and we're excited about -- we have a meeting on monday with the neighbors to start talking about the uses that they would like to see and what they wouldn't like to see, and i'm -- I feel very confident that some sort of community gardening activity -- that they'll be very receptive to that as one of the uses of this five acres that are there. If this works well we have lots of other unused water tanks and water properties that used to belong to parkrose water district, powell valley water district as well as the hazelwood water district, which expanded when we were incorporated into the city. So we're really excited about the open space opportunities and the community garden opportunities in particular. So we'll be exploring how to make that work.

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**Sunderlund:** Thank you very much, linda. As you can see, these three pilots really cover a spectrum of different opportunities that the diggable cities was all about in terms of how might urban lands within the city of Portland be used. These recommendations that i've just shared with you really allow the city and the food policy council to evaluate the supply of available land appropriate for urban agriculture and to assess community demand. The pilot projects will test management and funding strategies and provide flexibility in determining best practices for the future. Current staffing is sufficient for these next steps towards increasing the presence of and improving access to the broad range of urban agriculture and opportunities within the city of Portland, and it really does add strength to this evolvement of the diggable city initiative, and I think that's the beauty of this initiative, is that it's dynamic, it's not something that simply is and laid on, it's an idea and now it's -- we're -- what we're presenting here are some ideas on how to take it out in next steps. My conclusion, it takes us all back to the why, those statements shared particularly by marcus and brendan at the beginning of this presentation. Not only does the diggable city promote health, nutrition, and wellness by expanding access to all income levels for fresh, local fruits and vegetables, but it fully engages our communities and promotes self-reliance. Food does bring people together here in Portland. You look at our sell brags of community and diversity, and it's really an important part of Portland's culture. And that's our report from the urban ag subcommittee. Thank you for the privilege to serve, and I turn the program back to brendan. [applause]

**Finn:** I don't have anything else to add, other than we can answer question and bring people up for testimony if we have any.

**Moore:** We have about four people signed up. Come up three at a time.

**Tom Klutz:** Tom klutz, property manager fore the water bureau. I'm here on behalf of our administrator, and would like to thank commissioner Saltzman and brendan fin and steve cohen of the office of sustainable development for this opportunity to work with this report. It's very exciting. We have been looking at an opportunity that we've termed hydroparks, which commissioner Leonard has been enthusiastically supporting our cause. It has been with great anticipation I think from the commissioner's office and our group as to how and why we produce these parks, and I want to tell you a little bit about how these work and how it will fit into our plan.

Hydroparks are essentially properties in our water system that was stated by linda robinson earlier that are properties that we have excess ground to develop to turn back to the community. Of course these are still essential pieces of our water system and will be continued to be used as our water system, but they'll also be in place where we're park deficient. We've got a series of meetings in four quadrants of Portland to talk with various groups, neighborhood associations to see what exactly that they want. And what exactly -- how can we accommodate getting something as simple as picnic tables or other reflective benches to sit down and read a book in areas where we -- previously we had fences. So we're taking down fence, possibly moving things around to make them workable for our community. In the coming months you'll read and hopefully you'll go out and have a chance to visit some of of these sites as we get more involved with making these things happen. And as linda stated earlier, the first step is our first hazelwood community meeting on monday night. And that's where we're going to sit down and talk with the community to see what they want to see on a four-acre piece of property at hazelwood. Very exciting proposition. Something that's certainly going to enhance our community, and again, because of commissioner Leonard's support and his enthusiasm on the project, it's really going to be a nice fit with working with the diggable city in terms of that piece of our production of this property. So with that, if you have any questions, I want to thank you for your time.

**Leonard:** I just want to thank tom, sarah is hiding, but tom and sarah have been partnering on this and other pieces and they're cultivating support in the community for this. Thanks. I appreciate it a lot.



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**Mike Dill:** My name is Mike Dill. I live in southeast and on the coast. I'm currently reading a book called "edible forest gardens, an ecological vision and theory for temperate climate." I'd like to commend our mayor and our council. I think you have a humanistic edge is going to be real vital as we kind of go through upcoming times. I'd like to read one paragraph out of it. In 1964 two scientists cut down a red maple tree in north Carolina forest. They had with them a bottle of radioactive calcium and phosphorus, two important plant nutrients. They placed the bottle so the solution would soak into the fresh stump. But could not get directly into the surrounding soil, water, and air. Eight days later 43% of all species within 22 feet seven meters of the stump almost 20 different trees, shrub, vine and herb species showed radioactive the -- activity in their leaves. The conclusion they came to is that plants communicate through their roots, and this is a fairly new scientific kind of premise or something. And it kind of totally undermines the way we think about clearcutting, the way we think about agriculture, the way we think about food production. If you look at energy and you look at what is actually comes out of a thing in a 365-day year, permaculture actually helps, and edible forest gardens really help, because everything is gauged to each other. This is fairly new, and I would like as we go forward with the diggable city project that we actually fold in more -- I know we've got people here from the perma culture institute and different kinds of people recommending, but as we go forward, I would like us to try some of these new possibilities for long-term, low-maintenance type of gardening that are really gauged towards connecting people to their land and to the spaces that are around that. I kind of live on the coast also. We have 20 acres down there, my friend has 40. We're both totally into starting places where people actually take a piece of land and actually grow it for food production for themselves and food production for others. So as we kind of go forward in this, I hope that some of these alternative ideas kind of fall into it. Thank you for your time.

**Potter:** Thank you.

**Pat de Garmo:** Good morning. Pat de Garmo, Patricia to be formal. I'm here on behalf of slow food Portland in support of the diggable city project. It's something that fits entirely into what our goals have been as an organization. It's important also to identify areas that are near schools and to ultimately combine various programs to get good food in the schools. Slow food was founded in 1986 in Rome in protest against a McDonald's being built at the base of the Spanish Steps. The organization is now an international movement that promotes agricultural sustainability, biodiversity, taste, and the reconfiguration of seasonal agriculture and culinary traditions. Portland slow food was developed in 1991 as the oldest chapter in the U.S. And we have one of the of largest populations being 500 members or more. We promote school gardens and healthy foods and school, have supported such projects as the Edwards School Garden of Wonders, and now that that's closed, we're continuing our support with the Abernathy School and the farm-to-cafeteria project. And we -- in addition to providing some small amounts of seed money for them, we have also given time to go and dig in the gardens. We realize not all the sites identified in the study are feasible for neighborhood gardens, but if we can only do 50%, we would make a big step in being able to bring our food source closer to the people to eat it. So, again, I'm not going to read my whole testimony, but I'd like to support this project. Thank you.

**Potter:** Thank you very much.

**Potter:** Thank you for being here this morning. When you speak, please state your name, and have you three minutes.

**Alan Hipolito:** My name is Alan. I serve as executive director of Verde, of which Commissioner Rojo de Steffey spoke. I wanted to extend my thanks to the council and particularly to you Commissioner Saltzman and your staff, particularly Mr. Fin for all the good work they've provided in assisting our project, and to thank Steve and the good people from P.S.U. for the work they've done. I would encourage you to look at the report for more information about our project, the native plant material will be offering the related services, including removing of invasive plant

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species. And i'd also like to talk very briefly about the plans we're developing for the site. We've been fortunate in this project to work with and bring together a number of really talented folks from sustainability in our efforts to deliver the benefits of that movement to low-income people and people of color communities. And right now we're working with a lot of those folks to put together a proposal for the city's green investment fund so that we might plan a nursery site that significantly exceeds typical industry standards for water efficiency, storm water treatment, energy efficiency and renewable energy, and importantly, reusable materials and deconstructability so that when we're done, we can leave the site for future cues for other -- uses for other public benefits. This is important not just for our site, but it's also important for the nursery industry. The nursery industry is big, it's Oregon's most largest agricultural industry, it's overwhelmingly clustered in the northern willamette valley, but it's been very slow to adopt green building technologies. And so we're putting together a plan to develop some very low-cost capital improvement that's are low tech, but labor intensive, and that will very very clear environmental benefit and also economic benefits to the nursery in its annual bottom line. And this is going to be important, because if we can produce cost savings and environmental benefits and we do it a low tech and labor intensive way, we think other nurseries will be able to replicate what they do, and they'll be able to implement these kinds of environmental benefits on their own properties. It's simply that they don't have the time or resources to plan for them, but we think when it makes economic and environmental sense for them, they'll be able to adopt some of the practices we're hoping to pilot. So I wanted to thank everybody again and share that information with you.

**Susan Anderson:** Susan anderson, director of the office of sustainable development. I just wanted to provide a little bit of perspective. Food is a lot like energy, and air, and water, and land, and we need it to be healthy and accessible, and 50 years ago we're really probably 30 years ago most people who worked in city government didn't think that healthy air or water was a part of their job. It's only been in the past 30 or 40 years. And now we understand that food is a part of that too. Council has recognized this, it's moved Portland into a leadership position nationally and internationally in terms of understanding that healthy food, accessible food will impact jobs, it impacts our kids, our families, and it also impacts our environment. So we are very pleased at the office of sustainable development to have your continuing support on this. We were very, very lucky to be able to convince steve cohen to work with o.s.d. He's well known in the food industry, he was a marketing manager for tazo tea, and for pioneer square years ago, so we're glad to have some great staff and we appreciate your continuing support on diggable city and other issues and programs related to the food policy council. Thanks.

**Potter:** Thank you. Is that it for the sign-up?

**Moore:** Yes.

**Potter:** Ok. I need a motion to accept the report.

**Adams:** So moved.

**Saltzman:** Second.

**Potter:** Karla, please call the roll.

**Adams:** Repeating the -- and adding on to the accolades for commissioner Saltzman, continuing excellent leadership on this, great work from brendan and the entire team, susan and her team, and the subcommittee leadership as well, very supportive of this. We in the transportation bureau are looking at all of our land emulating what commissioner Leonard has done on the water bureau land, and we have a lot of land. So our goal is in the next couple of years to come back to council with recommendations to get rid of the stuff that we don't need, and as I think I mentioned before, in a lot of neighborhoods we have right of way that's are not maintained that show up on the front page of newspapers are a haven for sometimes crime and garbage that we are looking at abandoning, and in the process of abandoning that, we provide more garden space all over the city in the sort of smaller plots, and some neighborhoods have a greater need than others, and that potentially could be a win-

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win for transportation, a win-win for helping to promote the diggable city, and so my commitment to this is very strong, and my gratitude is very deep. Thank you very much. Aye.

**Leonard:** For anybody who didn't think community gardens were important, you just had to be around here a year ago when we proposed cutting them. And they became very important to me then, and frankly i'd been exposed to the discussion, but that was the extent of my involvement, to have been exposed to the discussion when commissioner Saltzman brought this idea. I supported it, but I didn't really understand the connection with the community until the community thought they were going to lose their gardens. And then i, as all of us did, learned to appreciate how strong that connection is. So this has ended up being a fabulous project that commissioner Saltzman initiated, and has been very timely for us at the water bureau as you've heard, and we're just very excited to work with the group and do many more of these. As commissioner Adams just said, between he and I there are a number of underutilized properties in the city that can be maximized for other uses besides what we need them for, and so this is really fun. It's one of the many things commissioner Saltzman and I enjoy working together on. Aye.

**Saltzman:** I want to thank brendan from my office, and the Multnomah county city of Portland food policy council, and the p.s.u. Graduate students who work so hard to produce diggable city. I think brendan has told me that the diggable city is the most downloaded item from my website by far. So that's really a testament I think to how -- no pun intended, how hungry people are for reenforce their connections with agriculture. And it makes sense both politically to us in the city of Portland to be doing all we can to be supporting local agriculture, but it also makes sense from a nutritional point of view, and it also makes sense from an economic point of view. Who would have thought five or 10 years ago that people would begin to think about the amount of petroleum that goes into transporting food? And that's an important factor we think about now, and you go into new seasons now, and they label food as whether it's locally grown or not, because it thinks -- it wants us to think about those types of things, how much petroleum went into transporting this tomato from mexico versus maybe the willamette valley or hillsboro even. And who would have thought that five or 10 years ago that a chain, a supermarket chain like new seasons, which basically does everything it can to have local produce and organic produce, would be probably one of the most profitable and fastest growing supermarket chains in the state? It's just phenomenal how fast they're growing and how loyal a customer base they have attracted and grown. So I think it really -- it's a testament in how much the community garden support we saw at city council a year ago, people really are looking for opportunities to grow their own food, to learn more about agriculture through places like the community gardens and zinger farms and these are all things that are so important for us as a city, which also goes towards combatting issues of hunger as well, which is very important too. So i'm really pleased to support this effort and look forward to continuing on. Aye.

**Sten:** I want to thank commissioner Saltzman and all the community partners. This is just really working on all sorts of levels, from individuals having a place to go out and get their hands dirty and grow food, I think ultimately it's dangerous, you can get in trouble for thinking too big, but I think this stuff has significant -- significance nationally and internationally in terms of how is the world going to function with when we start to run out of oil, which is coming very quickly, how can we change our approaches, and potentially to me as both a necessity and also a real opportunity in the sense that we could be more healthy, we could also get out front a little bit on perhaps some strategies that would be very good for economic development. I think that on the bad side I think a crisis is coming because of how poor our food system we have created as a world, and I think on the good side it's going to give us chances to do things. So for me I would support this if it had none of those implications, because I dig it, but I think it really actually has some real ramifications, and I hope i'm looking at marcus, I know you will, I hope the food policy council will start as this evolves and becomes more of a proven strategy working with us to figure out how to connect it to some of

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the other institutions in town to that may not see the significance of it, whether it's a development commission, i'm not saying they don't, but the planning commission, and some of the other partners in town. We've got a related project that commissioner Saltzman's working with me on to see about getting some better food into the schools, it's a much more daunting task than I had thought when we started out. I think the food is cooked on the other side of the country, and then comes here and it's not cooked here, it's heated up. So there's a whole variety of things. And for lots and lots of economic reasons, that's really affordable, which is mind boggling when you think about all that. So I think this is a first step to some very, very important work for both health and the economy, and a lot of other good things. So commissioner Saltzman, thank you, and I look forward to eating it now that we've dug it. Aye.

**Potter:** Taiwan to thank commissioner Saltzman, and commissioner Leonard for utilizing property that has just been sitting. And it's nice to see these properties coming to life. I know that the average food on the Portland table is transported 1500 miles on average to sit on our plates, and it would sure be nice through these kind of programs to get it down to about 1500 feet. So I can dig it. Aye. [gavel pounded] [applause] please read the 10:00 a.m. Time certain.

**Potter:** Do you want to read all three of them?

**Items 109, 110 and 111.**

**Potter:** Thank you.

**Colin Sears:** Good morning. My name is colin sears, and I work for the Portland development commission's economic development department, and I manage the enterprise zone program on behalf of the city of Portland. Today i'm bringing before you two resolutions and one ordinance for your consideration. Before you you will have -- i'm going to go over the three resolution and then i'll have some partners and some of the companies testifying afterwards. The first item is a resolution to accept the enterprise zone contractor amendment, the second item would be a resolution authorizing the boundary expansion of our current enterprise zone, and the third is an ordinance which would authorize the kraft foods global enterprise zone contract. The first item, the contract amendment is an updated version of the contract we use to administer the program. About five years ago I came before you and bob alexander from our department to create a model contract so that companies getting into the enterprise zone program would have a clear idea of what's required of them, which are several requirements, and we had -- they would have a clear idea of what benefits they're getting. So it was a straightforward process, very clear-cut, a company meets the requirements or they don't. We've worked with our partners to come up with some changes that would improve this contract. The first and foremost, the critical item here is the child care and transit support sections. For our larger projects we have a child care and transit support requirement. The -- we found over the years that what was happening is lower and low-income employee were not taking these jobs because these benefits didn't kick in from day one. I worked closely with lynn knox at the bureau of housing and community development to develop a program which would achieve better utilization so that we can get these employees into these companies -- into these jobs at these companies from day one. So -- and lynn will talk a little more about that in the future. But certainly it improves the quality of these jobs, and the quality of the program. The second item that's incorporated into this model contract amendment is the productivity increase that would reward companies investing in Portland not growing their jobs, but retaining their employment base and investing in the city. We worked close with the state's economic and community development department to develop these requirements which we feel would improve the program. And obviously encourage additional investment in the city of Portland. The second item is a boundary expansion resolution. This would provide economic development incentives to a long-time Portland-based business, that's u.s. Bakery, a small internet business, opus creative, and incentives for one of the city's major employers, that's c.n.f., to grow their business here in Portland, and representatives from those companies will be talking afterwards. The existing zone boundaries

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encompass the the bulk of north and northeast Portland with a little bit of -- a large portion of the northwest industrial zone. Those boundaries were created to grow jobs for north-northeast residents and the boundaries have responded over the years. The proposal I have in front of you would maximize the current zone boundaries. The first boundary change would be south of nicolai in northwest. It would allow opus creative, a small e-commerce business, who are located in the northwest industrial area just a block below the current zone boundaries to come in. Opus creative is an e-commerce and internet business, locally grown small company, about 40 employees. This would allow them to invest \$1.6 million in their e-commerce equipment, receive tax abatement on that, and a state tax income tax credit on that investment. They would be the first e-commerce company taking, participating in our program and the state designs that's that as companies doing 51% of their business or more online. And I think -- i'm excited we have this company coming forward and applying, and that they're looking to participate in our zone. And they've worked extensively in the past with new avenues for youth, have a lot of opportunities that they've made available for youth for internships and really moved people up the ladder at their company. The second company that would come into this boundary is c.n.f., a large logistics company. They have their technology and global information headquarters here in Portland, they have about 900 employees, they pay average wages of \$70,000 a year plus benefits. We really want to retain these guys here, and they want them to grow and bring some of their other operations here as they expand. So getting them into the zone boundary would encourage that and keith will be speaking from cnf later. The second boundary change would be east of the river bringing in a little portion of the northeast portion of the central east side, where u.s. Bakery have their headquarters here. They are looking at a \$1.5 million investment initially, which would add about almost 60 new employees and this would also encourage future investment, and we're also working with b.e.s. and commissioner Saltzman's office on other issues related to sewer to entice u.s. bakery to remain here. U.s. Bakery pays average wages of \$17 an hour plus benefits, so good family wage jobs.

**Leonard:** Is that franz bakery?

**Sears:** Yes, known throughout the northwest as franz bakery. Their products are marketed that way. The next item is kraft foods global, and this is an ordinance authorizing an enterprise zone contract with kraft foods. And kraft foods here, like franz and u.s. Bakery, kraft operate under the - - produce the nabisco brand here in Portland. The oreo chips ahoy, ritz brands. In this case they're looking at a \$25 million investment to ultimately improve their premium and snack cracker production capabilities and associated infrastructure improvements. This would allow kraft to compete with kraft foods locations throughout north america for future investment, maintaining production, and maintaining jobs in Portland. You may have heard over the last few days on npr or in "the Oregonian" that kraft nationally has closed some locations, some jobs have been lost, and i'm sure howard hartman, the plant manager, will talk a little more, but certainly with global competition north american competition, we -- this location competes to -- against other locations to have the lowest cost production, and this would help them do that. In this case this is an extreme case in state statute allows this for investing of \$25 million or more, but it's possible that kraft will downsize a small bit through attrition related to retirements over this five-year abatement period. So it's certainly a unique case, but ultimately we're look at the retention of excellent jobs here in Portland, a small reduction, but not lay-offs, but rather a slow attrition through retirements over the course of this abatement. I want to talk a little bit about kraft foods and their demographics of their employees, because I think this is significant and shows that they've been an excellent corporate citizen here in Portland and really do have a strong record hiring local residents, women, and minorities. They pay average wages of \$21 an hour plus an excellent benefits pack thanks costs about just as much to paper hour. 25% of their employees are minorities. 28% of those reside within the enterprise zone. 40% are women, the average length of employment is 18 years, and i've heard it takes about that long to get on the day shift there. So think of these as quality family wage

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jobs that somebody with a g.e.d. Or high school diploma could get. And just want to put is that in front of you. In summary, on the three resolutions we're bringing before you here today, our applicants will leverage nearly \$30 million in private investment for an abatement which is a fraction of that. Nearly 500 jobs will be retained, and 78 new jobs will be created. Expenditures with minority women and emerging small businesses will pass half a million dollars in those expenditures through the retirement. Local residents will be hired through first source -- as well as those created through turnover. Our active program participants currently purchase about \$10 million a year with local businesses, lots of women and minority firms as well. We expect this number to grow considerably with these new companies coming on board. Finally, this is an increasingly important part of our region's economic development tool kit, and one of the few incentives we can use to entice businesses to expand here or locate here. We leverage significant private sector investment, we have a tremendous number of requirements the companies are required to abide by when they enter into contract with us, so we get a lot of people to talk to us, and then they walk away. There's a lot on the plate that they need to commit to. So we appreciate - I appreciate today the consideration that you're giving us for these items. I'd like to introduce Lynn Knox from bhcd and Karen, from work systems inc., two of our partners that we work with on this program.

**Potter:** Good morning, folks. Please state your name.

**Karen Shawcross:** Karen, business services director at work systems inc.

**Lynn Knox:** Lynn Knox with the bureau of housing and community development. Colin just asked me to talk about that we worked to update the child care component of the e-zone agreement, making sure we had current rates for care in both home-based and center care in that, and we also did some work in some focus groups with parents to talk to them about how would you redesign a benefit like this that makes it work better. Because as he indicated, there have been some difficulties in really getting employees to use the child care benefit in past, and we wanted to try to tweak it to be more effective. One of the things, and I think we've accomplished those goals. We've gotten better rates and we've tweaked it so that it will be improved, but I told Colin when I talk to you I wanted to let you know that both from the experience I have working on the child care component of this and for probably eight years, I managed the bhcd funds that supported the work force component of the e-zone contracts. And we worked at improving the effectiveness of that for a long time, and eventually bhcd decided to put its funds other places because it was not fanning -- panning out for residents of Portland, particularly low-income residents of Portland. So pdc's planning to do a comprehensive look at the whole e-zone process and program over the next about six months --

**Sears:** I should just add that the current zone expires next June, June 2007, so we have to go -- we'd have to begin our outreach public outreach and involvement to look at another application starting in the summer.

**Knox:** And it's at that time that I think we need to really as a community weigh the cost benefit of this program for our residents and look comprehensively at its value.

**Shawcross:** At work systems inc. We manage the first source agreements that accompany these contracts, and our process is that staff meets with the companies, we've already met with these three companies in question, and we determine the job opportunities that will be appropriate for the clients that our contractors serve, and we then put in motion meetings with the work source career center and the enterprise zone, we connect them with the Oregon employment departments, and we work with local enterprise zone community-based organizations to take advantage of the 10-day head start that the public work force system gains through these contracts. So we work very hard to try to place particularly residents of the enterprise zone in those positions created by these companies.

**Potter:** Thank you.

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**Sears:** Next i'd like to introduce keith, vice-president of administration for c.n.f., and glen scott from opus creative group.

**Potter:** Please state your name when you speak.

**Keith Sawallich:** Keith, vice-president administration for c.n.f. Good morning, mayor, councilmembers. C.n.f., this particular coming fall, c.n.f. Will celebrate our 77th anniversary, all of which have -- Portland has played a very important role in. Our theme throughout our corporate history, our company's history has been never stand still. And if you ever heard our story, you will very -- I think very easily see that we have continued as a company over these 77 years to continue to incubate companies, grow companies, spin companies off, and change our footprint in our market space. A good example of this occurred a year ago when we sold off one of our business units. Our forwarding unit we sold to u.p.s. Supply chain management. While this sale cut our top line revenue by almost 35%, it is actually increased the profitability of the enterprise going forward. So at this particular time in space, c.n.f. Is positioned extremely well in our market space. We are more financially viable today than we were a year ago, and what this means to Portland and why this enterprise zone is very important for us is because we are now poised, we know as senior management our job is to grow our company. We are -- we went from a fairly large player in a large pond to a small player in a very large pond, and we're chasing some very, very large logistics company worldwide. And we know our viability is to grow our business, and being part of this enterprise zone is very important part of our plan, because Portland supplies the administration and finance support to the enterprise, along with the i.t. Support for the enterprise. So thank you.

**Glen Scott:** Good morning, thank you for your time. Glen scott, i'm the vice-president of opus creative. Briefly I want to share a little more about our company. Very proud, I always have been, to be a Portland-grown, Portland-based company that's been fortunate enough to be recognize as one of the fastest growing companies in Oregon. I always felt very fortunate to have many opportunities to reinvest in this unique community, a community that's so rich with culture. Because of this, we're particularly excited by the opportunity that this program will give us to expand beyond our current opportunity threshold and through that, attracting more business and opportunity to the local market, especially within this zone. So through this in turn we will be able ourselves to also reinvest within the zone by driving more of our business to companies within the zone to -- by recruiting our growing team from within the zone to partnership with work systems inc., and as that team grows, excited to have more teammates to focus on our company's sponsor volunteer program through local partnerships, as one of them, new avenues for youth, other organizations such as habitat for humanity Oregon food bank. So I hope in this short amount of time i'm able to express the -- that the things that are important and valued by the city are also valued by our growing company. Thank you for your consideration.

**Potter:** Thank you very much.

**Sears:** Next i'd like to bring up mark all pers, president of u.s. Bakery, and howard hartman, plant manager for the kraft food global Portland facility.

**Marc Albers:** Good morning. Marc albers, united states bakery. As you mentioned, our company goes by franz family bakery. It's our trade name, our incorporated name is united bakery. Franz is celebrating its 100 year anniversary this year. It entire time we've been headquartered in Portland, we are a family owned company still with the family residing the majority in Portland. We're very proud of that fact. Doing everything we can to make sure that continues in the forward as well. The baking industry has seen major decline in the late 1990's, early 2000's. One of our major competitors consolidated all of their facilities into a single seattle facility. Another competitor trucks in all their product from california. There's only two of us that produce in the Oregon market still that are major size that we are. Luckily the business has started to reba little bit in the last year and a half. A production facility we had to shut down part of the Portland facility in 2001, we -- it was no longer -- it was obsolete basically, so at this point we're looking to bring it up to speed,

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modernize the line and bring back all the position that's once upon a time resided all in Portland here. Because of the increased capacity we do need it now again, so we're -- z we -- our original productions have doubled since then, we feel we will be hiring twice as many people as we thought, because things are going well on that avenue. Most of our people actually almost -- all of our employees are full-time, we do not employ part-time employees. Every one of our employees, this is a union operation, which means full benefits to everybody, full family benefits to every single employee, fully covered by the company. So every though our wages at \$17, our economic package is actually double that. So we're proud of the fact we're able to offer that, we want to continue that going in the future as well. And yes look forward to hopefully working together and assisting us in our opportunities for the future. Thank you.

**Howard Hartman:** Howard hartman. I'd like to thank you for consideration of the enterprise zone application as well as thanking come inand the p.d.c. For their help in support in going through the process. I think colin did a great job of kind of such riseing where we are and kind of what we're trying to accomplish. What i'd like to do is give you just a summary of a couple points out there of kind of how we fit into the overall kraft organization. We've been a member of the community for 55 years in the northeast. 100 years if we start back as the northwest baking company in downtown Portland. We are the only bakery left in the kraft system west of the mississippi river. We have over 340 employees. As we talked about before, we have a very good wage again, full benefits, and as we look going forward, over the past 20 years we have invested roughly 125 million dollars in the Portland area for the bakery as far as remaining competitive. We kind of look at a breakdown roughly \$15 million of that was really with companies or small companies within the enterprise zone and roughly \$30 million between the tri-county area as well as clark county. So as we look at really going forward or we look at the news, you can see that the industry is challenged with the announcement that came out in moving forward, so as we look going forward as far as the support and help that we can get to the community to be able to continue to remain competitive within the kraft system. So hopefully we can get your support and move forward.

**Potter:** Thank you very much. Is that the end of your presentation?

**Sears:** That's the end of my presentation.

**Potter:** Was anybody signed up to testify on this matter?

**Moore:** No one signed up.

**Potter:** I did want to ask one question. That is, by increasing the enterprise zone, it makes these companies allows them to apply for tax abatement. On the -- not on the total value of the property, but on the expansion they're thinking, is that correct?

**Sears:** Correct. State law prohibits anything being taken off of the tax rolls. And we have done a financial analysis going back to when the program started, and of the 20-plus companies, it's the low 20's who have participated, only one company has gone out of business. I think that's a good context to put that in.

**Potter:** Ok. Thank you very much.

**Adams:** Great presentation.

**Sears:** Thank you very much.

**Potter:** Please read item 109 again and then we'll vote on it.

**Adams:** Voting on 109?

**Potter:** Yes.

**Adams:** Ok. I'll go ahead and make some comments at the beginning of these. I've had an opportunity to tour the nabisco kraft site and also franz bakery, and these are great businesses. I also want to -- we sort of undersold yourself in terms of your level support for -- in the case of kraft and the level of support of participation in north Portland support for organizations in north Portland and throughout the city is very much appreciated as a north Portland resident, and franz bakery also you -- extensive support of organizations as is c.n.f. In terms of both in the



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neighborhood and throughout the city. It's very much needed in these days of limited public resources and we're very grateful for that. These are companies that are well managed, respectable, provide good paying jobs, treat their employees well, and I think it's exactly the kind of companies that this tool was intended to help. And i'll be voting -- i'll be voting aye on all of these. Aye.

**Leonard:** I second everything commissioner Adams said. My earliest memories are of franz bakery as a small, 3 years old I can remember walking with my brother by the bakery and stopping and just smelling. Very poignant memory. And as sam said, these are -- if we had businesses that populated Portland as responsible and as collaborative with their employees as all of these businesses are, we would have no problems. So I really appreciate your presence and having your commitment to our community. Aye.

**Saltzman:** I'm very pleased to support all four of these companies. They are really great employers, and i've had a chance to meet with all of them. In 2004 we had some personal visits with franz bakery, p.d.c., bureau of environmental services, because they were seriously looking at the possibility of relocating to eugene. They were getting some very attractive offers from the city of eugene, or springfield, maybe. Luckily they decided to stay here in Portland, and that's a great news for us. And these are the types of jobs that as you heard from the salaries and benefits, c.n.f. Paying an average wage of \$70,000, that's amazing. That's -- u.s. Bakery paying \$17 an hour, average wage, equalling that in their benefits amount, these are really good-paying, large part many of these employers are good-paying, blue collar jobs, c.n.f. Is a little different in that regard, opus is a little different, but they're definitely the types of employers who are hiring and growing, and have chosen Portland as their place to grow. And contribute to this community in many ways beyond simply the jobs and the payroll. But beak good corporate citizens too. So i'm very pleased to support all of you. Aye.

**Sten:** This is actually a really personally nice feeling for me, and it doesn't really matter on the vote. In the past I have cast a lone vote at times against the enterprise zone program. This is getting to be years and years ago. I was not because I felt the programs themselves lack a philosophical basis, I think there's a role for the city to play, but just to be blunt, I think before some of the current strategy -- they were just too soft. It just -- they felt as if they were promising more results than they were actually being agreed to on both sides. And I didn't actually fault the employers for this, because it was I think a problem on the city side. I think we were not both ambitious and creative enough, because one of the things you have to do is figure out ways to make the programs work in the current economic climate. And I thought we had pretty much taken a state program and just not worked with it to make it work for Portland, and so I was a little bit -- a little nervous when I heard this was coming up a few months ago and started looking at the issue, and thought, oh, no, i'm going to vote against these breaks and it's going to be portrayed that I don't want to help business, I just want to get a good return. But lo and behold, I think they've been retooled in a smart way that it's a terrific partnership for both sides. I think it's the benefits the citizens get is really less than what we're going to get in return. So I feel very good in a time we really need it, the development commission has dug and shown some creativity. I also want to thank lynn knox, she's really rolled up her sleeves to find how do we get some support programs in place so that there's some third and fourth partners at the table and not just the employers of the development commission. So for me is what I always hoped for, to say we've got a program that really works, so it's a great pleasure and I want to thank everybody for your hard work, and of course the businesses for investing in Portland. And so I vote aye.

**Potter:** I want to thank p.d.c. for their assistance to these businesses, because these are the kind of businesses that Portland wants to keep, and we appreciate what you folks do to your employees and work with them as well as to our community. So thank you for doing that, and I certainly support this effort. Aye. [gavel pounded] please read item 110.

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

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**Potter:** Aye. [gavel pounded] please read item 111.

**Potter:** This is a nonemergency. It moves to a second reading. What is the date on that for these folks?

**Moore:** That will be next wednesday morning. Wednesday the 8th.

**Adams:** A point of personal privilege. I failed to do so, when I made comments earlier, to laud the good work of work systems inc. on this project. Both all of you, both of you, council will be getting some major changes to the program to consider in the weeks and -- couple weeks from now, and we've really made huge progress and it shows on the -- your work on this stuff, so I want to thank you both very much.

**Potter:** Thank you. We'll move to the 10:30 time certain.

**Item 112.**

**Kimberly Parsons:** Kimberly parsons. What we've come with today is findings and conclusions based on last week's hearing as well as an ordinance modifying previous ordinances removing conditions of approval from previous land use review cases.

**Potter:** Go ahead. Do you have a presentation?

**Parsons:** No. This is just to adopt the ordinance.

**Leonard:** That was the presentation.

**Sten:** That was one of the finest presentations i've heard.

**Leonard:** I've worked with the staff well. Thank you.

**Potter:** Shall we wait a minute until commissioner Adams gets back?

**Saltzman:** He's here.

**Potter:** Go ahead and call the vote. It's emergency vote.

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

**Potter:** Aye. [gavel pounded]

**Leonard:** Thank you.

**Adams:** I love this one.

**Sten:** Get those interest rates while you can.

**Item 130.**

**Eric Johansen** Thank you, mayor and commissioners. I'm eric johanssen, the city's debt manager. The nonemergency ordinance you have before you this morning authorizes the issuance of up to \$300 million of sewer revenue bonds. The proceeds of the bonds that would be authorized by this ordinance will provide capital funding for b.e.s.'s capital program for a period of about two years. They were requesting \$300 million in total capacity, we anticipate the actual amount of bonds be issued would be closer to about \$270 million. What will determine the final amount is what the capital construction forecast looks like for the next two years after we sell the bonds. We anticipate selling the bonds through a competitive bid in april of this year. Prior to issuing the bonds it we'll be back to council with an additional ordinance that will further describe the transaction we're contemplating. With that i'd be happy to answer any questions.

**Potter:** Any questions? Thank you. This is a nonemergency, and moves to a second reading. Please read the next item.

**Item 131.**

**Potter:** Commissioner Saltzman?

**Saltzman:** This is simply a transfer of an ownership from one solid waste company to another and the franchise that goes with it.

**Potter:** So there's no staff presentation?

**Saltzman:** No.

**Potter:** Ok. Nonemergency, it moves to a second reading. We are in recess until 2:30. [gavel pounded]

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At 11:24 a.m., Council recessed.

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2:00 PM

**Potter:** Please call the roll. [roll call taken] [gavel pounded] Karla, please read item 132.

**Item 132.**

**Potter:** Staff?

**Kathryn Beaumont:** Mayor Potter, before we begin I would note that there is a substitute order that we filed for uptown associates, so it's simply a revision to add clarification to the order. So I would suggest that you move to substitute that order for the one that was filed with the council packet.

**Potter:** Ok. And where is that located?

**Beaumont:** Should have received it with your tuesday packet yesterday.

**Potter:** Oh, the substitute. Yes, ok.

**Saltzman:** I move.

**Adams:** Second.

**Potter:** Karla, call the roll.

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

**Potter:** Aye. [gavel pounded] ok.

**Chris Dearth:** Good afternoon. I'm Chris Dearth the city's measure 37 program manager, bringing two additional claims to you this afternoon very similar to the ones that you saw last week. They are against the city's sign code. The first one this afternoon is brought by uptown associates limited who owns a property at 712 southwest saint claire purchased on june 18, 1982. They're claiming against the 1998 sign code again. They're demanding \$567,000 in compensation, but their preferred resolution would be to waive the city's sign regulations. The property is located at the corner of saint claire and west burnside right at the intersection there of northwest 22nd avenue. It's in the goose hollow neighborhood. This is the property and the face of the building that is proposed for a sign, 55 feet high and 27 feet wide. This was submitted with the application for a sign by the claimant. And it would look something like this when applied to the side of the building. That's west burnside there facing east. You are standing east. The sign is facing west. As with all other measure 37 analyses, we look at five different elements. Once again, ownerships, exemption, enforcement, restriction of use and value. For ownership, uptown associates limited is indeed the current owner and purchased the property in june of 1982. There are no exemptions under measure 37 that apply to these regulations or this claim. The city's regulations have been enforced. The applicant did file an application for this sign in september of last year. And then we look to see whether the city sign regulations have restricted the use of the property since its purchase. And the sign regulations in effect in 1982, under title 33, read, in part, signs are permitted without limitation, except that no part of any sign of any kind or sign structure attached to a building shall extend more than 45 feet above building grade. And therefore a sign of approximately 675 square feet, which would look something like this, would have been allowed at the time of purchase in 1982 with a maximum height of 45 feet above grade level. Sign regulations today would limit a sign to 100 square feet in that zone. So our conclusion is that indeed there has been a restriction of use under the sign regulations. Next we look to a reduction of fair market value. The claimant has claimed a loss of \$767,000, asking for compensation in that amount. So we commissioned a market appraisal, a market survey and appraisal on this property, as to what a sign regulated by the 1982 regulations would contribute to the value of that property. And p.g.p. Valuation, respected appraisal firm here in Portland, concluded that a sign of that sign would contribute approximately \$22,000 to \$25,000 to the value of the building. That means a purchaser of the building would be willing to pay \$22,000 to \$25,000 more for the building given the potential income from a sign of that size. P.g.p. Also concluded that a sign of 100 square feet would contribute no value to the property and therefore we conclude that there has indeed been a reduction of value to the property. So our

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recommendation would be to approve this claim, not apply the current sign regulations to the property, and to allow its use under the 1982 regulations with a 45-foot height limitation. And secondly, to continue to apply the design overlay zone, which applies there. Be happy to answer any questions if you have any.

**Potter:** So we could still enforce the 45-foot --

**Dearth:** Correct, under the 1982 regulations effective at the time they purchased the property.

**Potter:** Any questions? Thank you. Could the claimant come forward, please? You have 15 minutes, mr. Thomas. Could you please state your name when you testify.

**Chris Thomas:** Yes. Chris Thomas, legal counsel for skyline media, the owner's representative on this matter and on the next one. I'm going to be really brief. Just to be sure you know, I know the staff does, our position is that the 1982 regulations are not valid as determined by a court case back then. So our position would be that our fallback is to no regulations as in the case I argued last week. But other than that, I'd just be happy to answer any questions you have.

**Potter:** Any questions? Thank you. I just want one clarification on the staff recommendation. It says approve the claim for compensation.

**Dearth:** That's correct. Technically we're not recommending compensation. It is a claim for compensation, but we're recommending that you waive the regulations, the current regulations. So they did file a claim for compensation, but we're recommending in this case that you waive the regulations. You do have the option of paying compensation.

**Potter:** Ok. Thank you.

**Saltzman:** So we have a letter from the downtown neighborhood association, saying they weren't notified about this? Or I think the next one. Is that of relevance here?

**Dearth:** I'll let them speak to that. I'm not clear on what they're saying. I haven't seen the letter myself.

**Saltzman:** Well, if they're going to testify, we can --

**Dearth:** Yeah. I'd be happy to respond after they do.

**Potter:** Is there anyone who has signed up to testify?

**Moore:** We have two people.

**Potter:** Good afternoon, folks. When you speak -- how long do they have for testimony?

**Moore:** Three minutes.

**Potter:** Please state your name when you speak.

**\*\*\*\*\*:** I'm second on the list. We're not together. I'm not sure which --

**Potter:** Ok.

**John Bradley:** Good afternoon. My name is John Bradley. I reside at 2350 Northwest Johnson. I'm here today as chair of the N.W.D.A. Planning Committee to speak on the uptown case. Pressure to the measure 37 vote there was room to question what the true motives of its proponents were -- constitutional rights, takings, etc. With the claimants before you today, there's no such ambiguity. This is a clear case of greed, not need. Gone are the needier widows and older farmers for this cause and what we have left are hucksters and opportunists seeking easy money. Regardless of where one stands measure 37, this case was not what the voters had in mind. There's no indication in the record that the owners ever thought about a sign on this building until they saw a chance for bigger money. We oppose the giving of taxpayer money to this owner. In many municipalities signs are covered under nuisance ordinance and as such not subject to a measure 33 claim. We also oppose the waiving of the sign code restrictions. We can think of no quicker way to destroy the distinctive character of our neighborhoods than to allow for out-of-control signage. If the council must waive the sign regs, we request this case be processed as a type three design review due to its controversial nature and its wide impact. Thank you.

**Potter:** Please.

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**Renee Fellman:** I'm rene fellman representing the downtown neighborhood association. If you have in front of you, I can do this in less than two minutes. I'm here because the downtown neighborhood association did not receive notice. If you'll walk through with me on the second page of this packet, the first thing I knew about it was yesterday morning when I received an email from chris. On the next page, I want you to know that the downtown neighborhood association has done its part in providing information to the city. This is from the city website. It has the correct names and addresses, no notice was sent. No notice was received. On the next page is an email to nancy bailey from o.n.i. Again, it lists both the names and the contact information. No notice was sent. No notice was received. The last page is an email I sent to nancy bailey several months ago to which she's never responded. I have -- the downtown neighborhood association has had a terrible time getting information, period, from city hall. Commissioner Adams, I must say your department has been the best. I appreciate it. And I have sent two emails to gil kelley to try to get information. On january 3, january 25. And thanks to christ dearth, I now have an email from somebody saying he will be in touch. So that's the deal.

**Potter:** And did your neighborhood association take a position on this?

**Fellman:** We haven't seen any of the materials.

**Potter:** Ok.

**Fellman:** And I don't know whether we would have or not, but the notice is a big issue.

**Potter:** Ok.

**Leonard:** Has it been a consistent problem?

**Fellman:** Yes. I don't think you want to get into it now. I'd be happy to come back at some other time, but it's a major problem.

**Leonard:** On being notified?

**Fellman:** Yes.

**Leonard:** On issues you're required to be notified on.

**Fellman:** Yes.

**Leonard:** And what is the reason you've been given for that?

**Fellman:** Well, that's an interesting -- well, I can't even get through to anybody who can actually give me an answer. In the case of the planning department -- I don't know what the reason is on this.

**Leonard:** Hmm.

**Fellman:** I mean, I can go back. I've been keeping records frankly.

**Adams:** The thought the requirement that we approved was two notifications by email as well. So it was -- I thought that's what we approved. So you didn't get -- both postcards went to the wrong place on this particular case?

**Fellman:** In this case, my understanding from chris is one postcard was sent, sent to my home, which is not -- that's not where it's supposed to go. I travel a lot on business. And we actually have two addresses, so that we for sure get it, and they weren't sent. There was a glitch somewhere.

**Adams:** Ok. Sorry. We'll work to improve.

**Fellman:** I'll tell you frankly, i'm an operations expert, if any of you are interested, i'd be happy to spend 15 minutes with you and tell you how to solve these problems.

**Potter:** John what was your recommendation again?

**Bradley:** You know, i'd like to recommend that you oppose this legally. You know, these measure 37 claims, especially ones like this, as I said in my testimony, I don't think they're at all what the voters had in mind regardless of how one feels about the fairness or unfairness of measure 37 and the land use stuff. This is a pure and outright money grab. If there's some way to legally oppose this, I think you should. Case law is pretty clear, at least my amateur reading of the case law, that cities do have the right to regulate signs and that they can do so for aesthetic reasons, you know.

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And the number of signs and how they look and where they're placed does really impact very quickly on what a neighborhood or its character looks like.

**Potter:** Thank you. Staff, I just had a question about the last comment. And that is, is this the last stage for measure 37 claims that are out right now in terms of yea or nay from the council?

**Dearth:** In the pipeline.

**Potter:** Yes.

**Dearth:** We have one more coming up on march 8. Then after that, we have others that are sort of in process, but are incomplete or the applicants, the claimants, have put them on hold while we negotiate with them. Only one additional one scheduled right now.

**Potter:** Going back to john's point. Is there any steps that can be taken at this stage, or is this stage, the process we agreed to for measure 37 claims, the point at which we make the decision?

**Dearth:** This is the process that you set up under ordinance to do these. And you're aware that measure 37 itself is being considered by the supreme court. We're expecting a ruling anytime in the next several months. And that will tell whether we push forward with other claims. I would expect we'd get many more if it's ruled constitutional. If it's unconstitutional, then of course it would stop everything.

**Adams:** Is there any advantage that our legal folks, or you, can think of for the claimants to be seeking this action now during the legal unknown land? Are they trying to get something -- is there some advantage to getting a ruling one way or another from us on the record before the courts do a final ruling?

**Dearth:** I think you would have to ask them why they wanted to push forward. One presumption would be that should measure 37 be held constitutional, that they would be ready to proceed to the next step, which would go to go to circuit court if they chose to do that. Since we're not affected by the measure 37 ruling out of marion county, we still have 180-day deadline to act on these claims.

**Adams:** Right. Ok.

**Dearth:** We have an interest in moving forward to decide these claims within that 180-day period.

**Adams:** Yeah. Good point.

**Leonard:** Well, I have to say last week, as you'll recall, on a very similar hearing, I asked, connect the sign with land use, only I don't understand that.

**Dearth:** Right.

**Leonard:** I remember your answer, but then I was interested that john actually, in his presentation, made remarks that -- that kind of confirmed my instinct, which was, you know, I don't understand the connection between the signs and measure 37.

**Dearth:** Yeah. And I did some checking, commissioner, to see what the reason was. And the historical memory in planning is that it dates back to the 1940's or 1950's when we originated sign codes and --

**Leonard:** What dates back?

**Dearth:** The sign regulations and why they are land use, why they are land use regulations. And because they're land use regulations they're subject to measure 37. Some cities, as I understand it, have their sign regulations in the land use code and some do not. We do. Because they are, they're subject to measure 37. And as best as --

**Leonard:** If they called them something different, they wouldn't be subject to measure 37?

**Dearth:** Well, as I understand it, because they're in the chapter that they're in in the city code, they are land use regulations. Maybe the city attorney's office can clarify that.

**Beaumont:** For a long time our sign regulations were a part of title 33, which is the zoning code. More recently we took them out of title 33 and put them into title 32, but in that chapter we continued the past practice of at least treating size and other features of signs as land use regulations. There's some aspects of signs that title 32 says are clearly not land use regulations, and

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those have to do with things like structure, lighting, you know, electrical connection requirements, etc. But currently our regulations do make it very clear that issues pertaining to size and the zones where certain kinds of signs are allowed are land use regulations.

**Leonard:** So what kind of sign are they proposing that we --

**Dearth:** They're proposing what's called a painted wall sign, but in fact today it's not painted at all, it's printed on vinyl and put -- applied to the surface of a building.

**Saltzman:** What does it mean, subject to the d overlay. Does that mean that --

**Dearth:** There would be a design review. And honestly, I don't know the exact criteria that would be applied, but that -- that zone, where this property is, is subject to that. And it would remain so under our recommendation.

**Saltzman:** The design review commission would have the ability to weigh in on --

**Dearth:** Correct, yeah.

**Saltzman:** -- the impact a sign would have on criteria?

**Leonard:** Right. And that would be even if this were permitted?

**Dearth:** Yeah. Even if you do wave the current sign regulations back to the 1992 regulations. Because the design overlay was not claimed against, we're recommending that you retain it. That is not part of their claim. So we're recommending that that stay in place as it would normally.

**Leonard:** And then about the notification --

**Dearth:** Yeah, I can address that.

**Leonard:** Ok.

**Dearth:** The ordinances that you passed require us to notify once a claim is complete, and then a second time 30 -- at least 30 days before the council hearing. In this case, these claims were not complete until late in the process. I worked diligently with mr. Becker. He was very cooperative. But we were working to the last minute to get the right information. He did his best to provide that for us. And so they were not complete until about 30 days before this hearing was scheduled. So I made the decision on my own, I take responsibility for this, to put out one notice only, because it was -- it was the end of december. A little over 30 days before. And to save money for the city and -- I decided not to send out two notices. I decided to send out one notice covering the requirements of both notices to all the people, because they would have gone to the same people anyway. So I made the decision to include all the data, all the information, in one notice.

**Potter:** So did the downtown neighborhood association then receive that notice at that time?

**Dearth:** Well, it was sent. I can't say whether they received it. It was sent -- I think what ms. Fellman is concerned about is that it's not going to the address that she would like. We use b.d.s.'s database for these. They go to all the proper neighborhood associations and property owners within 400 feet of the subject property. I guess I have to assume that it's up to date. In this case maybe it was not. It went to her home address. She would prefer that it go to the p.o. Box for the association. And as I understand it, that's what her complaint is. We can fix that easily. In fact, I took steps, when I learned about it yesterday, to fix it yesterday. But that was the first time it came to my attention.

**Potter:** So you sent it to the address that you had for the downtown neighborhood association?

**Dearth:** Correct, which is her home address, because she's the president or the chair. And I wasn't aware that that was not the address that she wanted to receive it at.

**Potter:** Has office of neighborhood involvement been advised of this?

**Dearth:** She may have advised them. I have not yet. But I can do that.

**Potter:** Would you do that?

**Dearth:** Sure.

**Potter:** Other questions?

**Saltzman:** Well, just a follow-up on the point commissioner Leonard was raising. So if we were -- obviously we're not going to do that now, but if we saw took our sign code, created a whole new



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chapter of our city code, put it in there, then we could argue there's no connection between land use regulations and sign regulations?

**Dearth:** I'm not sure, since historically it has been in the code, whether because the sign regulations historically were in land use and even if you took them out now whether you could eliminate this, i'm not sure. Do you know?

**Beaumont:** I think it would involve a little more than that. Our comprehensive plan contains a policy, I believe, that calls for regulating aesthetics or improving the appearance of downtown and other areas through control of signage. So I think if you wanted to take our sign regulations out of the land use arena, you might have to -- it might involve amending the code as well as the comprehensive plan.

**Leonard:** You know, I just have to say, that I was just trying to sit here and think of an analogy that would be the opposite from my own rationale. I was thinking title 31 is the city's fire regulations. If we required something in there today be done to a building to make it safer, and then that was appealed under measure 37 by the landowner saying, well, you adopted that fire regulation after I acquired the property, and we argued, no, it's not in the land use sections, and fire and life safety section, they'd have a persuasive argument in front of a judge. While they can call it whatever they want, it restricted my ability to use my property. And so conversely, I guess what i'm struggling with, is as -- again, i'd like to give john credit for this, but this is something I did -- that struck me last week when we were talking about this is how a sign regulation a -- it seemed counterintuitive, and that it's under the land use section isn't in and of itself persuasive to me for the reasons I gave of the fire regulation. It doesn't per se, I think, address what I think measure 37 was written for, and that was to address issues of the use of the land for development. I'm having a hard time getting my arms around a sign for development or a use for a development. I mean, it is a -- it's not -- I mean, it is more appropriate, it seems to me, to be thought of as some regulation like -- other than a land use regulation. Particularly after hearing this argument, i'm having a hard time -- and I appreciate what you're saying, but i'm just struggling.

**Dearth:** I think we're trying to be conservative. We're trying to follow the the of the law to protect the city's potential liability here. I did look back at the arguments put forth in the voter pamphlet for measure 37, and there's not a single argument saying that large urban wall signs should be under measure 37. So this is something I think that was probably unforeseen by most voters, safe to see.

**Leonard:** I don't know that it was necessarily unforeseen by voters. I'm not normally one to argue that we should test this to see, you know, is this what this really means, but I have to say, i'm having a hard time rationalizing in my mind, and this may seem counter to my prior positions with respect to signs and murals, but in my own mind i'm being consistent, and -- and that is we should follow what the rules say. And it doesn't seem to me that -- you know, calling this a land use regulation doesn't make it a land use regulation, what we're calling it, you know. I'm just struggling to get to the place where our -- where I can support the recommendation.

**Potter:** It's a rational argument. That's how they categorized it in 1982, isn't it?

**Beaumont:** I was going to say, commissioner Leonard, I understand your discomfort. And unfortunately I think this was an example of unintended consequences under measure 37.

**Leonard:** I guess i'd have a judge tell me that was the unintended consequence.

**Beaumont:** Unfortunately given our comprehensive plan and the trail, historical treatment of sign regulations, and what our own code today says about aspects of sign regulations being land use regulations, and as land use regulations are defined in measure 37, I think it would be a difficult argument for --

**Leonard:** Basically what i'm hearing you say is, we have to play this out, am I honestly hearing you say that any billboard that is anywhere in this city falls under the regulation that existed at the time the billboard was erected?

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**Beaumont:** Well, any measure -- the validity of any measure 37 claim depends on ownership and whether the land use regulations have changed during the period of time that the owner has owned the property. I think there are many properties throughout the city that wouldn't qualify because the regulations either haven't changed in a more restrictive way while owners have owned the property or wouldn't qualify for other reasons. We've had three soon-to-be four cases where the owners believed they do qualify. So, no, I can't say that all billboards throughout the city would be eligible for measure 37 claims.

**Leonard:** I worded that poorly. Any billboard that has its original owner that was erected prior to any of our sign regulations could argue that their exempt on their property from sign regulations?

**Beaumont:** If our regulations have become more restrictive and if they can demonstrate that they've reduced the value of the property. I mean, I think the disconnect is that measure 37 defines land use regulations in perhaps a nonintuitive way, and perhaps in a very different way than you might otherwise define land use regulations. And that's where there is kind of a disconnect.

**Leonard:** That's a huge -- I mean, you can appreciate that's a huge public policy impact beyond what most people consider --

**Beaumont:** I understand.

**Leonard:** Maybe i'm just revealing my own raw nerves at having dealt with some of this since i've been here, that this is a very highly controversial area. And it just seems like with very little discussion we're skipping over what i've found to be a huge issue in our community.

**Dearth:** And there might be other types of potential claims out there that we're not aware of that are like this, that were unintended and unforeseen, but we may see those if it's ruled constitutional. It's hard to know.

**Leonard:** I think -- i'm not one to normally think we ought to have some of these things litigated if we can find a solution, but i'm not seeing the solution to this. And i'm not -- just speaking for myself -- comfortable making this leap, which is what we're doing, beyond what would involve considering the impact of measure 37 to this other area.

**Dearth:** Well, what I can say is, as I said, we're doing our best to interpret measure 37.

**Leonard:** I appreciate that. I'm just saying --

**Dearth:** It's new. We're all figuring it out as we go along. If you want to explore another means of dealing with this, we're happy to do it. We've given you our best advice.

**Leonard:** Right.

**Dearth:** And as I said, conservatively to try to protect the city from liability.

**Leonard:** I'm not questioning that. I appreciate that.

**Adams:** Maybe we could hear from the -- if we could hear from them again.

**Potter:** Sure. Please come forward.

**Thomas:** You want my thoughts on this discussion?

**Potter:** Yes. Please restate your name.

**Thomas:** Yes. Chris thomas representing skyline media.

**Adams:** Is your client in this to make a quick buck?

**Thomas:** My client is in the outdoor advertising business. They're in the business to make money. I will confess to you that actually I voted against ballot measure 37, but it was crystal-clear to me -- crystal-clear, that's an overstatement. I certainly thought that one of the fields where it would have an impact would be the outdoor advertising field. I'm sure there are others who thought the same thing, others who might have supported the measure. But I don't think it's as big a shock, at least for people who have sort of been involved in the ballot measure for a long time that it would have an impact on outdoor advertising. I have thought about the question, by the way, commissioner Leonard, that you've thought about in a different context, because the city I don't represent anymore, but did some work for, regulated trees under its -- cutting down trees under its zoning regulations, and that was a situation where I thought they could amend the code and take the trees

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out of it, and however that tree regulations affect the value of property I did not think would be covered by measure 37. But regulating, not the electrical structure of signs, but regulating with time and manner regulations, signs for purposes of affecting aesthetic results I think would be very hard to -- for anybody to establish that that is not a regulation of the use of property, land use. I mean, in most municipalities --

**Leonard:** It seems to me you have -- I understand i'm approaching this as a layperson, but at times that can actually be an advantage.

**Thomas:** Most definitely.

**Leonard:** Because it just seems to me that you've been allowed to build a structure. You've been allowed to use the structure. What we're talking about here is something you can use as an appendage on the structure for commercial purposes to generate revenue. It doesn't -- I mean, i'm not arguing whether that's good or bad. It doesn't hit me as a land use issue. It hits me -- you know, and all by itself, I may, you know, differ with John in terms of the issue, whether or not those are appropriate things that we should allow or not. That's not my question. My question is, is this truly something that we want to begin walking down the path of, and that is measure 37 claims having to do with banners. I mean, that hits me as totally counterintuitive.

**Thomas:** It doesn't seem counterintuitive to me, but that's just how I thought about it before I knew I was going to be in here on this.

**Leonard:** My example of the fire code.

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

**Leonard:** We come up with -- we say, well, now you have to build all concrete buildings from today on. And your client comes in and says, yeah, but that all concrete building under title 31, that's a land use regulation, restricts my use, I want to be able to still use 2x4's. Is that an argument in your view? Because it's not under measure 37, how would you deal with that?

**Thomas:** Measure 37 --

**Leonard:** I'm sorry, under measure 31. How would you deal with that?

**Thomas:** Regulations adopted for safety purposes, they're not -- you can't get compensation if you have --

**Leonard:** I'll think of another one. I was trying to think of an example where we might require something that wasn't strictly in the land use --

**Thomas:** If the reason you went to all concrete was for aesthetic reasons because, for example, you thought that in a residential area it was better for the structures all to be concrete and not to have any wood, then I think you would have adopted a land use regulation.

**Leonard:** But just because we have a regulation, it's not in the land use section, doesn't make it a nonland use regulation. The converse is, just because we have something that's a regulation in the land use section doesn't make it a land use regulation because it's in that section.

**Thomas:** I think that's correct, although it's not absolutely clear, because some of the definitions in measure 37 aren't very well written. That may be an unforeseen problem that the authors didn't think of. But I suspect that when courts get this, they will agree that -- whether it's in title 33, in your case, or 32, or somewhere else, is not necessarily the defining question.

**Leonard:** That's my point.

**Thomas:** But I think, whether your sign regulations were in title 33 or 32 or somewhere else, I think in terms of the issues that the staff report addresses, and that my client is concerned about, I think they'd be land use regulations wherever they were.

**Adams:** Are you using this period of time between court action to achieve some special the that you want to confess to?

**Thomas:** No. There's a strategic question of just how fast we want to move things along. I think when we're done here today we'll have to think what we're going to do next. I think we're not in any rush necessarily to get into court. I think if I thought there was a significant likelihood, for

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example, that the supreme court would affirm the circuit court, we might have delayed -- I just don't see that as being something that's very likely to happen. So our feeling was, let's move this along at least so that we're positioned, if not sooner, at least when the court acts, to not be then facing another period of waiting. That's the only strategic question we really talked about.

**Adams:** Katherine, is this a sneaky way to undermine or throw out the sign code regulations?

**Beaumont:** That's a question you want to direct to mr. Thomas.

**Thomas:** Well, that is an issue that's involved, I think, in all of the four cases that i'm involved in. I think I mentioned last week that you've had a number of regulations thrown out, and the regulations that preceded your -- the ones you have now, which distinguish between painted wall signs and murals were thrown out and have slightly been resurrected by the court of appeals sending the case back to the circuit court. I have not anticipated on that type of sign, on a sign that falls under -- would fall under those regulations that you're going to, say you're right, they're unconstitutional.

**Adams:** Let me ask this a different way to katherine. Have we analyzed -- and you don't have to tell me if you have necessarily, I guess -- but have we analyzed the potential impact of taking action on this in any particular way to -- on our sign code? [inaudible]

**Tracy Reeve:** I think that these cases, more than having potential impact on our currently sign regulations, you know, there is the potential that we'll be in court litigating, whether they were constitutional back in 1982 or 1985, or whenever the ownership date for the property is. And if so, you know, I think we have -- there's a number of arguments we would be making, but I think it would be concerning the status of the sign regulations at the time -- you know, the ownership date, and present. And presently our existing sign regulations, the last go-round in the circuit court, which is not final at this point, was that our current sign regulations are constitutional. I don't see any of these four claims involving a challenge to the constitutionality of our current sign regulations.

**Adams:** Ok.

**Thomas:** I agree with that.

**Adams:** Ok. Thanks for answering my questions.

**Potter:** Other questions? Was there a sign-up sheet on this?

**Moore:** We took the testimony already.

**Potter:** Oh, ok. Ok. Ask for a motion to accept the report or to other.

**Adams:** Can I ask another question before we do that?

**Potter:** Sure.

**Adams:** Sorry. So what's our liability if we choose to ignore the report? The fact that we have a staff report here -- if we reject it, does the fact that the staff made a recommendation different than the majority on council, does that hurt us in court? That's one question. The second question is, if this goes to court, what are our chances ever prevailing? If you can't answer those because they're sitting in the room, just --

**Leonard:** Just nod or wink. I believe you just answered your own questions.

**Beaumont:** Those are questions I would be happy to answer, not on the record with you. If the council were to reject the staff report we would need to continue this to prepare an alternative decision and set of findings for you to adopt. I'll leave it at that.

**Saltzman:** Where are we on the 180-day --

**Dearth:** I don't know exactly, but I think we have two or three weeks in the 180-day period.

**Leonard:** I'm going to move to reject the staff report.

**Adams:** Second.

**Potter:** Karla?

**Adams:** Voting on that motion, right.

**Moore:** On the motion.

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**Adams:** Aye.

**Leonard:** I want to be real clear about my concern. I think our sign regulations are, to be polite, dysfunctional. When I -- I go past 21st and division two times a day. And on the corner of 21st division is an outstanding murals in the community, which now have two horribly, ugly 4x8 pieces of plywood covering up 90% of it, because our sign regulation will not the entire mural to be exposed. So instead we get to look at two ugly 4x8 sheets of plywood with a little bit of mural exposed. It makes me insane when I look at it. Especially when I know why. It's because of the sign regulation. So i'm not -- i'm not so much defending a set -- a series of regulations, some of which I really believe this community has yet to have a healthy functional conversation on. And I would like to see us do that, have a very adult conversation about what would be an appropriate acceptable level of murals, signs in this community, people could live with. That's kind of another issue. I am very concerned that -- that we are going down a path here without thinking about it real carefully. I certainly appreciate the advice we're given by chris and our city attorney's office. And I don't have a quarrel with their advice, but I also hope they appreciate that, it's advice, and we in the final analysis are charged with balancing all the information we get and making a decision. In my view, this is a very important decision. And it has a huge precedent for us in terms of potential future clients. And i'm just uncomfortable getting to the place where I think that notwithstanding my concern with some of the regulations in the sign code, that the process that we would overturn that with is -- feels not good to me. And i'm not sure that the argument that i've heard rings true in terms of the sign code being appropriately in a section that makes it a land use decision. So for those reasons and others, I will vote aye.

**Saltzman:** Well, yeah, i'm not this community is capable of having a rational discussion about signs, at least in the seven or eight years i've been on the council, and witnessed how long we've been in court with one company over this issue. People are too polarized. So but I do think that this is an issue -- or this particular case, and actually the ones we heard last week, and probably the next one, do really strike me as not being consistent with what I think measure 37 was about. Even though I was opposed to measure 37, I don't think it's what most people envisioned the outcome of measure 37, even those who supported it, could be a proliferation of wall signs and other things that -- or us paying compensation instead. So i'm also going to vote aye.

**Sten:** I'm not going to support this motion. I concur with the staff's analysis. I'm not going to go into great detail, because I don't particularly strive to undermine the majority's case which i'm sympathetic to, as a matter of policy. No.

**Potter:** No. It passes. So now what?

**Adams:** The lawyers are going to be busy for a while.

**Beaumont:** I would recommend that we continue this for two weeks -- three weeks?

**Dearth:** I did look up the date. This was filed in august, august 19. So that means we have until about february 19 to resolve this in the 180-day period, give or take a day or two. So we'll do our best to work with you and your staffs to come up with an alternative resolution.

**Potter:** Ok.

\*\*\*\*\*: Karla, do we have a date to continue this to? If our deadline expires on february 19, I guess we need to continue this two weeks.

**Moore:** The mayor and commissioner Adams will be gone that week before the 19th.

**Potter:** I don't think it will make much difference, will it?

\*\*\*\*\*: We'll need all three votes to continue it to the 19th -- or continue it for two weeks. I'm sorry.

**Saltzman:** Don't you need three votes on the 19th to take an action one way or the other?

\*\*\*\*\*: We do need three votes one way or the other. [inaudible] how about one week?

**Moore:** To next week, then?

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

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**Potter:** Ok. The mayor's out next week, but we could do it at 2:00 on wednesday the 8th.

\*\*\*\*\*: Why don't we continue it until wednesday the 8th.

**Potter:** Ok. John, we already made our decision, but -- [inaudible]

\*\*\*\*\*: This claim is not directed at the design review regulations. I suppose the claimant could file another claim directed at the design review regulations president if they do, that will start another 180-day clock.

**Potter:** Ok. Let's go to the next item, 133, please.

**Item 133.**

**Chris Dearth:** I'll try this again. This claim is similar to the three that you've seen brought bay torpet subsidiary l.l.c. purchased in 2001 at 1010 northwest flanders. Compensation demanded is \$600,000. Their preferred resolution is to waive the sign regulations. This property is on the corner of northwest flanders and northwest tenth avenue, just three blocks west of north park blocks in the pearl district. This is the building face that they are applying to have a sign the size of 40x50, which would look something like this, 2,000 square feet on the side of the building. This is northwest tenth heading north. Again, same five elements that we analyze. In this case, the ownership -- the property is owned by torpet subsidiary, purchased on december 11, 2001. This property has been owned by a succession of corporate owners since the 1980's. We've examined all of the ownership documents available to us, and our conclusion is that the claimant, torpet, purchased this in 2001. The claimant and his attorney challenged this. You have a letter to that effect in front of you I delivered to your offices today. They claim that the ownership dates back to 1986, but the city attorney's office has reviewed the documents as well and they agree with this recommendation. And our recommendation is that the ownership dates back to 2001. No exemptions under measure 37 apply here. The city regulations have been enforced. An application was submitted. In 2001, we look back to the regulations in place in 2001 when the purchase of the property was purchased. And they are identical to those regulations that are in place today, which would allow a sign of 200 square feet in this area. I want to point out a mistake in my staff report. I said in my staff report there would be 100 feet in 2001 and 100 feet today. In fact, it's 200 feet. I apologize for the mistake there. But our conclusion is that since there has been no change in regulation between 2001 and today, there's been no restriction of use under the sign regulations, and therefore there's been no reduction in value either, and our recommendation would be to deny this claim for compensation.

**Potter:** Thank you. Claimant?

**Chris Thomas:** Mr. Mayor, chris thomas on behalf of the owner's representative in this case. This probably is one where it's, for the lawyers, if they're going to at some point, duke it out, there's -- I understand the advice the city attorney has given. The city attorney may be right. Our view is that we have two successive corporate owners, each of which were closely-held corporations, owned by the same people, and that under measure 37 they're entitled to bundle those two ownerships together. That may be right, but I have to say honestly I wouldn't expect you on this to disagree with the city attorney's opinion. There's an interesting feature of the ballot measure that i'm not sure even sure how I feel about, which says that it's supposed to be construed in favor of benefitting the property owner, I suppose. But I still -- this clearly is one where there's a question as to what the ballot measure means, and your lawyers have expressed their opinion on that. So i'd be happy to answer any questions.

**Potter:** Thank you. Anyone signed up to testify?

**Moore:** One person, patricia gardner.

**Patricia Gardner:** Hi. Patricia gardner, 1116 northwest johnson street. I'm here representing the pearl district neighborhood association. And I have to say I kind of feel sick. I mean, when I got the measure 37 notice I called to ask about it, and didn't get any particular details, and so I was imagining that the business, hanna andersson, wanted more signage. The business on the ground

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floor, that was there, the people that owned the people. To come in here and have a representative of a billboard, you know, sit in front of you, the owners aren't even in the rooms. Where are these owners whose business has been hurt? You know, where are they to stick here in front of you to say that they have an issue with the fact that they're being hurt so badly. And so from the perspective of -- it's just hard not to feel kind of dirty, you know, where you're listening to the billboard industry completely attack our sign code. I mean, I think that commissioner Adams is right on target, that these cases -- you know, the first one that passes, they're going to go after every building in the entire city. Not just the pearl district, not just n.w.d.a., but everything, every owner who's got a big wall, and probably calling them, asking, how long have you owned a building? I've got ways for to you make money. You're going to see so many of these cases. It's horrible and horrifying to even think about it. The pearl district neighborhood association is absolutely opposed to this. And more opposed to it now that I really see who's behind it. I mean, it's -- the livability, what this means, I mean nobody thought that the city of Portland was going to be covered with billboards. And I think that's the future that we're facing, unless this is cleared up in the courts. I mean, because -- I mean, it will gut the sign code, absolutely gut the sign code, and the design review process and everything about it, and could have just a number of ramifications. So please follow your staff. Please fight the other one. And really -- and consider strongly the ramifications of the decisions of this, because I think the ripple effect's going to be pretty huge. So thank you very much.

**Potter:** Thank you.

**Moore:** That's all who signed up.

**Potter:** Okay. The staff recommendation is to deny the claim. Do I hear a motion?

**Leonard:** Move to accept the staff recommendation.

**Saltzman:** Second.

**Potter:** Karla.

**Leonard:** I will say, I don't know why I speak to these, they seem to be open and shut but I think patricia did articulate a little better than what I was able to some of my concerns. And I do think you know that notwithstanding my desire to see us have a rational conversation about the sign code, this is not a rational way or approach what I consider to be some problems that I think the community could get to a place where they could agree to. This is not that strategy. And I might actually get myself to the same place patricia finds herself as I think about it more as well. Aye.

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

**Potter:** Aye. [gavel pounded] last issue on the docket. We are in recess until 2:00 p.m. tomorrow.

At 3:33 p.m., Council recessed.

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**Closed Caption File of Portland City Council Meeting**

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

Key: \*\*\*\*\* means unidentified speaker.

**FEBRUARY 2, 2006                      2:00 PM**

[Roll call taken] [gavel pounded]

**Potter:** Karla, please read the first item.

**Item 134.**

**Potter:** Staff?

**Gil Kelley:** Good afternoon, mayor and council. Gil Kelley, director of the bureau of planning. With me is Jay Sugnet, the project manager on the division/main street project. We're here today to respond to earlier testimony and concerns and suggestions that the council had. We have two amendments that have been forwarded to you in your packet, and our understanding is that there will be a third amendment offered by one of the council members today. We would encourage all those amendments to be on the table before testimony is taken and the public testimony be taken and that then you close the record for the project and hopefully make your decision today. I want to just thank Jay for, I think, two respects, leading an effort to get compromise on the height setback issue that I think we're bringing to you as a successful compromise today. And secondly to convene his colleagues in pdot and b.e.s. around tracking measures of success. This was a particular interest that commissioner Adams put on the table last time around. We think it's the right thing to do. Philosophically we want to use it as a test case, to see how well this works, but we think we do have a series of measures that can be done relatively easily by the bureaus here to set both a baseline and then report back at the period of time in the future to see how well things have progressed. We're not absolutely sure all these measures are indicate success completely or elements of success, but there are things that we can measure and then approximate whether we're having success, or at least have that dialogue in the future. So those are attached to the memo you got from Jay. And we look forward to that particular discussion with you also this afternoon. So with that, Jay will explain the amendments that are in front of you and then I believe commissioner Adams will introduce a further amendment.

**Jay Sugnet:** Jay Sugnet with the bureau of planning. For the record, the entire project file is in the room and available for review. Just to refresh everyone's memory, the first hearing was back on December 7. We presented the plan itself. There were a number of questions, issues that came up in the testimony. And the following week staff returned with a decision matrix for council. At the December 14 meeting, there was additional testimony, and council directed staff to specifically come back with some code language to address some of those concerns. And in the meantime staff felt it was necessary to go back to the community working group, that has been advising the city on this project too the past 18 months, and get their feedback, and also allow us time to craft some additional code language. So here we are today. And I want to spend a little bit of time just explaining how setbacks and measuring height works. And I think there was a lot of confusion at the last hearing about how this works. So I wanted to do it more graphically as opposed to relying on the code. So on the -- on here you can see -- where's my cursor? A commercial building, this is a typical block along division, the south side of division. There's a commercial portion, and then the other half is really residentially end zone, and this is pretty consistent. The red line is the property line, and you can see basically what existing commercial development looks like. You know, a lot of it is -- the building covers the entire lot, but it's single story. So in terms of measuring height, I'm going to focus on this area in particular. If you have a single-story building,



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less than 15 feet, there are no setbacks in the commercial zones on our main streets. So you could cover the entire lot with a 15-foot-tall building. But if you're going to do a second story, basically there is an eight-foot setback for -- if you have a residential zone.

**Kelley:** That's the backyard.

**Sugnet:** That's the backyard. And if you have three stories, that increases to 11. And four stories, 11 also. And theoretically -- and I think this is where the confusion came last time -- you could build a building that looks like this. So the first story has zero setback. The second story, eight-foot. And the third and fourth with an 11-foot setback. But more realistically, based on design considerations and cost, you're going to get a building that looks like this, if it's 45 feet tall. And now I just wanted to describe the setback stepdown provision in the code. So what it's saying is the 25 feet, the rear portion of that site, so here's division, here's your commercial building, 25 feet between the residentially-zoned property and the commercial is where this height limit appears. So on the bottom one, it's 35-foot height limit as opposed to 45. And you can see this probably better in this 3-d graphic, so that the portion that we're talking about is this green area, in the top corner. So the red line is the property line. There's already an 11-foot setback. So what we're talking about is 14 feet of the building. So 14, plus 11, 25. And you can also see it from the -- this other perspective. And what we wanted to do is show the existing buildings, and also show the building envelope. So you could get an idea of the potential scale of these buildings, and, you know, what we're seeing is that a lot of the buildings along our main streets are building out, maxing out their envelope. That's not necessarily the case in the residential zones, but to be fair we wanted to show that as well. And this shows just a close-up. I did have a great animated -- I think you need a new laptop in council chambers. [laughter] so does that make sense for everybody?

**Potter:** Yes, that really explains it well to me.

**Adams:** Exactly what would animate --

**Sugnet:** You would be able to go --

**Kelley:** It's a cocktail party in the first one going on.

**Sugnet:** And then you would fly over it.

**Adams:** Oh, ok. We'll work to upgrade our computer, a pentium one.

**Sugnet:** Well, you've got a three.

**Adams:** Ok.

**Sugnet:** Part of the compromise, we went back to the community, how do we treat this area in the stepdown. A number of concerns came. One was, it's 30 feet on the north side and 35 on the south side. So the direction was, well, let's have the high limit be 35 so we can get three stories of developable space for a building. And at the same time let's look at allowing the railings by right, so that this area can be used as outdoor space. And what we did was just to show how this works, so what the impacts are potentially on the neighborhood, we wanted to look at what type of shadow is cast by building with the setback provision and without. So the one at the top shows the old proposal, planning commission proposal, of 30 feet, in that area 25 feet of the building. And what shadow that will cast. If you look at 35 feet, the difference is -- is fairly small, but if you look at the difference between 45, it's definitely more -- definitely significant. And these are standard times that we do in the code. And here it is at 3:00 p.m. On april 21. And the community sort of felt that this helped with their decision to support the compromise, to go from 30 to 35, and also to help allow railings. So there are really a number of amendments. I've bundled the two that i've described as amendment a, so allowing a 30-foot height limit and allowing railings. The second amendment is from robert ross, a developer, who's currently working on a project at 44th and division. And his desire is to have, by right, allow by right, privacy screens between units, so this is the area each unit would face out on this outdoor deck area, and for him it's important that each unit have privacy from their neighbor. This is something I think you'll hear sort of mixed community

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response to this. But the community did not -- the community working group did not specifically endorse this piece. That's why it's a separate amendment.

**Adams:** So we need an amendment just to allow them, not require them?

**Sugnet:** Correct. It would not require them. It would just allow. It would be an exception in the code.

**Adams:** Ok. And the neighborhood was mixed on whether they should even allow them?

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

**Adams:** They'll talk to us about why, those people that had concerns. Ok.

**Sugnet:** Any other questions about the amendments? Ok. Just so that you are familiar with what we've talked about, back in december, so adopting the planning commission recommendation, amending the comprehensive plan, the goals and policies, amending the comprehensive plan and zoning maps, the zoning code, and also revising the street classification for southeast division. That's it.

**Adams:** Good presentation.

**Potter:** Yes. Thank you.

**Adams:** It would have been better with animation. Is this the point we do amendments or --

**Saltzman:** Yes.

**Potter:** Yes. Plan introduced by planning staff and commissioners. So --

**Saltzman:** Are the amendments that you prepared, do I need to formally introduce them or --

**Kelley:** No. Our understanding was that commissioner Adams had another amendment to introduce.

**Saltzman:** So the amendments are here, suggesting --

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

**Sugnet:** Council does need to amend the planning commission recommendation. So someone needs to propose an amendment for amendment a and b.

**Saltzman:** Ok. I would propose -- I would offer those two amendments, amendments a and b.

**Potter:** Could we have them read to us?

**Sugnet:** Amendment a is the city council request to set the 35-foot height limit and allow railings by right, and that code is described on page two of the staff memo to council.

**Potter:** Ok.

**Sugnet:** Amendment b is a request from robert ross to allow railings by right between the units, and that language is described in detail also on page two of staff's memo to council. And one copy that the staff would like -- like to clarify that depending on what council does adopt, some structuring of the code will be necessary for consistency.

**Potter:** Do I hear a second?

**Adams:** Second. Do I move mine now, too, then?

**Kelley:** That way testimony can be offered on the --

**Adams:** Ok. I would like to amend a change to the zoning of property owned by fire and earth l.l.c. From the proposed mixed use commercial to store front commercial. The owner has made considerable upgrades to the building on the property and has plans to build a residential art school. His plans for the school were in accordance with the grandfather -- grandpersonned nonconforming use of the property held prior to the process to revise the division street plan. The zone change has received a letter of support from the clinton/division business association. The hosford-abernethy neighborhood association is aware of the amendment, and are generally supportive of the plans, but haven't taken an official position, is my understanding, for the art school, but have concerns about new ownership of the property in the future. Marty has an art show in california this week and won't be present at the council hearing. So the actual amendment language is amend planning commission's recommended zoning for the property owned by fire and earth l.l.c., state i.d. 1s1e12bb6600 for mixed use commercial c.m. to storefront commercial c.s.

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**Potter:** Would that be amendment c?

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

**Saltzman:** Second.

**Potter:** Ok. We will vote on all three amendments.

**Moore:** Adams?

**Saltzman:** Are we going to take testimony?

**Potter:** Ok.

**Moore:** We have nine people signed up to testify.

**Potter:** Thank you for being here, folks. Please state your name when you speak. And you each have three minutes.

**Jean Baker:** Ok. I'm Jean Baker. I'm the president of the division/clinton business association. And on the whole we're in favor of all three of the amendments. Thank you.

**Adams:** Thanks, Jean.

**Lee Knightly:** Arlene Knightly. I live at 1706 southeast 30th avenue. I'm a board member of the richmond neighborhood association. And our delegate to the community working group couldn't be here today, Josh Warner, so I'm here in his place to comment for our neighborhood. I provided you with a letter from the richmond neighborhood association, and I'd just like to highlight a few of the points. First, the importance of public planning, that division street is a very important part of the richmond neighborhood, and this is reflected in the high level of participation by the neighbors during the public participation process. When there's an intensive public process where changes are made at the last minute at city council, it has a very negative impact on those who are involved, and people tend to be a bit cynical after they haven't honored their work and commitment. And the other main point that I'd like to make is that richmond supports staying with the original stepdown requirement. We do not feel that it's necessary to add the five feet for the buildings abutting the R-5 single family zone. Most homes in the neighborhood are one or two-story houses. Thanks for letting me testify.

**Potter:** Thank you.

**Carolyn Brock:** My name is Carolyn Brock. I live at 2722 southeast division. I've been a member of the division green street/main street community working group since the beginning, and I'm the secretary of the Hosford-Abernathy neighborhood, and I'm here today speaking as a representative of hand. Our usual representative is out of town today. I've provided you with copies of hand's letter in support of two of the amendments, taking no stand on the third. We have had an opportunity to discuss the stepdown proposal. And I would like to say one of the really positive things to come out of this has been the involvement, albeit at the last minute, of some of these developers whose work is sometimes controversial in our neighborhoods. At the January meeting of the citizen working group, we had a really positive dialogue with, in particular, Robert Ross, but also Ray DiCarlo, and others who came, and we're hoping they will stay involved in the process, because they need to be. We feel that the 35-foot stepdown on both sides is a reasonable compromise, because it does allow for that third story of development and makes things the same on both sides of division street. We realize not everybody's in agreement with that. I read somewhere once that a compromise is a situation where everybody kind of gives in on the things we really want and the result is something that please nobody. I'd like to think that's not true. But realistically, there are elements that are. And in this case, of course the developers would like to be able to build and the immediate neighbors would like them to be smaller that's the nature of the beast, but we're overall very pleased at that part of the compromise and that amendment. We also wanted to respond to Martin's request for the change of zoning from the proposed C.M. to C.S., which would allow him to do the sculpture school that we've talked about. Linda and I got the v.i.p. tour of his facility a couple days ago. And it's very impressive. He's obviously put a great deal of, not just money, but also time and himself into that facility, and we're very impressed with the plans that

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he has for it. While it's possible at some point he wouldn't be able to keep the facility, we doubt that, so we support that. We have not had an opportunity to respond to the proposal about the privacy screens. I can't the part of the question one of you asked a minute ago about what the neighbors' concern was about that.

**Adams:** Sam Adams here. What would be the concern about privacy screens?

**Brock:** Well, obviously we support the concept of privacy screens. If people are living you up there, using that space as an outside terrace space, of course they need to be separated from their neighbors. My understanding is at some point in the past there was a development with privacy screenings like that done in a tacky fashion that were -- were visible from some of the parts of the neighborhood, and that people found it objectionable. And the idea was that if that was not done by right, but had to go through the adjustment process, it would be an opportunity for neighbors to have some teeth in perhaps arguing for really doing it in a good quality way. It's not in opposition to the concept of a privacy screen, but a desire to have a conversation with developers about it.

**Potter:** Thank you all.

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

**Adams:** Thanks.

**Potter:** Thank you folks for being here. When you speak, state your name and you each have three minutes.

**Heather McKee:** Hi. My name is heather mckee, and i'm here to represent martin's interest for fire and earth art center, and answer any questions that you might v.

**John Sheehan:** My name is john sheehan. I live in the hosford-abernethy neighborhood. I'm testifying today to express my concern about the council's decision last december to refer the division green street plan for additional amending as a result of last-minute lobbying by developers rather than approving the recommended plan. I'm also here to urge the council to approve the plan now before you without further amendment. Hundreds of citizens have invested hundreds of hours in this multi-year planning process. I agree with southeast uplift and the relevant neighborhood associations that the numerous community outreach workshops and planning commission hearings were the appropriate venues for airing and addressing concerns surrounding the division street green street/main street plan. Most people without a financial interest in the outcome chose to participate in the process and reached a powerful consensus about what they wanted the neighborhood to look like. Addressing changes proposed by a handful of developers in the 11th hour promotes cynicism. I respectfully request that the council respect the voice of the multitude of community members who invested their time and energy. Thank you for your time.

**Potter:** Thank you.

**Robert Ross:** Robert ross. Do I have to give my address? All right. Just wanted to first off say that as i've said in the past, i'm a supporter of all the city planning efforts, and basically the goals that the city's trying to achieve. I may not always agree with the methods, but that's what competing interests are all about. Since the last hearing, there's been some dialogue between the different business owners, developers, and the community members, and I think there's been some good progress in trying to refine the proposed code. I think the amendments that are requested are not really diminishing the overall vision that the community put forth. It's just kind of a refinement of trying to balance some of the competing interests associated with residential versus commercial development. And basically, while these refinements don't address all my issues, there's a lot of things that I still don't particularly like about this plan. I think in the spirit of compromise, I would request that the city council propose and adopt these amendments as written. And, you know, basically that's what i'd like to see happen. That being said, I guess on a broader issue, I -- you know, I did get involved in this process a little late. I was aware of the main street plan, and I was watching it through the website to see what was going on, and was not aware that there was an overlay zone proposed based on the information I had on the website, in the timing following that.

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And I guess when you -- I look at it, and I ask myself, when am I community member, when am I a developer? And it's a difficult balance, because part of it is I come in to an area and i'll buy a piece of land and i'll want to do something on it. Yes, I own the land and part of the community, but, you know, with a process like the main street plan, my feeling was, let the process run its course and I would keep an eye on it to make sure that it was not going to impact what I was trying to do. So you know, in an attempt to try to respect the community, to guide the way they want division, you know, I kind of did not get involved in the, you know, day-to-day process of that, and was just trying to watch over it. And if had known there was some sort of new regulation going into place with the overlay zone I would have been involved a little more early just to make sure the goals and the methods kind of match up. I mean, discussions linda and I had a few discussions, and it's really funny, we both agree -- we have the same visions and goals for division, but some of it's just a difference of methods. And I don't know, if there was a way that the developers could get some sort of run by the code before it gets completely codified outside of, you know, the regular neighborhood process, it could be helpful, just because that forum is not always friendly to someone who is in the development field. Not saying that it's always unpleasant, but it can be often unpleasant, because we're a minority interest.

**Potter:** Thank you folks. Say hi to sharon for me, john.

\*\*\*\*\*: Will do.

**Potter:** Thank you folks for being here this afternoon. When you speak, please state your name and you each have three minutes.

**Karen Maczko:** Karen maczko, southeast 44th avenue. Speaking directly for the neighbors, who are behind the development rob ross is proposing, as a neighbor, we just want to limit the effects of these huge buildings as much as possible. That's our job to preserve our community. I would of course love to see the original plan, the 30-foot height limit, the setback maintained, but, you know, in spirit of compromise, if rob can come up here and agree to it and not say he wants to build 55, 65 feet, then I don't see how I can come up and argue that much. Compromise is something that we're all supposed to give a little and be happy in the end, and sometimes I think we give a little and we're unhappy in the end, but that is the spirit of compromise. As far as the privacy screens, I wanted to address that really quickly, because living behind the building, we're going to be the people who are probably affected by this. I do have reservations about the living space being outdoors and people may be out there partying, up high, above all the neighboring houses. I don't -- without knowing how it's going to turn out, I wouldn't -- I would rather have them develop it and have it usable space than just have, you know, an empty rooftop. It seems like a waste. As far as the privacy screens, I think what was said previously makes a lot of sense as to what materials are going to be used to make sure that it's not unattractive in any way to the neighborhood. What the concern would be, you know, now we have the 35 -- if they have the 35-foot limit in the back, then you have the railing, and then you have 10-foot-high privacy screen between the units, and we're in effect getting back up to the original 45-foot height, so that would be a reservation, but I think as long as we can maintain that the design is going to be fitting with the neighborhood and not stand out, that that would be all right as well. Thank you.

\*\*\*\*\*: Go ahead.

\*\*\*\*\*: Huh?

\*\*\*\*\*: Go for it.

**Ray DiCarlo:** Just a couple things to say. Ray dicarlo, 2729 southeast division. I also am for adopting all three amendments. Just wanted to say it out front. I also think that the privacy screens -- I mean, you can't legislate how something's going to -- legislate how something's going to look. I will at division, they use all the materials they're supposed to, and they're still really ugly. It's more about containing the sound from the outside, from each side. I won't be building any privacy screens, because I don't need to, at least the plan now. I wanted to weigh in on that. Again, I think

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we talked last time about the whole last-minute lobbying thing from people that own property there, that is not residential. And really as a businessperson, I kind of follow how things going through the city through jay, and I think we brought it up last time, how somehow the overlay didn't get relayed and people didn't know it was there. I find as a citizen, I deal with my -- around my house, how I deal with that, is through going to community meetings, but as a businessman I try to deal with the end process, as rob does. So I just wanted to address that quickly. The other thing is that when we talk about privacy screens, or the 30-foot -- or the 35-foot setback, I mean really where developers were at one point was trying not -- not on this street, but generally trying to have 45-foot buildings. When we talked about the 30-foot -- even when the community met on the 30-foot, I think we established last time that they were thinking three buildings, and modern buildings, three stories, you can't get to 30 feet if you're going to have rentable retail. So we're really back to that. I didn't want to get too far away from that idea. I think that's it.

**Potter:** Thank you.

**Charles Kingsley:** I'm charles kingsley. I live at 3430 southeast stevens, a few blocks off division. And i'll speak to the three amendments. It's been really nice actually to -- I know I spoke in the past about how frustrating it was that things happen at the last minute, but I think when we went back as a community -- and i've been involved with the coalition since the beginning -- we realized part of the whole notion of coalition is that all the parts count and are imperative. And I think a learning and a reminder for all of us is that inevitably some voices are going to be heard at the end, and how to include those and how to go back and work through -- we've heard compromise some here today -- I think is part of what we're all -- the responsibility we all have in terms of being part of the community. So while it's been frustrating at times, I think talking to ray, and we sat down and talked with rob, and I think more of his project, we ended up with better ideas. And I think we've all mentioned -- or a couple of have mentioned today, I think we can do a better job of trying to include, especially developers, earlier on in the process. We felt we were doing a good job, trying to do a good job, through the business association, through the website, and through the email. Obviously there's a bit more we can do. I think we need to accept that there's always voices that don't get heard until the end, and we've got to be ready for that. So I support all three ordinances, or amendments. I think the privacy screens, sam does speak to your concern. I just checked with jay, and I think the amendment proposes the privacy screen be no higher than six feet, so it wouldn't be going up to 10 feet. And that feels like a decent compromise. I think the concern on the part of the neighbors was that unless you're straight on with the privacy screens, hit off to the sides, it starts to feel like bulk, so that privacy screen becomes somewhat like a wall as soon as you're off, looking straight at it. So there was some concern, 35 feet becomes 41 feet, or whatnot, but I still think it's a good compromise and I support it. And sam, I didn't hear jay speak to this, but we started to do more work on the evaluation criteria, and I really appreciate you being an added voice for that, because it feels really important that we start to track, is this program successful, we set out to be a model for green street to meet main street, and we can come back to funders and say this works, it feels we're not doing the job we could be doing. So I want to thank all of you for helping us try and come up with a better plan. Hopefully we'll be able to come back a year after we've done more of the detail, transportation and planning, and have a pilot for green street meets main street. Thanks.

**Potter:** Thank you very much, folks.

**Moore:** That's all who signed up.

**Potter:** Ok. Is there anyone here who wishes to testify on this matter that didn't sign up? I'm going to ask the attorney, my notes say you're supposed to vote on each amendment. But we can lump them together. Is that correct?

**Kathryn Beaumont:** Yes, you can vote on them together.

**Potter:** Ok. I think we've had both a motion to adopt and seconds on each.

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**Moore:** We do.

**Potter:** Ok.

**Moore:** Oh, i'm sorry, I didn't get a second on commissioner Adams' amendment.

**Saltzman:** I seconded it.

**Moore:** You did. Ok.

**Leonard:** Can I hear the amendments, please?

**Potter:** Would you please read the --

**Saltzman:** You're fined.

**Leonard:** Humor me. [laughter]

**Sugnet:** The first amendment is detailed in the memo from staff to council.

**Leonard:** Ok.

**Sugnet:** On page two. First one describes request to set the height limit in the stepdown area to 35 feet and allow a 3 1/2-foot railings by right. The second amendment, amendment b is what we're calling it, was from robert ross, language to allow privacy screens that are six feet tall, but still set back at least four feet from the building edge. These privacy screens are intended to be between units. That's also described on page two of the memo from staff to council.

**Potter:** Thank you very much. Karla, please call the roll.

**Adams:** I guess i'll make my remarks on this first vote and then just vote on the others. I want to thank jay and gil, joe, the whole team, including the folks at pdot for being such good partners with this great neighborhoods and business districts. You've really developed a new higher standard for neighborhood plans. Thank you for going the extra mile to include the performance measures. One of my frustrations has been over the years that we pass these plans, but we don't agree ahead of time what we're going to be looking at to measure whether they're successful or not. And it relates to my concern and the council's concern about unintended gentrification and in an unintended way pricing people out. I think it was lee knightley that talked about last-minute changes. I just want to make it clear, having read the letter from your cochairs, that this council is not moving forward the last-minute zoning requests made at previous sessions. This council is not doing that, with the exception of the art studio. So we are moving toward these three amendments that i've respectfully submit in the scheme of things are relatively small, not without the need for some serious compromise, but we are not going back and saying those four properties we're going to rezone you to commercial. We're not doing that. We're changing one commercial designation from a c.m., commercial, to a commercial storefront. So that's a relatively -- that's a much smaller change at the end. I'd like to think humbly that the council is part of the coalition that you talked about. Hopefully when you come back here, we can add polishing at the end, at least that's our intent. I think this compromise is good for the community. I think it's especially good, i'd like that space on the first floor to be rentable for local tenants. And if you kept it to the 30 feet, and then you only were able to make it two floors, i'm afraid that the cost, because that then adds more cost under the commercial, would make it harder to rent. That higher rent would make it harder to rent to commercial tenants. I'll support the privacy screens. In part, my hope is they'll cut down on noise, but we'll continue to watch those. And really proud to support this. So aye.

**Leonard:** Aye.

**Saltzman:** Well, i'll say my comments now, too. I want to applaud the hard work of the division street community working group, the division vision coalition, the hundreds of volunteers, our planning staff, and -- and just the -- I feel good about just the sense of coming together I feel here today among neighbors, developers, developers often our neighbors, too. And I think that division street has undergone serious changes in the last few years, and I can understand reservations and apprehension, as growth and change does occur on division street, but I think much of the development has been and will be extremely positive, such as the new seasons development right there on division. And I believe this plan strikes a good balance between the needs of the

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neighborhood and the interest of having density in the core of our city. So i'm pleased to vote aye.

**Sten:** Well, this is a terrific plan. It has a lot of great features. What I appreciate so much, I don't think it was sides, but the different interests recognized that it made a lot of sense to get this thing on to one page and agree on it. It's always a tough struggle, and there's no point for a city council if people can't make a case here and change a few things. It was nice that you relieved us of that problem by agreeing to it. I'm really looking forward to seating next stages of evolution. I have a lot of hope that division can keep its character while putting in some of the uses, some greener uses, and some things that I think will fit that, the changing population's needs. I think it's a nice piece of work. I want to thank jay and gil and the planning team, and particularly the neighbors and business owners for pulling this off. You've made my job easy today. I was agonizing over these last few details, to tell you the truth, the last time around. So this is quite a good turn of events. I'm glad to vote aye.

**Potter:** You know, I think this whole process about creating the division vision has just been great. I know it's been a long-term effort. What i've seen is the sense of ownership that the community has for the plan, which is exactly what we want to see in our community, so that everybody feels that they own a piece of the rock in terms of how this particular street will work out. I appreciate the efforts of our staff in these last-minute issues. I know that a lot of folks did not want to see it changed, and that -- you know, that compromise is never easy, but sometimes absolutely necessary. So I appreciate the efforts of everybody on this. I think in the long run this plan will serve the community well. And I vote aye. [gavel pounded] thank you all.

\*\*\*\*\*: So this passes to second reading?

**Moore:** Yes.

**Potter:** Is it ok to go to the 3:00 p.m. Time certain since it's a bureau presentation?

**Beaumont:** The only hesitation is if there are people who had planned to be here at 3:00 or later to testify. The that would be the only concern, mayor Potter.

**Potter:** Ok.

\*\*\*\*\*: And we do have people coming to testify.

**Potter:** Well, I understand the presentation will be at least 15 minutes long. So should we wait, then? We'll take your advice.

**Beaumont:** I think you can go ahead with the staff report.

**Potter:** Ok.

**Beaumont:** If the staff finishes early, you may have to recess for a few minutes.

**Potter:** Ok. Staff, could you please come forward? Before we start, i'll have Karla read the item.

**Potter:** Karla, please read item 135.

**Item 135.**

**Gil Kelley:** Good afternoon again, mayor and council, gil kelley, director of planning. With me, michael montgomery, the river renaissance manager for the city, and mike lindbergh, instrumental in the efforts outside of city hall in growing the river renaissance effort. So we're each going to take just a few minutes to talk to you this evening, and -- this afternoon, and I think there are some in the audience, including some of my colleagues as bureau directors and staff from other bureaus who will be here to answer questions. I just would make two points in my brief introduction. One is that we're bringing you this annual state of the river report. This is our first one. And this really reflects, I think, a new way of doing business for the city. And I say that in a couple of ways. One is that it brings together a whole lot of the different bureaus on a common agenda. And secondly, it posits aspirations for the river and for the watershed system that we know we want to achieve over a long period of time, and actually sets out measures of how we're getting there and how well, despite all the activity we do, are we getting closer to those end state qualities that we want. We've struggled across a number of bureaus and agencies. We've had help from the port and others, to



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really put down meaningful things that we can track every year and report to both the council and to the public at large with an annual report that says how well is our river doing, are our efforts making a difference. And so this becomes, in effect, a city management tool. And I think this is really changing the way of how we operate in the city. It's bringing the bureaus together, putting our work efforts on the same page, and holding ourselves accountable, it really becomes a management tool in that way. Year by year we can adjust what we do. And so michael's going to go into that report. We're happy to present that report to you today. He's just going to hit some of the highlights. But this report after you review it and comment on it, it will be published so the larger public has an annual state of the river report, and the other partner agencies and so forth will be transmitted copies of this document. So we think it's an important landmark effort in the multiyear river renaissance effort. The second thing i'd like to say, and this is perhaps timely for budget reasons, is that michael's been on board just a year now, and he and barbara hart, who is here today, are the two only dedicated staff to the river renaissance effort there. They're housed within the bureau of planning, but serve a citywide function. And their efforts are really threefold. One is to do the kind of coordination across bureaus that results in as collaborative work effort and in the -- essentially the accounting on an annual basis, both the projecting of what we want to do and the year end accounting of what we do. They're responsible, along with mike lindbergh, in reaching out to the larger community, and growing the sense of partnership. So this is not simply a city hall initiative, but they're the ones out there really starting to make the connects in the -- the business community, the other agencies, and with the community volunteer organizations. They also do a lot of outreach to publish a newsletter, of which we have copies for you here today, and do that. The final piece of their effort is to -- particularly for michael -- is to strategically insert himself into river renaissance issues which don't yet have a home in any part of the bureaucracy. So he's taking leadership on issues like ross island, like university of Portland lands, doing a piece of work in the linnton community and so forth. So it's a strategic strike for us, if you will, to be able to knit together the things that don't quite yet have a home. So I just wanted to thank michael for his year of service so far and hope that we keep he and barbara on to continue the good work that we've started here. I think this will show positive results, increasingly year after year as we move forward. With that being said, all the measures here aren't perfect yet. The bureaus are still gathering data and will be becoming the measures as we go on year by year, but we have a very good start at it. I'd like to turn it over to michael.

**Michael Montgomery:** My name is michael montgomery with the river renaissance initiative, and i'd like to thank you for welcoming us this afternoon to receive your first annual state of the river report. This comprehensive look at achievements and progress to achieve our goals for revitalization of our river and watershed has been a wonderful part of this past year's activities. We're celebrating the contributions of a growing list of community partners, and i'll talk about specific numbers of that growing list momentarily. River renaissance is adding value by coordinating, working with all of the bureaus in terms of the river renaissance initiative and strategy, as well as, was indicated by gil, embarking on other activities that result to river renaissance that hopefully bring new light to our area of the world as an important place and with our jewel in the crown being our river. The report is an important management tool to help you and the bureau directors, through the bureau's directors, to measure the results of our work, and to enhance the effectiveness of future investments. Just like an auditor provides a comprehensive look at the effectiveness of city services, this report offers a full view of the coordinated river work. When council adopted the river renaissance strategy in 2004, you called upon us to create an annual report and establish 25 goals, an integrated set of measurements. We're here today to present the first accounting of our progress to achieve the river renaissance vision. The state of the river report is a large lens through which we're working and looking to assess the impact of our collective efforts to revitalize the willamette river and Portland streams. The report builds on years of work.

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The teamwork of eight bureaus, collaboration with the community, and many previous councils' decisions to create a community vision for the willamette river. Understanding the river and its systems, establish a collective strategy for our work, and engage Portlanders at home, work, and school. The report is presented in three parts -- accomplishments that will highlight the significant milestones of this past year, progress measures that will set an integrated set of indicators to offer a full picture for revitalization and restoration efforts, and an action agenda to showcase the city's integrated work plan for the river. Accomplishments have been many in this past year. Significant achievements indeed have been reached in 2005 that reflect the spectrum of the river renaissance vision. We have made accomplishments in the area of economic and environmental as well as urban conditions for the willamette river. There are six icons that appear on your screen right now that speak to, among the accomplishments that we can boast in the city of Portland for 2005. For the bridge pedal event, which was a widely successful event, we saw people riding their bicycles and going throughout our area. And a survey was conducted as they prepared for that event this year. And it was noted that river renaissance activities are among the top 10 reasons why people love being in the city of Portland. Not necessarily river renaissance as an organization, but the activities of river renaissance are noted among the top 10. Our streetcar now is extended to riverplace. We've had the grand opening of our boathouse, and that was a wonderful event to put people back in the water from a new site. The south river gate overcrossing was completed, thus helping to streamline the movement of people and goods and services throughout our area. The no ivy day pull in 2005 was the most successful that we've ever had. And i'd like you to note your calendar for september 23 and 24. We've been successful in attracting the urban waterfront's 24th annual international conference to be held right here in the city of Portland. They're coming here, because they like this site as a prime example of what is going on good with respect to rivers and the environs of those rivers. We've received phone calls from across the country from great cities in america asking how we're doing what we're doing so they can perhaps duplicate some of this in their home cities. This is included cleveland, pittsburgh, toledo, and even the river project in Washington, d.c. That is replete with a lot of money to do what they want to do, but they want to know how we're doing things many times in preparing their work in Washington, d.c. In terms of looking at measurements that impact the collective actions of river renaissance, they've been established as part of the river renaissance strategy to provide an integrated look at the impact of our collective efforts. These project measures will help us to answer critical questions, such as will our current projects and programs move us toward our goals. What is needed to sustain progress in the long-term with regard to revitalizing the willamette river. What are the priorities and actions and investments that we need for the next three to five years. In this first year of reporting, is establish a baseline. We will continue to refine our measurement tools over time so that we can see our trends and the way the trends move. I call your attention, when you look throughout your own report, that pluses are noted when the trends are appearing up obviously. Minuses are noted when the tremendous are looking downward. Equal signs show no exchange. And the three dots indicate that the baseline is just being established and the way to measure the results is going to be forthcoming, probably in this year. So in many cases, we have some tangential good feelings, but don't have yet the empirical measurement tools to do so. Analysis sees with regard to help your wildlife and fish populations along the water will be data developed, for instance, in 2006, as we look at the progress measures for clean and healthy. However, the city and its community partners are engaged in significant restoration work and improvements along the river, including tree plantings and shrub plantings, and we think those trends will be upward. Looking at the measurements for our prosperous working harbor, I call your attention to the hopeful increase in jobs, but the numbers with respect to what our job growth or not having growth are always one to two years behind. We're currently working on numbers during the period of time that our nation and our region was coming out of a recession. So your report will show negative numbers in terms

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of some areas of jobs. However, I have some very important, timely, and very wonderful sharing numbers to give to you this afternoon. In 2004, gunderson produced 4,887 railcars. In 2005, the output was an increase of 8% over the previous year to 5,270. Gunderson launched three barges in 2005, and this is the same number as 2004. Their goal was actually four barges to be launched. Oregon steel is well under way with its \$35 million pipe mill facility. In 2005, Oregon steel rolled almost 800,000 tons of slab into plate and coil products. Advanced american construction, the builders of our east bank esplanade, and numerous other inwater projects, has nearly completed its \$6 million, 40,000-square-foot building in northwest Portland. This is approximate to saint johns bridge. This site has water and rail access. Once completed, this company will consolidate its operations in the city of Portland. Schnitzer steel has renewed its commitment to doing business in Portland by ordering a new \$12 million state-of-the-art energy efficient scrap metal shredder at the tune of \$8.4 million in capital expenditures. And on december 30, the port of Portland announced record-breaking import and export figures for 2005. This was significant and their numbers finish in the \$3.9 million ton range, also along our prosperous working port toyota produced and processed over 153,000 vehicles in 2005. This was an increase of 1,000 vehicles over the previous year. Portland's front yard combined with vibrant waterfront districts is something that we know we're going to see positive trends going forth. The numbers are set to be prepared and empirically researched and analyzed in 2006, but when we look at all of the activities going on, not only with parks and recreation, but with new development that is occurring along the waterfront, we're very, very optimistic that our trends will be open ward in terms of our front yard and our vibrant waterfront areas. Measurements for partnerships, leadership, and education, is also a positive, positive figure throughout Portland. We have, for instance, seen, in terms of river-related partnerships, organizations have increased in numbers that relate to the river by 103% in 2005 versus 2004 to a total of 118. Our river renaissance action agenda is a showcase of Portland's current river work with key partners. The highlights are essential in terms of the contributions of the business community, as well as agencies and other partners. Your bureaus are working together as a team under the river renaissance initiative. Planning, transportation, sustainable development, environmental services, parks and recreation, water and others. It represents committed work in two parts -- citywide and along the willamette river corridor. I want to remind you of several major projects that have been part of the river renaissance initiative this past year, and will continue forward, the combined sewer overflow project, or the big pipe. South waterfront, centennial mill, and river plan north each activities are among them. But i'd also like to highlight a few other items going forward that are very attractive. The ross island acquisition work in our collective -- and our collective efforts through a working group to assess and advise all of you on the opportunity to transfer ownership to the city of Portland. We have just hired a firm who will be working with us to do a feasibility study to determine whether the city of Portland is ripe for a river ferry along the willamette. We're excited about what that work will show us and where that might lead us a little further down the line. The harbor reinvestment strategy has established a 10-year program, coordinated investments in the working harbor and industrial districts area. This strategy will focus on land, labor, infrastructure improvements, and an overall comprehensive look at our harbor area. You will hear more as the weeks go by about the work that is currently under way for our watershed help in the city of Portland. So I won't take away the thunder that might occur when representatives from the bureau of environmental services meet before this body. Our clean river education program has been particularly exciting. During 2005, 17,950 students from kindergarten through 12th grade participated in our city of Portland's bureau of environmental services education programs with regard to the river and ways in which they can be good stewards of the river. Was that a good number or a bad number? It was a great number. It was an increase by 8,000 over the previous year. This bluff trail is building on a great way to get to the river with new pedestrian and bike trails down the bluff to the north end of the basin avenue of swan island. This new trail will

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connect people to the water and also allow them to have great access to tri-met buses and other proposed trails as they move forward. It was mentioned earlier by gil that we are working judiciously with the university of Portland on the acquisition of land just below the bluff of their campus for potential expansion and for the community to have greater access to the water. The river trust, an expansive partnership of local, state, federal agencies, and in ways to address permitting issues in the lower willamette. The first product of the trust was a streamlining agreement, a tool to facilitate the review of city projects that trigger endangered species act regulations. Portland is the first nonfederal entity in the united states to have such an agreement.

**Adams:** Who's that fat guy in the middle without a certificate?

**Montgomery:** Isn't that a great picture?

**Adams:** No. That's me for those of you who couldn't see it.

**Montgomery:** Yes. We're extremely excited about that project. Before we invite the directors to join us and address your questions, as well as share some insight, i'd like to ask mike lindbergh to speak for a few moments. Mike?

**Mike Lindberg:** Thank you very much. Mayor, members of the council, it's a pleasure to be here. My address is 4320 southeast ash. I've been involved with river renaissance, not only since its inception, but prior to that. Probably started with my birth. I was born in astoria next to a river, and have loved the roll of rivers in our life ever since then, but my volunteer work didn't start that soon, but as a city commissioner involved for parks and environmental services, I was involved with everything from the east side esplanade to the c.s.o. Cleanup. After leaving office, I had some visits with council members and with gil, and he had asked me if I would be willing to, as a volunteer, get involved in something that is on page 23 of your report called the leaders forum. And basically the leaders forum, an executive level group of river champions, and basically an informal ad hoc river -- it's not one that would be a nonprofit, have bylaws, but basically made up of people who cared deeply, who actually wanted to act as volunteers to help projects be implemented. Government meets partners. I think the mayor talks about partnerships a lot. I was thinking about it, at least when I was here in parks, we had about 4,500 volunteers. I think I heard it's up to 6,000 or 7,000. Well, other projects that you're involved in could have volunteers, even if it's 20 or 30 people, that are willing to step forward and help you implement this plan. One of the reasons that actually got involved, was not only love of the river, but was the fact of the way this project was being managed. First of all, probably an unprecedented effort in terms of bringing all these department heads together and really acting in a uniform way without the silo approach that occurs occasionally. Secondly, the fact that there's measurable results. This group, which we'll put together, we don't want to have a group that gets together and talks about how important the river is. We want to be action oriented, put things on the ground, or as the water as it might be in river taxis. It would be made up of a broad spectrum. The intent is not an exclusive club. We want people who represent the economic interests, who own property adjacent to the river, interested in recreation, in the environment, in boating, in trails. And we had some preliminary meetings, where we kind of reached out to a number of people, just to bring them in, to see if they'd be willing to assist in terms of helping carry out the program. And just to give you an example, I wasn't going to mention names, but one of the people who's volunteered showed up today. That's tuck wilson. He calls me about every three months and says, when is this river renaissance committee going to start in I want to roll up my sleeves to go to work, and he's an action-oriented person. We've had people like al jubitz, whose foundation is doing a lot of watershed funding. The president of the Oregon business association. Other businesses. Joe angel, who's interested in boating now. And so basically the idea would be to work with the staff, work with the mayor, all the council offices, put together this group of volunteers, to do what we can do to help you be successful. In closing, I just want to compliment the planning bureau staff, as i've worked with them. And sometimes i'd be out of contact for a while, wondering how come they haven't called our leaders group together, and then

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when I read the number of specific action oriented activities that they were involved in, and I did read every word of this report, I was really impressed. And the things that were achieving in a very concrete fashion. So it's a pleasure for you to allow me to participate as a volunteer again on a project that will be I think very popular. Thank you for your time.

**Potter:** Thanks, mike.

**Kelley:** At this point we wanted to learn the opportunity for dean zari and others from the bureaus to come up and say a few words or answer a few questions if you have them. I wanted to stress the middle part of what michael reported on, which is thematically consistent with -- we're measuring 25 trend lines, and correlate those to specific activities that either the city is doing or that our partners in the harbor industries or other agencies are committed to doing. So we're trying to make an honest assessment every single year, are those trending up, trending even, or trending down. And that becomes a management tool for us to adjust or work budgets, our activities, or our partnerships. And so the core of this is really, as mike lindbergh said a moment ago, really a management strategy that's shared at the bureau director level, and we think increasingly at the council level as well. There's been a lot of great staff work across the bureaus to sort of come together and think about what's really important to measure. It's not much work I do, but what is the effect of the work I do on those end state qualities. Can I swim in the river? Can I fish in the river? Can fish survive in the river? Can I foresee that my kids would have a family wage job in the harbor five years from now or 10 years from now? Is the word getting out and are more people getting educated about it? Are more people volunteering and contributing? Those are all things that we think are important end stake qualities. The notion is to create a mechanism within the city that holds us accountable and also keeps that group team together to really stay focused on that and to adjust where necessary. So i'm very happy that dean and zari have been here from the beginning. We've got new directors on board now, feeling through way through this new system, but I think it's paying dividends. We're anxious, with mike's help, to now spread it outside of city hall and enhance those partnerships.

**Potter:** Thank you. Dean and zari.

**Kelley:** And bruce warner apologized that he could not be here today.

**Zari Santner:** Good afternoon, mayor, members of council. I want to echo what mike lindbergh said, in that staff, barbara hart and michael montgomery, have done a great job of compiling and reporting the accomplishments of this river renaissance effort. As you saw from this report, bureaus individually as well as the city as a whole collectively have made a lot of progress toward achieving the five river renaissance themes in addition this report indicates that the river renaissance partnership has dramatically expanded beyond what we initially thought from just local cities and regional agencies to higher educational institutions, neighboring cities, and in fact state and federal government. But in my view, what's really significant about this report is that the adopted river renaissance strategy that you adopted is truly guiding the multiobjective approach that we've taken in developing our properties around the city. And interbureau collaboration toward this end is increasing continuously, and I believe dean will expand on that. And our bureau is really very, very pleased to be part of advancing their river renaissance initiatives. And in all of the efforts that we've taken so far, and we continue to take, we're doing it in partnership with bureau of environmental services, Portland development commission, bureau of planning, metro, and state and federal agencies. I'll be happy to answer any questions related to parks projects and am pleased to be here.

**Dean Marriott:** Thank you. Good afternoon, mayor, members of council, i'm dean marriott, environmental services. I want to echo zari's comments that both michael montgomery and barbara hart and other staff members have done a great job. If you get a chance to read this report, it's a fabulous report. I particularly like the fact that it has trends in it, and we actually are measuring actions and the results of our actions. So having a report card is something that i've tried to instill in

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my son, as something that people pay attention to, you know. I just want to also point out that there are a few things that are beyond our control, as hard as we work on it. For instance, I can guarantee you this year we'll have more bacteria in the river than we had in the previous years because we had a record amount of rainfall. So it's important, that's why I think to track trends. If there's blips in the trend, we need to explain why there are blips, but as long as the trend is moving in the right direction we can feel good about it. I want to echo what zari said about partnerships in collaboration. When we see the cooperation of these city agencies working together, there's nobody at the table saying that they're representing such and such an agency. They're all there with a common vision in mind now that we have this river renaissance vision. And that's great to see. It's also focusing the community on the river. It's not just the city agencies focused on the river, but it's gotten a lot of nonprofits and business people interested in the river, which is exciting to see. It also, from my perspective, helps the city accomplish its requirements under federal and state law to address water quality and endangered species issues. So we're doing it in a collaborative, cooperative way, and in a really integrated way. We're not taking it one statute or regulation at a time, but taken this whole watershed approach to the willamette and our urban watersheds, and that's very exciting and i'm proud to be a part of it. Thank you.

**Stephanie Swanson:** I'm stephanie swanson. I'm here on behalf of susan anderson, director of the office of sustainable development. I will echo the previous statements, we're really happy to be part of this extensive city partnership and the work that you see in the report really goes to the work of o.s.d.'s mission, which is to uncover practical, workable solutions, for both the economic and environmental health and well-being of Portland's community and businesses. And smart sustainable development is essential to the work we do in our green building program at o.s.d. We work with thousands of businesses and homeowners and builders and developers to increase their understanding and expertise of sustainable building practices, which is reflected in the vast number of leed certified buildings, which are still at the top, the forefront of, and that includes the leed gold toyota distribution center, which michael referenced earlier at the port terminal four, with astonishing green technologies which are encouraging. They also did an incredible native restoration along the riverfront. I bring this up because I think that the river's health is important, not just for the environmental and social impacts, but also it's playing a key role in a growing green economy. New technologies and river cleanup and green building and renewable energy are presenting real and exciting opportunities for job growth and business development, and I think that the city's role in making that happen is something that's going to benefit the future of that green economy. So thank you for being part of the partnership.

**Potter:** Thank you all. Any questions from the council?

**Adams:** No. Thank you for everything.

**Potter:** Thank you all very much. Is there a sign-up list?

**Moore:** There was. No one signed up.

**Potter:** Is there anyone here who wishes to testify on this matter? Please come forward. Thank you folks for being here. When you speak, please state your name and you each have three minutes.

**\*\*\*\*\*:** Go ahead.

**Tuck Wilson:** Tuck wilson, resident, eastmoreland, where I live with my red canoe and frequent the sellwood stretch of the willamette river for recreation and renewal. I think the river renaissance is a wonderful catalyst for a bundle of city visions and specific actions reflected in this report. River renaissance provides a wonderful opportunity, as others have said, for linking with the upstream cities, the major cities of the willamette river you have in common with those cities. As the mayor is making his tours around the state, a wonderful chance to talk with those cities about the common thread that we have called the willamette river. Fond hope. One day the Portland harbor will no longer be known as a superfund site, but will be delisted. Second, the c.s.o. Project is confined to the history books and we can swim again. Thank you.

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**Ann Gardner:** My name is ann gardner, with schnitzer steel. Thank you very much for the opportunity to comment again on river renaissance. As you all know, i've been participating and tracking this project for many years. And supported it throughout. It is in fact a model, a new way of doing business in the city. And just so delighted to see this first report card. I appreciate so much the good work of the city staff in putting it together. As michael stated, michael montgomery stated, i'd like to speak about the prosperous working harbor. The harbor is strong and investment is being made in large part because of the tremendous transportation infrastructure that we have here in Portland and unique attributes. He listed some very big and important projects. And our success is based on these in part, but also on literally the hundreds of other business decisions that are made on a daily basis to increase investment in Portland and in the harbor. In a meeting earlier this morning, at Portland freight committee was hearing positive report from the planning bureau, interviewing harbor businesses, and he's as optimistic as I ever seen him, and I hope you avail yourself of the information about investments being made. It's important to remember that we are not going to win this game with the home runs of the big investment, but it's those base hits from those individual business decisions that are being made. And it's also important, I want to highlight, the importance of the types of jobs that are being created in the working waterfront. These are for the most part representative jobs, very well paid, with benefits, and all these homeowner jobs. It's all of our responsibility as we move forward with river renaissance, the code changes, regulatory changes we've been asking for a number of years, that we do in fact create the environment that can encourage further investment. So that's incumbent upon your freight committee, private groups, the neighborhood associations and city staff to fully understand the -- the criteria on which business makes decisions. So thank you very much.

**Lenny Anderson:** My name is lenny anderson. I manage the swan island transportation management association on swan island and work closely with the businesses there and have worked closely with -- how many bureaus on this project? Our task is to reduce the number of people who need their cars alone to get to work. Frankly, to keep freight moving on going street -- going street and basin avenue, and by and large we've shown some success in that. The bluff trail that was mentioned will actually provide job access to u.p.s. And to the freightliner truck plant. I want to hit a couple points. I'm excited about that. I'm excited about the possibilities as the c.s.o. Project impacts basin avenue, although i'm nervous about that frankly, as are the businesses down there. I see the river every day as I walk to work. And I enjoy the ships coming and going. And i'm concerned that our container port is shrinking. I'm concerned that terminal two, which is the break bulk, has had two ships in the last three months. And I think we need to not lose focus, that we are a second tier port, if you take away wheat and cars and bulk minerals. And I don't think we want to get carried away on that score. As much i'd love that Portland be a great port, the numbers aren't there. The other thing i'm -- I wanted to just touch on is that the shipyards, since the last few years, has lost almost 1,000 employees on swan island. In that same time frame, adidas relocated their north american headquarters to nearby swan island with about 900 to 1,000 jobs. Both job types were family jobs, and that represents to me a shift that we need to track very carefully, that shift that is out there. Adidas doesn't ship one shoe from the city of Portland. It ships something else. Thank you very much.

**Potter:** Thank you.

**Kelley:** Mayor, paul smith is here from transportation and planning and is able to join us at the table.

**Paul Smith:** I mostly wanted to acknowledge jean harrison of our office, who's been participating in this multibureau effort, and bring your attention to pages six and seven, the accomplishments of the year. There's a project to separate both commercial and commuter traffic in the port area, very important to our office. We're pleased to see that. The Portland streetcar, extension along the

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riverplace, the riverplace extension, as well as we're very supportive of our joint efforts with the parks bureau regarding the various trails in the corridor. Thank you.

**Kelley:** I think we wanted to just close by saying that we have, with your help, a number of actions that we'd like to engage in in the next year. There's a whole suite of interbureau programs reflected in the document, and the bureau directors will be monitoring those at the bureau director meetings, but there are other initiatives that we would like to engage in. The leadership forum, advocacy forum that mike lindbergh mentioned. The stretching out and reaching other cities up and down the willamette, we think starting with the close cities below the falls is a sort of natural first step for us to get them to join the effort and to tie the work programs in further with metro's as well is another key effort that we'd like to engage in. So those sort of halo efforts around just the tighter project management of city projects are areas that we'd like to really step forward into the next year. We feel we have sort of the credible talking piece now to get outside of city hall and start that work. So thank you. We're happy to answer questions or talk about the report in any detail. We would like to publish this in its final version after this meeting and get it out there to the larger public.

**Potter:** Questions? Must have done a really good job. Yes, I just want to make sure we had no further questions. I need a motion to accept the report.

**Leonard:** Move to accept.

**Saltzman:** Second.

**Potter:** Karla?

**Adams:** Well, I want to thank the planning bureau for taking a good idea and making it better. Also want to acknowledge mayor vera katz who launched this effort, and worked very hard at it during her second half of her years in city hall. This meant a lot to her. So absolutely thrilled to have a vote on the city council to accept this report and work through the bureau of environmental services and office of transportation to continue to move it forward. Aye.

**Leonard:** I too appreciate all of this work. This is very good work. And we'll leave a legacy for our children. Aye.

**Saltzman:** Well, this is a great report. I think it's very -- not only the format, but it is very readable. And it is measurable. And I guess the only thing I would fault in terms of being an honest assessment, there's not one picture of a cloudy day in here. [laughter] other than that it's a remarkable report, and I appreciate the work of all the bureaus, and all our citizens, those stepping up to the plate to really help us cherish the river. I also want to acknowledge mayor katz who really launched this, and deserves a lot of credit for where we are today. Aye.

**Sten:** Well, I think it's gone very well. I met michael a couple years ago and was really pleased, gil, you were able to land him here. I thought we'd done a pretty good job, although it's interesting others working on this there's a lot more concern during the planning phases than during the implementation, which is a very good sign, I think. There should always be concern during the planning, but one of the reasons I thought michael was such a good find for us is that he has a really deep background in actual real economic development, and I think that's the piece that -- you know, I think the city is missing the most in terms of our expertise. We have off the charts strategies on the environmental side and the parks and the other pieces, but we I think are struggling as a community, not just as a city, to figure out how do you make the economic angles work with current environmental standards, with changing worlds, all the things that we're doing. So I think this is really on that path now. And I kept saying to ann and others that's an aim of the plan, but part of the problem was I didn't feel like we actually had a solid strategy, which I saw as an argument for getting this approach in place as opposed to against it. I think that's turning out to be the right strategy. I wanted to thank commissioner lindbergh for his life-long volunteerism to rivers. That was a great story. And look forward to just continuing to work. It's one of these things where I think mayor katz said at one point, and I think she nailed this, that this would work when the river concerns, strategies, became sort of almost mundane pieces that were added to every



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bureau's work rather than kind of a stand-alone strategy. And I think the kind of quiet nature of this actually very, very substantive and accomplishment-filled update, also want to thank the team working on this, is almost evidence that we've reached that point, that this isn't a stand-alone thing being forced into an already busy schedule, this is one of the ways that we kind of sift everything we do to make sure it makes sense. So i'm very pleased. Renaissance is a strong word, but I think it's still appropriate. Aye.

**Potter:** I want to thank the staff as well. I think gil and michael, all the bureau heads that have worked on this river renaissance, I really appreciate your work. It's good to see everybody really working in a collaborative fashion. I know that sometimes vera watches these proceedings, so --

**Saltzman:** Sometimes. [laughter]

**Potter:** So is there --

**Adams:** Vera is our fourth viewer.

**Potter:** Anyway, mayor katz, thank you for your leadership. And the torch is being carried, not only by the different bureaus, but also by the city council. So thank you. Thank you, staff. Aye. [gavel pounded]

**Kelley:** With your permission, mayor and council, we'd love when we get the final version of this together, to have you autograph a copy and we'll deliver it to mayor cast.

**Potter:** You may want to include a picture of her in here somewhere.

**Saltzman:** That's a good point. [laughter]

**Potter:** We're adjourned until next week. [gavel pounded]

At 3:36 p.m., Council adjourned.